



F. BSE/QPA/0143  
26<sup>th</sup> August, 2021

Listing Department  
BSE Ltd.,  
P. J. Towers, Dalal Street,  
**Mumbai – 400 001**

Ref: **Scrip Code 532935.**  
Sub: **Annual Report- 2020-21**

Dear Sir,

As required by Regulation 34(1)(a) of the SEBI (LODR) Regulations, 2015, attached please find the soft copy of the Annual Report-2020-21.

Kindly take the same on your records.

Thanking you,

Yours faithfully  
For **Aries Agro Limited**



**Qaiser P. Ansari**  
**Company Secretary & Compliance Officer**

■ AN ISO 9001 COMPANY : Quality Management System: ISO 9001: 2015 Certified

■ Regd. Office : Aries House, Plot No. 24, Deonar, Govandi East, Mumbai 400 043. ■ CIN : L99999MH1969PLC014465

■ Phone : + 91 22 2552 9000, 2556 4052 /53 ■ Fax : + 91 22 2556 4054, 2557 1711 ■ Email : ariesagro@ariesagro.com ■ Website : www.ariesagro.com



# 51<sup>st</sup>

ANNUAL REPORT  
2020-21

Aries  
2030

— BOARD OF DIRECTORS —



Prof. R. S. S. Mani  
Independent Director

Dr. Jimmy Mirchandani  
Director

Dr. Rahul Mirchandani  
Chairman & Managing Director

Mr. B. V. Dholakia  
Independent Director

Mr. C. B. Chhaya  
Independent Director

Mrs. Nitya Mirchandani  
Director

51<sup>st</sup>

ANNUAL REPORT 2020-21

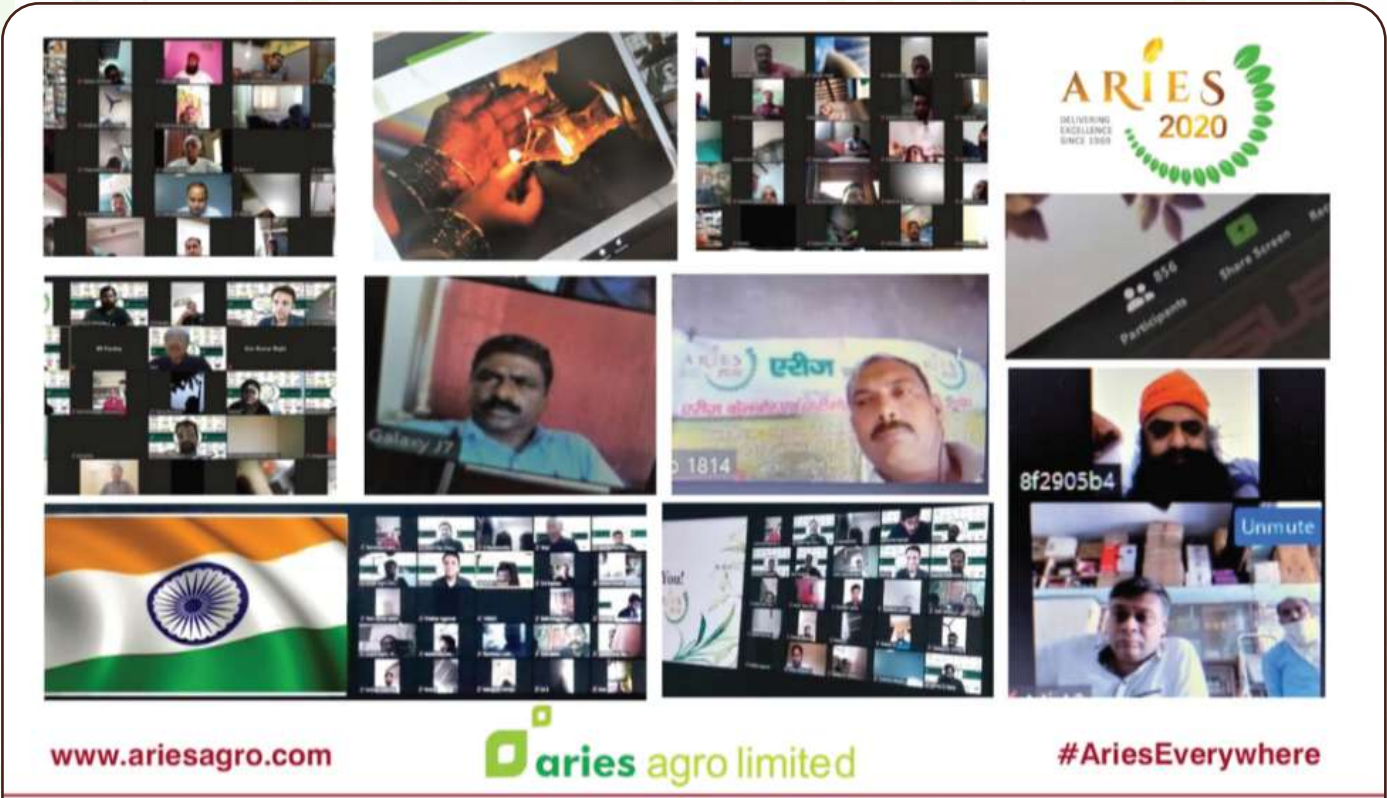


बेहतर फसल

बेहतर कल

51<sup>st</sup>

ANNUAL REPORT 2020-21



ARIES AGRO CREATES HISTORY TO MARK ITS GOLDEN JUBILEE  
856 Aries Distributors and Dealers from villages in 26 States across the country connected for the  
FIRST EVER ALL INDIA VIRTUAL DEALERS CONFERENCE IN INDIAN AGRIBUSINESS  
Thank You to the unstoppable Aries Family for an unforgettable day of discussions

# GOLDEN JUBILEE & ALL INDIA Virtual Dealers CONFERENCE

**51<sup>st</sup>**

A N N U A L R E P O R T 2 0 2 0 - 2 1

# ARIES LOCKDOWN EXEMPLARS



# SOCIAL MEDIA CAMPAIGNS



# VIRTUAL 50<sup>TH</sup> ANNUAL GENERAL MEETING



# VIRTUAL INTERNATIONAL BUYERS CONVENTION



# INAUGURATION CHHATRAL UNIT — 3<sup>RD</sup> PHASE —





# ARIES SHUBHAM 2020 51<sup>ST</sup> FOUNDATION DAY: ANNADANAM AND FARMERS' — MEETING ACROSS INDIA —



**51<sup>st</sup> Annual Report  
2020 - 2021**

**BOARD OF DIRECTORS**

**Dr. Rahul Mirchandani** Chairman & Managing Director

**Dr. Jimmy Mirchandani**

**Mrs. Nitya Mirchandani** Non Executive-Non Independent Directors

**Prof. R. S. S. Mani**

**Mr. C. B. Chhaya**

**Mr. B. V. Dholakia** Independent Directors

**AUDIT COMMITTEE**

**Mr. B. V. Dholakia** Chairman

**Prof. R. S. S. Mani**

**Mrs. Nitya Mirchandani**

**Mr. C. B. Chhaya**

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

**Mr. C. B. Chhaya** Chairman

**Dr. Rahul Mirchandani**

**Mrs. Nitya Mirchandani**

**NOMINATION & REMUNERATION COMMITTEE**

**Mr. C. B. Chhaya** Chairman

**Prof. R. S. S. Mani**

**Mr. B. V. Dholakia**

**TREASURY COMMITTEE**

**Dr. Rahul Mirchandani** Chairman

**Mr. C. B. Chhaya**

**Mrs. Nitya Mirchandani**

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

**Dr. Rahul Mirchandani** Chairman

**Mr. B. V. Dholakia**

**Mrs. Nitya Mirchandani**

**CHIEF FINANCIAL OFFICER**

**Mr. Vivek K. Joshi-Upto-30.06.2021**

**COMPANY SECRETARY AND SENIOR V.P. (Legal)  
& COMPLIANCE OFFICER**

**Mr. Qaiser P. Ansari**

**STATUTORY AUDITOR**

**M/s Sandeep Sheth and Associates**

**INTERNAL AUDITOR**

**M/s K. Narayanan & Associates**

**COST AUDITOR**

**M/s R. Nanabhoy & Co.**

**SECRETARIAL AUDITOR**

**Mr. A. Sekar**

**BANKERS**

**Canara Bank**

**HDFC Bank Limited**

**AXIS Bank Limited**

**ICICI Bank Limited**

**BRANCHES/STOCK LOCATIONS**

**Ahmedabad, Gujarat**

**Bangalore, Karnataka**

**Bhatinda-Punjab**

**Bhubaneshwar, Orissa**

**Coimbatore, Tamil Nadu**

**Ghaziabad, Uttar Pradesh**

**Guwahati, Assam**

**Hissar, Haryana**

**Hyderabad, Telangana**

**Indore, Madhya Pradesh**

**Jaipur, Rajasthan**

**Jalandhar, Punjab**

**Kolkata, West Bengal**

**Lucknow, Uttar Pradesh**

**Nagpur, Maharashtra**

**Nashik, Maharashtra**

**Nipani, Karnataka**

**Patna, Bihar**

**Raipur, Chhatisgarh**

**Ranchi, Jharkhand,**

**Rudrapur, Uttaranchal**

**Sholapur, Maharashtra**

**Sriganganagar, Rajasthan**

**Vijayawada, Andhra Pradesh**

**MANUFACTURING LOCATIONS**

**Mumbai**

**Hyderabad**

**Chhatral**

**Lucknow**

**Vijayawada**

**Fujairah, UAE (Associate Company)**

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**FINANCIAL HIGHLIGHTS - STANDALONE**

(Rupees in Lakhs unless stated otherwise)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Revenue from Operations (Gross)	<b>47,449.83</b>	37,150.08	32,030.91	31,988.68	27,719.13
Revenue from Operations (Net of Discounts / Rebates)	<b>38,145.65</b>	29,614.46	26,531.65	26,449.99	22,964.73
Total Income	<b>38,668.68</b>	30,830.82	27,283.07	26,860.98	23,117.35
Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)	<b>6,239.55</b>	5,397.35	5,254.86	4,870.58	4,139.06
EBITDA %	<b>16.36</b>	18.23	19.81	18.41	18.02
Profit Before Depreciation and Tax	<b>3,646.34</b>	2,845.24	2,514.66	2,399.10	2,019.66
Profit Before Depreciation and Tax %	<b>9.56</b>	9.61	9.48	9.07	8.79
Profit Before Tax (PBT)	<b>3,008.19</b>	2,308.80	2,273.98	2,177.29	1,834.36
PBT %	<b>7.89</b>	7.80	8.57	8.23	7.99
Profit for the Year (PAT)	<b>2,263.91</b>	1,561.07	1,489.80	1,414.89	1,184.35
PAT %	<b>5.93</b>	5.27	5.62	5.35	5.16
Equity Dividend %	<b>8.00</b>	5.00	18.00	23.00	20.00
Dividend Payout	<b>0.05</b>	0.04	0.16	0.21	0.22
Net Worth	<b>19,052.57</b>	16,817.20	15,679.80	14,619.29	13,510.21
Gross Fixed Assets	<b>9,889.34</b>	8,632.58	7,225.69	6,582.70	5,436.16
Net Fixed Assets	<b>5,442.19</b>	4,796.07	3,860.43	3,404.92	2,480.03
Total Assets	<b>47,550.00</b>	45,446.58	42,492.22	38,501.69	31,824.53
Market Capitalisation	<b>10,052.35</b>	5,201.74	11,281.26	22,920.15	20,117.71
Number of Employees	<b>958</b>	922	924	868	822

**KEY INDICATORS - STANDALONE**

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Earnings Per Share - Rs. (Excluding Exceptional Items)	<b>17.41</b>	12.00	11.46	10.88	9.11
Turnover Per Share - Rs.	<b>293.33</b>	227.73	204.02	203.39	176.59
Book Value Per Share - Rs.	<b>146.51</b>	129.32	120.57	112.42	103.89
Total Debt	<b>13,453.44</b>	15,024.05	16,130.53	14,908.03	11,167.87
Debt-Equity	<b>0.71</b>	0.89	1.03	1.02	0.83
EBITDA / Gross Turnover %	<b>13.15</b>	14.53	16.41	15.23	14.93
Net Profit Margin %	<b>5.93</b>	5.27	5.62	5.35	5.16
RONW or ROE %	<b>11.88</b>	9.28	9.50	9.68	8.77
ROCE %	<b>16.96</b>	15.06	15.57	15.51	15.78
Inventory Turnover (in days) - on NET Sales	<b>135</b>	171	179	175	183
Trade Receivables Turnover (in days) - On NET Sales	<b>104</b>	125	137	131	127
Current Ratio	<b>1.49</b>	1.44	1.41	1.46	1.57
Price Earning Ratio	<b>4.44</b>	3.33	7.57	16.20	16.99
Market Vale per Share	<b>77.30</b>	40.00	86.75	176.25	154.70

**FINANCIAL HIGHLIGHTS -  
CONSOLIDATED**

(Rupees in Lacs unless stated otherwise)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Revenue from Operations (Gross)	<b>47,451.15</b>	37,150.08	32,030.91	35,011.55	31,290.52
Revenue from Operations (Net of Discounts / Rebates)	<b>38,146.97</b>	29,614.46	26,531.65	29,472.87	26,536.12
Total Income	<b>38,173.96</b>	30,338.74	26,863.23	29,672.14	26,842.24
Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)	<b>5,702.15</b>	4,701.68	4,690.11	4,786.32	4,200.91
EBITDA %	<b>14.95</b>	15.88	17.68	16.24	15.83
Profit Before Depreciation and Tax	<b>3,105.80</b>	2,148.29	1,795.63	1,897.59	1,863.85
Profit Before Depreciation and Tax %	<b>8.14</b>	7.25	6.77	6.44	7.02
Profit Before Tax (PBT)	<b>2,461.44</b>	1,611.85	1,554.11	1,671.24	1,194.92
PBT %	<b>6.45</b>	5.44	5.86	5.67	4.50
Profit for the Year (PAT)	<b>1,795.71</b>	974.24	988.25	1,048.36	706.09
PAT %	<b>4.71</b>	3.29	3.72	3.56	2.66
Equity Dividend %	<b>8.00</b>	5.00	18.00	23.00	20.00
Dividend Payout	<b>0.06</b>	0.07	0.24	0.29	0.37
Net Worth	<b>21,056.16</b>	19,421.84	18,910.35	18,290.58	17,519.28
Gross Fixed Assets	<b>9,950.47</b>	8,632.58	16,940.65	15,730.10	13,841.03
Net Fixed Assets	<b>5,487.02</b>	4,796.07	9,542.99	8,756.52	7,098.55
Total Assets	<b>50,088.75</b>	48,710.80	49,433.99	47,747.78	45,000.28
Market Capitalisation	<b>10,052.35</b>	5,201.74	11,281.26	22,920.15	20,117.71

**KEY INDICATORS - CONSOLIDATED**

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Earnings Per Share - Rs. (Excluding Exceptional Items)	<b>13.81</b>	7.49	7.60	8.06	5.43
Turnover Per Share - Rs.	<b>293.34</b>	227.73	204.02	226.64	204.06
Book Value Per Share - Rs.	<b>161.92</b>	149.35	145.42	140.65	134.72
Total Debt	<b>13,460.47</b>	15,030.13	17,184.24	17,076.35	13,743.69
Debt : Equity Ratio	<b>0.64</b>	0.77	0.91	0.93	0.78
EBITDA / Gross Turnover %	<b>12.02</b>	12.66	14.64	13.67	13.43
Net Profit Margin %	<b>4.71</b>	3.29	3.72	3.56	2.66
RONW %	<b>8.53</b>	5.02	5.23	5.73	4.03
ROCE %	<b>14.43</b>	11.94	12.19	12.73	11.16
Inventory Turnover (in days)	<b>135</b>	171	179	157	195
Debtors Turnover (in days)	<b>118</b>	144	256	226	196
Current Ratio	<b>1.45</b>	1.42	1.47	1.53	1.64
Price Earning Ratio	<b>5.60</b>	5.34	11.42	21.86	28.49
Market Vale per Share	<b>77.30</b>	40.00	86.75	176.25	154.70

## Financial Highlights of the Company since 2006

### STANDALONE

(Rupees in Crores unless stated otherwise)

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Sales (Gross)	74.05	103.38	110.44	139.75	158.26	194.38	189.76	237.53	239.13	234.62	277.19	319.89	320.31	371.50	474.50
RM Consumption	23.97	40.20	54.73	54.17	60.86	86.66	71.62	86.94	86.22	88.46	91.28	107.14	100.22	112.50	157.70
PBT	13.98	15.40	5.04	18.94	22.36	16.50	14.03	18.41	15.09	10.40	18.34	21.77	22.74	23.09	30.08
PAT	8.69	11.54	3.11	12.56	14.72	10.98	9.71	11.86	12.14	6.40	11.84	14.15	14.90	15.61	22.64
Dividend including DDT	-	1.83	-	2.27	3.03	2.27	2.28	3.04	3.13	2.35	3.13	3.60	2.82	0.78	1.04
Dividend (Rs. / Share)	-	1.20	-	1.50	2.00	1.50	1.50	2.00	2.00	1.50	2.00	2.30	1.80	0.50	0.80
Inventory	16.97	20.98	50.36	46.87	84.19	102.82	102.40	99.48	99.68	99.28	114.91	127.15	129.79	138.03	140.75
Debtors	26.71	40.27	49.35	69.52	48.87	68.56	82.44	95.05	82.24	80.69	80.13	94.86	99.32	101.59	108.93
Loan Funds	21.47	23.08	70.49	87.54	103.20	123.12	148.14	131.64	106.90	113.69	111.68	149.08	161.31	150.24	134.53
Reserves	25.80	83.85	84.85	93.44	104.51	112.40	119.18	127.38	109.70	112.68	122.10	133.19	143.79	155.17	177.52
Installed Capacity in MT	21,600.00	54,000	84,600	84,600	84,600	84,600	84,600	84,600	84,600	84,600	84,600	95,400	95,400	95,400	95,400
Capacity Utilised in MT	18,534.00	19,891	16,907	35,647	39,577	40,608	38,070	40,608	43,146	41,454	49,068	58,194	59,799	61,724	64,229
Human Resources in Nos.	525	490	547	612	645	765	748	785	753	748	822	868	924	922	958

## Financial Highlights of the Company since 2006

### CONSOLIDATED

( Rupees in Crores unless stated otherwise)

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Sales (Gross)	74.14	103.38	113.08	152.44	180.05	239.04	254.80	302.43	309.77	289.76	312.91	350.12	320.31	371.50	474.51
RM Consumption	23.97	39.72	53.03	58.83	80.35	104.37	104.46	117.09	120.05	113.94	107.36	133.46	100.25	112.50	157.70
PBT	14.65	18.09	7.62	23.86	28.03	21.07	20.25	25.32	22.48	12.17	11.95	16.71	15.54	16.12	24.61
PAT	8.69	13.55	5.05	16.24	18.59	14.33	13.98	16.25	17.19	7.23	7.06	10.48	9.88	9.74	17.96
Dividend including DDT	-	1.83	-	2.27	3.03	2.27	2.28	3.04	3.13	2.35	3.13	3.60	2.82	0.78	1.04
Dividend (Rs. / Share)	-	1.20	-	1.50	2.00	1.50	1.50	2.00	2.00	1.50	2.00	2.30	1.80	0.50	0.80
Inventory	16.97	24.33	54.45	55.90	108.38	127.71	134.80	136.76	144.72	142.38	141.51	127.15	129.79	138.03	140.75
Debtors	27.04	43.02	56.15	66.22	55.27	88.08	100.64	131.80	115.91	118.33	142.39	182.18	185.89	116.27	123.08
Loan Funds	23.49	23.12	70.52	87.77	117.32	155.62	189.96	177.95	158.96	166.59	137.44	170.76	171.84	150.30	134.60
Reserves	25.80	85.92	90.65	100.60	116.43	126.81	146.18	163.82	153.04	158.59	162.19	169.90	176.10	181.21	197.56
Installed Capacity in MT	32,400	64,800	95,400	95,400	1,55,400	1,55,400	1,55,400	1,55,400	1,55,400	1,55,400	1,55,400	1,44,600	84,600	84,600	84,600

## CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Members,

It is with great pleasure that I present to you the 51<sup>st</sup> Annual Report of your Company, Aries Agro Limited.

The Year 2020-21 was a landmark year. Before the end of the FY 2019-20 we saw 'The Great Pandemic Pause'. Agriculture Inputs were classified as 'essential' commodities during the Covid 19 pandemic.

We took immediate steps to restart manufacturing at our various locations and units. Automation of operations in the factories for manufacturing and packaging ensured that operations could restart with limited workforce as prescribed by the Government guidelines from time to time. A core team was set up and this team ensured follow up in all regions and locations on a war footing to ensure that production and business continuity was not affected even for a single day. Occupational health and safety protocols were detailed and enforced very strictly to ensure safe and secure work environment. We introduced facilities for temperature scanning, full body sanitization tunnels, periodic fumigation and all required health and hygiene measures including 100% testing of factory workers using rapid test kits and contract tracing. With a forced reboot of plans, it was agility, creativity and resilience that reigned supreme. With a series of tough and timely choices, Aries evolved – stronger, versatile, spirited and vibrant we are indeed 'Aries Unstoppable'.

During the year under review the monsoon was at 109% of the LPA (Long Period Average). 3 out of the 4 Kharif season months received above normal rainfall viz June (107%), August (127%) and September (105%) while July recorded deficient rainfall. Even Rabi season had favourable water and weather conditions and the Company was able to perform well even in this season.

On a standalone basis, the Company's gross revenue increased by 27.72% from Rs.371.50 Crores to Rs.474.50 Crores.

The total capacity utilization currently stands at 67.33% of the total installed capacity of 95,400 MT p.a. in India. The manufacturing unit at Fujairah, UAE began the process of installing the power connection for the machinery to manufacture our products. However, due to lockdown conditions, the commencement of production is expected to commence operations in H2 of Financial Year 2021-22. Increased focus on the strengthening of the Indian manufacturing base has been extremely beneficial to improve the profitability of the Company.

The Year 2020-21 has been monumentally special. It was a very different celebration of our Jubilee. What we demonstrated as a collective was not the exuberance of festivities but the exceptional excellence created by hard work and the unstoppable Aries spirit. The Financial Year 2020-21 punctuated by the Pandemic lockdowns and uncertainties saw Aries revenues grow by 27.72%, with increase in profitability by 45.02%, working capital cycle reduced by 35 days, debt reduced by Rs.15.71 crores.

Our Jubilee moments also included being recognized as one of India's most innovative business models emerging during COVID-19 the category of 'Innovation in Customer Interface' by the Confederation of Indian Industry's Food and Agriculture center of excellence (CII-FACE), NABARD & the Ministry of Fertilizers, Government. of India. The Aries Marketing team was also declared the Asian 'Marketing Team of the Year' by the ACEF Leaders Forum and Fortune India featured Aries as 'A Brand trusted by millions of farmers'. These accolades served as a capstone to this extraordinary year of work. For Sixteen consecutive years Aries Quality Management System was audited and certified as ISO 9001:2015 with zero non-compliance report showing complete adherence to international quality standards.

Stringent cost control measures strengthened with a continued focus on domestic manufacturing showed increase in profitability (PAT) by 45.02%. Orders received during the annual booking bazaars have assisted in better working capital management. Aries flash sales were conducted for the fourth year running in April – May 2020. On a consolidated basis, consolidated PAT showed an improvement in line with domestic business.

The lockdown months were used for product ideation, identification of new suppliers and trials on new product lines. During FY 2020-21 period, 07 new / upgraded products were introduced viz. Arisof, Aripotash, Fertimax HD – 13:00:45, Fertimax HD – 00:52:34, Paraakram (CPPU), Zinc HD Tablets and Aries Garden Care kits.

International clients are located in Kenya, Nigeria, Nepal and Taiwan. Sales were booked for Kenya, Nepal and Taiwan. Registration process started in Nigeria and Bangladesh. Distributors in Nepal have put up their own manufacturing unit to support and increase sales and distribution network throughout Nepal. Your Company endeavours to expand export market in the coming years.

Aries continues its tradition of carrying out a range of activities that spread knowledge and adoption of farming best practices in the markets that Aries functions in. During the year we continued to emphasize more on Covid-19 Relief Programme and create a sustainable environment. We distributed Mask, Sanitizer, Swab & Antigen Test Kits, Face Shield and Immunity boosters. Also distributed PPE kits for Hospital workers, Police in Gujarat and Lucknow. We also put up Sanitisation tunnels in community market place.

To mark the momentous completion of our 50<sup>th</sup> year, Aries Shubham, a mammoth national campaign was executed on our Foundation day on 27 November 2020. This included CSR activity of Annadanam which helped feed 10,988 people at 108 different locations in India and an innovative m-coupon scheme based flash sale that incentivized farmers and dealers across the nation who patronized the Aries range of products on this special occasion. A record breaking 326 farmer meetings were conducted in 20 states on a single day having an attendance of 11730 farmers. The most important element of doubling farm income through Integrated

Nutrition Management using Aries products were discussed. A new record of Rs.13.07 Crores Sales and 13.59 Crores collection was also achieved as a perfect culmination to our Jubilee year.

In addition to the above, Aries' extension team continues to strongly advocate good agricultural practices in all states of India. The activities are conducted under the supervision of Agronomists and Agricultural Research Institutions throughout the year. Aries' extension team continues to strongly advocate good agricultural practices in all states of India.

During the year under review with the lack of face to face contact with external stakeholders our company initiated Farmers meeting and training programs on a digital platform. The Aries social media channels Agromax – our You Tube Channel, Twitter, Instagram and Facebook feeds sprung to life. Aries Fasal Sabhas built a weekly knowledge sharing dialogue on select crops. Technical aspects of the Company's products were communicated digitally through a series of 12 Fasal Sabha sessions on various crops. An Average reach of 20,000 audience per session was recorded on Facebook application.

The Company also provided fees and scholarships to students in addition to series of awards to meritorious students.

The Company's Call Centre based in Vijayawada continued to provide answers to farmers' queries on integrated nutrient management, pest management, soil health and post harvest management. The Company also organized soil testing camps in 3 major consuming states using Mobile Soil Testing Kits.

The year 2021-22 is our 52<sup>nd</sup> year of operations and the Company continued to have robust plans for growth and expansion. This second year of Covid lockdowns has severely affected rural areas and the virus has spread far and wide into the remotest parts of the country. This, unlike last year, is affecting the movement of people to meet with customers and farmers. However, the flow of material continued uninterrupted under essential services. The Company is looking ahead to face these challenges using digital means of communication, better supply, inventory control and continuous attractive time bound trade schemes. The 2021-22 Annual Booking

was once again conducted online with 1426 dealers in 22 states booking using our Booking App. The total booking of Rs. 574 - Crores has been recorded. This is expected to achieve Gross revenue of Rs.525/- Crores in FY 2021-22. In the current year we will be introducing few products in the Pesticides and Organic range and also extension of our crop specific nutrition products and also some fisheries and micronutrient complexes.

In addition, 18 Aries' products have been certified organic by UK Cert and the process of taking additional Indian Organic Certification is also under way. The manufacturing operations at Amarak Chemicals FZC, Fujairah, UAE is expected to restart operations in H2 of FY 2021-22.

Aries is also the first Indian Company to receive DGCA License for agriculture drone operations. A 100 days Campaign will be launched between August and October 2021 to exhibit the accurate use of Drones for crop nutrition sprays.

The Phase III of the Hyderabad Unit for packing operations will be functional in Q2 of FY 2021-22 and Phase I of the Raipur packing and warehousing Unit will be operational in H2 of FY 2021-22.

The Company has already incorporated a wholly owned subsidiary, M/s. Mirabelle Agro Manufacturing Pvt. Ltd. whose manufacturing unit will be operational in Q2 of FY 2021-22 and the Company will commence bulk B2B business in India and overseas during the year.

Through its products and passion, Aries continually demonstrates that it is a responsible corporate citizen, working hard to retain the delicate balance of nature and the development of communities where it works and grows.

Sincerely,

**Dr. Rahul Mirchandani**  
**Chairman & Managing Director**



## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE FIFTY FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF ARIES AGRO LIMITED will be held on Thursday, the 23<sup>rd</sup> September, 2021 at 4.30 p.m.(IST) through Video Conferencing("VC")/Other Audio Visual Means("OAVM"), to transact the following business:-

### ORDINARY BUSINESS

#### 1. To receive, consider, approve and adopt:

- a. the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2021, together with the Reports of the Board of Directors and the Auditors thereon, and
- b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2021, together with the Report of the Auditors thereon.

and in this regard, to consider and if thought fit, to pass the following resolutions as **Ordinary Resolutions**:

- (a) "RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2021 including the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement together with Notes, Schedules, Board's Report (including Report on Corporate Governance, Management Discussion and Analysis Report and Report on Corporate Social Responsibility) and the Report of the Auditors thereon duly circulated be and are hereby received, approved and adopted."
- (b) "RESOLVED FURTHER THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2021 including the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement together with Notes, Schedules and the Report of the Auditors thereon duly circulated be and are hereby received, approved and adopted."

#### 2. To declare Dividend for the Financial Year ended 31<sup>st</sup> March, 2021 and in this regard, to consider and pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the recommendation of the Board of Directors, Dividend at the rate of Rs. 0.80 (8%) per Equity Share on 1,30,04,339 Equity Shares of Rs. 10/- each of the Company, for the year ended on 31<sup>st</sup> March, 2021 aggregating to Rs. 104.03 Lakhs be and is hereby declared out of the current year's profit of the Company and that the same be paid to the Members whose names appear on the Register of Members of the Company on 15<sup>th</sup> September, 2021."

#### 3. To appoint a Director in place of Dr. Jimmy Mirchandani (DIN 00239021) who retires by rotation and being eligible offers himself for re-appointment and in this regard, to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Dr. Jimmy Mirchandani(DIN 00239021), a Director retiring by rotation at this meeting and being eligible for re-appointment be and is hereby re-appointed as a Director of the Company whose term of office shall be liable to determination by retirement by rotation."

### SPECIAL BUSINESS

#### 4. Re-Appointment of Dr. Rahul Mirchandani as the Managing Director of the Company

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

"RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee on 11.08.2021 and the approval of the Board through its resolution passed on 11.08.2021 and pursuant to the provisions of Sections 196, 197 and other applicable provisions read with Schedule V to the Companies Act, 2013,("Act"), as may be amended or re-enacted from time to time, and subject to such approvals, if any, as may be necessary, the Company hereby approves the re-appointment of Dr. Rahul Mirchandani (DIN 00239057) as the Managing Director of the Company for a period of 5(Five) Years commencing from 1<sup>st</sup> April, 2022 upto and inclusive of 31<sup>st</sup> March, 2027 at a remuneration and on the terms and conditions as broadly specified below and more specifically set out in the draft Agreement submitted to this Meeting and signed by the Chairman for the purpose of identification which Agreement is approved by the Nomination and Remuneration Committee and thereupon by the Board of Directors and submitted to this meeting and initialed by the Chairman of the Nomination and Remuneration Committee for the purpose of identification, which Agreement be and is hereby specifically sanctioned, the Explanatory Statement annexed to the Notice convening this Annual General Meeting (including the remuneration to be paid in the event of Loss or In-adequacy of Profit in any Financial Year during the tenure of his appointment) with authority to the Board of Directors (which includes Nomination and Remuneration Committee) to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Dr. Rahul Mirchandani."

### OVERALL REMUNERATION

Subject to the provisions of Section 196, 197, Schedule V and other provisions of the Companies Act, 2013, the remuneration payable to Dr. Rahul Mirchandani, in any financial year shall not exceed 5%(Five percent) of the net profits of the Company.

### MINIMUM REMUNERATION

Where in any financial year during the currency of the tenure of Dr. Rahul Mirchandani, the Company has no profits or its profits are inadequate, the remuneration payable to Dr. Rahul Mirchandani, will be in accordance with and as permitted under Schedule V to the Act as stated below except the Commission as follows :-

### SALARY, PERQUISITES AND ALLOWANCES

Not Exceeding Rs. 19,20,000/- pm inclusive of all perquisites and allowances (as stated below) except those specifically excluded as per Schedule V of the Act.

#### PERQUISITES :

- A. Rent Free furnished accommodation or House Rent Allowance not exceeding Rs. 1,44,500/- per month along with benefits of gas, fuel, water, electricity and telephone/fax as also upkeep and maintenance of the residential accommodation the value of such accommodation and its upkeep and maintenance being evaluated in accordance with the provisions of the Income Tax Rules. Personal long distance calls will be billed to Dr. Rahul Mirchandani.
- B. Conveyance : Company car with chauffeur or alternatively Company to maintain Dr. Rahul Mirchandani's personal car and provide him with a chauffeur; monetary value for private use to be evaluated in accordance with the Income Tax Rules.
- C. Medical Benefits : Reimbursement of medical expenses for himself and his family actually incurred during the continuance of his employment as per Rules of the Company upto a limit of Rs. 14,43,000/- in a year.
- D. Communication Allowance/Expenses: Dr. Rahul Mirchandani will be entitled for communication allowance/reimbursement as per rules of the Company.
- E. Other Perquisites e.g. Personal Accident Insurance for himself and for his family and Club Fees (Subject to a maximum of two Clubs. No Admission or Life Membership Fee will be paid) and any others, upto a maximum of Rs. 90,000/- p.m.
- F. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; gratuity payable at a rate not exceeding half a month salary for each completed year of service and encashment of unavailed leave at the end of tenure shall not be included in the computation of the ceiling on remuneration in terms of Schedule V of the Companies Act, 2013.

#### COMMISSION:

As decided by the Board of Directors at the time of adoption of accounts, but not exceeding the ceiling in respect of overall remuneration as prescribed under Section 197 of the Companies Act, 2013.

#### Other Terms and Conditions:

- A. Leave : 30 working days leave (traveling time included) once in every year of service, with encashment of unavailed leave at the end of the tenure.
- B. Leave Travel Assistance : Leave travel concession for self and family, once every year or as per Rules of the Company upto a limit of Rs. 14,43,000/- in a year.

#### SITTING FEES

Dr. Rahul Mirchandani will not be entitled to Sitting Fees for meetings of the Board / Committee of the Board attended by him."

#### COMPENSATION

If any time the office of the Managing Director is determined before the expiry of his terms of office, the Managing Director shall be entitled to compensation for loss of office in accordance with and subject to the restrictions laid down in Section 191 and 202 of the Companies Act 2013 and rules framed thereunder."

5. **Ratification of the Remuneration of the Cost Auditor in terms of Section 148 of the Companies Act, 2013 read with Companies(Audit and Auditors) Rules, 2014** and in this regard to consider and if thought fit to pass the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 2,90,400/- (Rupees Two Lakh Ninety Thousands Four Hundred Only) plus GST and reimbursement of Out of Pocket Expenses at actual as approved by the Board of Directors of the Company payable to M/s. R. Nanabhoy & Co., Cost Accountants, having firm's registration No. 000010 for conducting the Cost Audit of the cost records maintained by the Company for the Financial Year ending 31<sup>st</sup> March, 2022, be and is hereby ratified and confirmed."

**By Order of the Board**

Place: Mumbai  
Date: 11<sup>th</sup> August, 2021

**Qaiser P. Ansari**  
**Company Secretary and**  
**Senior V.P. (Legal)**  
**Membership No. ACS-8979**

#### NOTES

#### MEETING THROUGH VIDEO CONFERENCING("VC")/OTHER AUDIO VISUAL MEANS("OAVM")

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA), Government of India, has vide its General Circular No. 14/ 2020, General Circular No. 17/ 2020 and General Circular No. 02/ 2021 and Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021, ("Circulars") have permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. Accordingly, the Annual General Meeting ("AGM") of the Company is scheduled to be held on Thursday, the 23<sup>rd</sup> September, 2021 at 4.30 p.m.(IST) through Video Conferencing("VC")/Other Audio Visual Means("OAVM"), and the Voting for items to be transacted in the Notice to this AGM only through Remote Electronic Voting Process ("e-Voting").
2. The venue of the Meeting shall be deemed to be the Registered Office of the Company.
3. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.ariesagro.com](http://www.ariesagro.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-Voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

## MEMBER'S ENTITLEMENT TO ATTEND MEETING AND APPOINT PROXY

1. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA/SEBI CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF, HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.
2. 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 through VC/OAVM and cast their votes through e-Voting.

## INSTITUTIONAL INVESTORS/CORPORATE MEMBER

Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members intending to appoint their Authorized Representatives to attend the AGM through VC or OAVM and to Vote thereat through Remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at [shailashrib@gmail.com](mailto:shailashrib@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com).

## ATTENDANCE

The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

## JOINT HOLDERS

In case of Joint Holders attending the Meeting, only such Joint Holders who are higher in the order of the names will be entitled to vote.

## SPECIAL BUSINESS AND EXPLANATORY STATEMENT

1. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated 5th May 2020, the matters of Special Business as appearing at Item Nos. 4 to 5 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
2. **The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 setting our material facts concerning the business under Item Nos. 4 to 5 of the Notice, is annexed hereto. Additional information, pursuant to applicable Regulations SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting (AGM) is furnished in this Notice.**

## JOINING THE AGM

The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 Members on the first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

## INFORMATION AND INSPECTION OF DOCUMENTS

1. Members desiring inspection of Statutory Registers during the AGM may send their request in writing to the Company at [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com).
2. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com) up to the date of the AGM.

## NOMINATION FACILITY

Individual shareholders can now take the facility of nomination. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of shares shall vest in the event of the death of the shareholder(s). A minor can be a nominee provided the name of the guardian is given in the Nomination Form. Members holding shares in Demat form are requested to contact their DPs for registration of nominations. Members holding shares in physical form are and interested in availing the nomination facility are requested to contact the Company/Registrar and Transfer Agent of the Company M/s Aarthi Consultants Private Limited.

## SHAREHOLDERS' OBLIGATIONS

1. Beneficial Owners holding shares in Electronic/ Demat form are requested to notify any change in their Addresses, Bank Account, Mandate, etc. to their respective Depository Participant. ECS Mandates has to be sent to the concerned Depository Participant directly.
2. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number(PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrars and Transfer Agents, M/s Aarthi Consultants Private Limited.
3. The Securities and Exchange Board of India('SEBI') and Ministry of Corporate Affairs('MCA') has mandated that existing Member of the Company who hold securities in physical form and intend to transfer their securities after 1<sup>st</sup> April, 2019, can do so only in dematerialized form. Therefore, Members holding shares in physical form are requested to consider converting their shareholding to dematerialized form to eliminate all risks associated with physical shares for ease of Portfolio Management as well as for ease of transfer, if required,

Shareholders can write to the Company at [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com) or contact the Company/Registrars and Transfer Agents, M/s Aarthi Consultants Private Limited for assistance in this regard.

- Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form.
- To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their Demat Account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

#### **AGM NOTICE ALONG WITH THE ANNUAL REPORT FOR F.Y. 2020-2021 IN ELECTRONIC FORM**

- Due to non-availability of Postal and Courier services, on account of the threat posed by COVID-19 and in terms of the Circulars, the Company is sending this AGM Notice along with the Annual Report for F.Y. 2020-2021 in electronic form only to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the AGM and the Annual Report for F.Y. 2020-2021 has been uploaded on the website of the Company at [www.ariesagro.com](http://www.ariesagro.com) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. The AGM Notice is also available on the website of NSDL at [www.evotingindia.com](http://www.evotingindia.com).
- This AGM Notice is being sent by e-mail only to those eligible Members who have already registered their e-mail address with the Depositories/the DP/the Company's RTA/the Company or who will register their e-mail address with Aarthi Consultants Private Limited, on or before 5:00 p.m. (IST) on Wednesday, 15<sup>th</sup> September, 2021.
- To facilitate Members to receive this Notice electronically and cast their vote electronically, the Company has made special arrangement with Aarthi Consultants Private Limited for registration of e-mail addresses in terms of the MCA Circulars. Eligible Members who have not submitted their e-mail addresses to Aarthi Consultants Private Limited, are required to provide their e-mail address to the RTA on the email ID [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com), on or before 5:00 p.m. (IST) on Wednesday, 15<sup>th</sup> September, 2021 pursuant to which, any Member may receive on the e-mail address provided by the Member the Annual Report for F.Y. 2020-2021 and the procedure for remote e-Voting along with the login ID and password for remote e-Voting.
- After successful submission of the e-mail address, CDSL will e-mail a copy of the Annual Report for F.Y. 2020-2021 along with the remote e-Voting user ID and password, within 48 hours of successful registration of the e-mail address by the Member. In case of any queries, Members may write to [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com) or [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- For permanent registration of their e-mail address, Members are requested to register their e-mail address, in respect of electronic holdings, with their concerned DP and in respect of physical holdings, with the RTA.
- Those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated with their DP/ Aarthi Consultants Private Limited to enable servicing of notices/documents/Annual Reports and other communications electronically to their e-mail address in future.

#### **NON RESIDENT INDIAN MEMBERS**

Non-Resident Indian Members are requested to inform Registrars and Transfer Agents M/S Aarthi Consultants Private Limited, immediately of:-

- Change in their residential status on return to India for permanent settlement.
- Particulars of their Bank Account maintained in India with complete Name, Branch, Account Type, Account Number and address of the Bank with Pin Code Number, if not furnished earlier.

#### **UNCLAIMED DIVIDEND AND SHARES**

- The Company has submitted with the MCA the List of Un-Paid Dividends as on the date of the last AGM and the same is also displayed in the Investor Relations Section on our web-site at [www.ariesagro.com](http://www.ariesagro.com).
- In compliance with Section 124 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, unclaimed Dividend for the year ended 31st March, 2013 has been transferred to the 'Investor Education and Protection Fund' (IEPF) established by the Central Government. Unclaimed Dividends for all the subsequent years will be transferred to the IEPF according to the statutory stipulations. Members are requested to contact the Company's Registrar & Share Transfer Agents, in respect of their outstanding dividends for the succeeding years.
- In compliance with Section 124(6) and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, have been transferred to IEPF and List of such transferred Shares has been posted on the web site of the Company i.e. [www.ariesagro.com](http://www.ariesagro.com).
- As per, Section 124(6) of the Companies Act, 2013 all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF, shall also be transferred to IEPF in terms of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017. The said Rules, amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, in the name of IEPF Suspense Account.
- All the Share Holders are requested to claim the Unpaid/ Unclaimed Dividends due to them by making an application to M/S. Aarthi Consultants Pvt. Ltd., Registrar and Transfer Agents of the Company or directly to the Company on or before

2nd October, 2021. In case the Share Holders fail to claim the above dividend, all the concerned shares (whether held in physical or electronic form) will be transferred by the Company to IEPF Account. Kindly note that dividend for Financial Year 2012-13 has already been transferred to IEPF.

6. However, the Share Holders can claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Account by making an application in Form IEPF-5 online and sending the physical copy of the same duly signed (as per registered specimen signature) along with requisite documents enumerated in the said Form IEPF-5 to the Company at its Registered Office or to M/S. Aarathi Consultants Pvt. Ltd., Registrar and Transfer Agents of the Company for verification of their claim.

### BOOK CLOSURE AND CUT OFF/RECORD DATE

In view of the discontinuation of the physical transfer of shares there will not be any Book Closure but the Company has fixed the Cut Off/Record Date as Wednesday, 15<sup>th</sup> September, 2021 (close of the business hours) for determining the entitlement for Dividend and e-Voting.

### DIVIDEND RELATED INFORMATION

Subject to approval of the Members at the AGM, the dividend will be paid on 20<sup>th</sup> October, 2021, to the Members whose names appear on the Company's Register of Members as on the Record Date i.e. 15<sup>th</sup> September, 2021, and in respect of the shares held in dematerialised mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date. Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. Dividend warrants / demand drafts will be despatched to the registered address of the Members who have not updated their bank account details.

Pursuant to Finance Act 2020, dividend income is 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, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company/ Aarathi Consultants Private Limited (if shares held in physical form).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by e-mail to [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com)/[aries@aarathiconsultants.com](mailto:aries@aarathiconsultants.com) by 11.59 p.m. IST on 8<sup>th</sup> September, 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose the shareholder may submit the above documents (PDF / JPG Format) by e-mail to [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com)/[aries@aarathiconsultants.com](mailto:aries@aarathiconsultants.com). The aforesaid declarations and documents need to be submitted by the shareholders by 11.59 p.m. IST on 8<sup>th</sup> September, 2021.

### INFORMATION TO THE SHAREHOLDERS

- The Annual Report duly circulated to the Members of the Company, is available on the Company's Website at [www.ariesagro.com](http://www.ariesagro.com) and on the website of M/S. **Aarathi Consultants Private Limited** at [www.aarathiconsultants.com](http://www.aarathiconsultants.com).
- Shareholders can register their complaints, if any, on an exclusive e-mail id [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com) which has been designated for the said purpose.
- The Company's Equity Shares are listed at (i) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001; and (ii) National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, Bandra (East), Mumbai- 400051 and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the year 2021-2022.
- Pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting are given below:

Particulars required	Information
Name of the Director	Dr. Jimmy Mirchandani
Date of Birth	10 <sup>th</sup> January, 1956
Date of Appointment	15 <sup>th</sup> January, 1976
Expertise in specific functional areas	Global Marketing and Production
Qualifications	B.Sc. (Veterinary), LL B.
<b>Brief Resume:</b>	Dr Jimmy Mirchandani is a Bachelor of Veterinary Science & Animal Husbandry from Konkan Krishi Vidyapeeth-Agri University. He has been conferred "Bachelor of Laws" by Mumbai University. Dr Jimmy Mirchandani is with Aries for almost 43 years; more particularly involved with the development of new products. He was the Chairman and Managing Director of the Company for 8 years and was looking after the day to day operations of the Company. He was instrumental in propelling Aries Research into the chelation area. He was also the president of Indian Micro Fertilizers Manufacturers' Association of India (2001-2005). The Company appointed Dr. Jimmy Mirchandani as a Consultant effective 4 <sup>th</sup> April, 2017 for a period of five years. The Board of Directors at their Meeting held on 11 <sup>th</sup> August, 2021 re-appointed Dr. Jimmy Mirchandani as a Consultant effective 1 <sup>st</sup> April, 2022 for a period of five years
Relationship between Directors inter-se	Brother of Chairman and Managing Director, Dr. Rahul Mirchandani
Chairman/Member of the Committees of the Board of Directors of the Company.	NONE
Directorship in other Companies	Sreeni Agro Chemicals Ltd. Aries East-West Nutrients Pvt. Ltd. Blossoms International Ltd. Aries Agro Care Pvt. Ltd. Aries Agro Equipments Pvt. Ltd. Golden Harvest Middle East FZC Amarak Chemicals FZC
Membership of Audit Committee of other public limited companies	NIL
Membership of any other Committee of other Public Limited Companies.	NIL
Number of Shares held in the Company	31,64,830

Particulars required	Information
Name of the Director	Dr. Rahul Mirchandani*
Date of Birth	12 <sup>th</sup> August, 1975
Date of Appointment	2 <sup>nd</sup> February, 1994
Expertise in specific functional areas	As Managing Director, he oversees all the functions and day to day affairs of the Company and particular Marketing, Finance and Administration.
Qualifications	B.Com, CFA , MBA, Ph. D (Management Studies) from NMIMS.

Dr Rahul Mirchandani has 27 years of experience as Director of Aries Agro Limited Ranked amongst the 30 Most Innovative CEOs in India in 2014, he has pioneered several unique marketing processes and brand management tactics at Aries.

These include launching India's first loyalty programme in agribusiness, India's first Agribusiness flash sale (earning a Limca Book of Records), insurance-based customer retention programmes for farmers, executing the first nationwide single day launch for a specialty fertilizer brand as well as several shock-and-awe brand building programmes to sustain and grow 65 rural brands with zero mass media advertising. Many of these strategies are being documented and taught as case studies in customer relations management at leading Indian business schools.

He holds a Doctorate in Management Studies from NMIMS University, Mumbai and is also a Chartered Financial Analyst (CFA) and holds an MBA from the University of Canberra, Australia. He has delivered sessions on Innovation and Entrepreneurship at the Oxford University, UK and has lectured at over 50 B-Schools in India. A Past National Chairman of the Confederation of Indian Industry's Young Indians (CII-Yi), he is the architect of Yi's Farmers Net program and has served on the CII Agriculture, Innovation, International Policy and India@75 National Councils. He has been the Chairman for the Yi's Next Practices platform and has also chaired Yi's International Relations and Partnerships and is the Founder of the Commonwealth Alliance of Young Entrepreneurs-Asia (CAYE-Asia). He is the recipient of the Bharat Ratna Rajiv Gandhi Yuva Shakti Award 2010 in recognition of outstanding achievements towards Youth Empowerment and Inclusive Growth.

Recognized as one of the world's foremost achievers in his field, he is listed in the Who's Who in the World 2013 and has been invited to Receptions at Buckingham Palace, the International Labour Organisation, the Commonwealth Heads of Government meetings, High Commissioners Banquets, Association of MBAs Global Deans conference, amongst many others. Rahul was a member of the Global Jury for the UN-Habitat Youth Entrepreneurship and Innovation Awards 2016. Rahul is a Fellow of the 4Sight Class of Ananta Aspen's India Leadership Initiative and member of Aspen Global Leadership Network.

Dr. Rahul Mirchandani has been an Executive Director of the Company since 2<sup>nd</sup> February, 1994

The Company appointed Dr. Rahul Mirchandani as Chairman and Managing Director for 5(Five) years commencing from 4<sup>th</sup> April, 2017 upto and inclusive of 31<sup>st</sup> March, 2022 effective 4<sup>th</sup> April, 2017 for a period of five years by the Members at the AGM held on 28<sup>th</sup> September, 2017.

Relationship between Directors inter-se	Brother of Director, Dr. Jimmy Mirchandani and Husband of Non-Executive - Non-Independent (Woman) Director, Mrs. Nitya Mirchandani
Chairman/Member of the Committees of the Board of Directors of the Company.	Member of the Stake Holders Relationship Committee, Treasury Committee & CSR Committee.
Directorship in other Companies	Sreeni Agro Chemicals Ltd. Aries East-West Nutrients Pvt. Ltd. Blossoms International Ltd. Aries Marketing Ltd. Aries Agro Care Pvt. Ltd. Aries Agro Equipments Pvt. Ltd. Mirabelle Agro Manufacturing Private Limited Golden Harvest Middle East FZC
Membership of Audit Committee of other Public Limited Companies	NIL
Membership of any other Committee of other Public Limited Companies.	NIL
Number of Shares held in the Company	30,23,021

5. The Registrar and Share Transfer Agent of the Company (RTA).

#### **AARTHI CONSULTANTS PRIVATE LIMITED**

1-2-285, Domalguda, Hyderabad – 500 029, Telangana, India  
Tel : +91-40-27634445 / 27642217, Fax: +91-40-27632184  
E-mail: [aries@aarthicconsultants.com](mailto:aries@aarthicconsultants.com)  
Website: [www.aarthicconsultants.com](http://www.aarthicconsultants.com)

#### **VOTING THROUGH ELECTRONIC MEANS**

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, May 05, 2020 and January 13, 2021 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with 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 AGM will be provided by CDSL.

#### **THE INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY ARE AS UNDER:-**

- (i) The voting period begins on Sunday, 19<sup>th</sup> September, 2021 at 10.00 a.m. and ends on Wednesday, 22<sup>nd</sup> September, 2021 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off date Wednesday, 15<sup>th</sup> September, 2021, may cast their vote electronically. The remote e-Voting module shall be disabled by CDSL for voting thereafter.

- (ii) The facility for e-Voting shall also be made available during the AGM and the Members attending the AGM who have not already cast their votes through remote e-Voting and are otherwise not barred from doing so, shall be able to exercise their voting rights during the AGM.
- (iii) Members may follow the same procedure for e-Voting during the Fifty First AGM as mentioned below in the instructions for remote e-Voting.
- (iv) The Scrutinizer shall close the e-Voting facility after the expiry of 15 minutes from the conclusion of the AGM.
- (v) Shareholders who have already voted prior to the Meeting date would not be entitled to vote at the Meeting.
- (vi) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.
- (vii) 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 abovesaid SEBI Circular, Login method FOR E-VOTING AND JOINING VIRTUAL MEETINGS FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat Mode with <b>CDSL</b>	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 are <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.

Type of shareholders	Login Method
	<p>2) After successful login 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. 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>
Individual Shareholders holding securities in Demat Mode with <b>NSDL</b>	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on 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 & voting during the meeting.

Type of shareholders	Login Method
	<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>
Individual Shareholders (holding securities in Demat Mode) login through their <b>Depository Participants</b>	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 & voting during the meeting.

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

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

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

**(viii) LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING IN DEMAT FORM & PHYSICAL SHAREHOLDERS.**

- 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:

	FOR SHAREHOLDERS HOLDING SHARES IN DEMAT FORM OTHER THAN INDIVIDUAL AND PHYSICAL FORM
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <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>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>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.</p> <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 as mentioned in instruction (v).</li> </ul>

- 7) After entering these details appropriately, click on "SUBMIT" tab.
- 8) 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.



- 9) For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- 10) Click on the EVSN for the relevant <ARIES AGRO LIMITED> on which you choose to vote.
- 11) 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.
- 12) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 13) 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.
- 14) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- 16) 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.

#### **FACILITY FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS –REMOTE VOTING**

- 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; [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com) (designated email address by Company), 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 Remote 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 Remote 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 atleast **5 days prior to meeting** mentioning their Name, Demat Account Number/Folio Number, email id, Mobile Number at [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **5 days prior to meeting** mentioning their Name, Demat Account Number/Folio Number, email id, Mobile Number at [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com). 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.
5. A person whose name is registered in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting, as well as voting at the meeting.

#### QUERIES AND GRIEVANCES

1. 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](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.
2. 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, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

#### GENERAL GUIDELINES FOR MEMBERS

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on [www.evotingindia.com](http://www.evotingindia.com) to reset the password.
2. You can also update your Mobile Number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
3. The voting rights of Members shall be in proportion to their shares of the Paid-Up Equity Share Capital of the Company as on the cut-off date of Wednesday, 15<sup>th</sup> September, 2021.
4. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. Wednesday, 15<sup>th</sup> September, 2021, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or the Company/RTA.

#### SCRUTINIZER

Ms. Shailashri Bhaskar, Practicing Company Secretary (Membership No. FCS-5778 and CP No. 5092) or in her absence Mr. A. Sekar, Practicing Company Secretary (Membership No. ACS-8649 and CP No. 2450), has been appointed as the Scrutinizer to scrutinize e-Voting process (including the e-Voting at the AGM), in a fair and transparent manner.

#### VOTING AND RESULT

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-Voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-Voting facility. The e-Voting module during the AGM shall be disabled by CDSL for voting 15 minutes after the conclusion of the Meeting.

The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast during the AGM and, thereafter, unblock the votes cast through remote e-Voting and shall make, not later than 48 hours from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared, alongwith the Scrutinizer's Report, shall be placed on the Company's website [www.ariesagro.com](http://www.ariesagro.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com), immediately after the declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's Equity Shares are listed viz. BSE and NSE and be made available on their respective websites viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**By Order of the Board**

Place: Mumbai  
Date: 11<sup>th</sup> August, 2021

**Qaiser P. Ansari**  
**Company Secretary and**  
**Senior V.P. (Legal)**  
**Membership No. ACS-8979**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**
**Item No. 4**

Dr. Rahul Mirchandani was appointed as the Managing Director of the Company for a period of 5(Five) years from 4<sup>th</sup> April, 2017 to 31<sup>st</sup> March, 2022 and his remuneration was fixed for a period of 3(three) years from 4<sup>th</sup> April, 2017 to 31<sup>st</sup> March, 2020 by the Board of Directors in their Meeting held on 27<sup>th</sup> April, 2017 pursuant to the recommendation of the Nomination and Remuneration Committee, which was approved by the Members at the 47<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> September, 2017. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their Meeting held on 13<sup>th</sup> August, 2020 revised the Remuneration of Dr. Rahul Mirchandani with effect from 1<sup>st</sup> April, 2020 for remainder of his tenure of 2(two) years upto 31<sup>st</sup> March, 2022 which was approved by the Members in the 50<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2020.

Nomination and Remuneration Committee has evaluated the performance of Dr. Rahul Mirchandani and noted that under the leadership of Dr. Rahul Mirchandani the Company continued to achieve growth as the Sales of the Company has grown from Rs. 230 Crores as on 31<sup>st</sup> March, 2017 to Rs. 381 Crores as on 31<sup>st</sup> March, 2021. The Company has also grown vertically as well as horizontally as it has not only increased its turnover but also increased the production outlays (factories), distribution net work and added few new products also.

Followings are the evaluation of his performance broadly based on following Evaluation Parameters:-

No	Parameters	Performance	Remarks
1.	Sale	grown from Rs. 230 Crores as on 31 <sup>st</sup> March, 2017 to Rs. 381 Crores as on 31 <sup>st</sup> March, 2021	
2.	Production Outlays (Factories)	Vijaywada Chhatral-Expansion	
3.	Distribution Network	From 3119 Dealers/ Distributors in March, 2017 to 3530 Active Dealers/ Distributors in July, 2021	
4.	Approach to ESG (Environment, Social and Governance)	No notice has been received from National Green Tribunal (NGT) as regard to any violation of any environment laws. The Company discharges its Corporate Social Responsibility to the fullest extent and there is no non-compliance of any applicable law.	

No	Parameters	Performance	Remarks
5.	Awards and Accolades Company/ personal	<ol style="list-style-type: none"> <li>1. ACEF Asian Leaders Gold Award 2020 for "Marketing Team of the Year" for excellence in Branding and Marketing.</li> <li>2. Aries and the CMD was also featured on "Forbes India" online platform in December 2020 - "Brand of Choice for Millions of Farmers – A vision to help the farmers in their return of Investment".</li> <li>3. Agri Business Award 2019 awarded by Indian Chamber of Food &amp; Agriculture</li> <li>4. Zee Dare to Dream Awards for the best Agri Company for the FY 2018-19</li> <li>5. Recognition by Insight Success Magazine in March 2019 in their Annual Listing of the "10 Most Recommended Agritech Companies in India" that embraces new Technology to deliver various end-to-end farm solutions on a reliable foundation of rich insights on farming.</li> <li>6. Felicitated by Economic Times as one of the "Champions of Rural Markets 2018"</li> <li>7. Appreciation Certificate from Bombay Chamber of Commerce &amp; Industry for Civic Award 2017 under "Sustainable Environmental Initiatives" Category.</li> <li>8. The highest independent honour in India namely the 'Skoch Gold Award 2017' for our consistent work serving Indian farmers.</li> <li>9. Recognition with Skoch Order of Merit - 2017 for being amongst the top 100 SME's in India</li> </ol>	
6.	Products	65 Products in March, 2017 to 98 Products in July, 2021	

No	Parameters	Performance	Remarks
7.	Qualification by Statutory Auditors, Secretarial Auditors and Internal Auditors.	NONE	
8.	Evaluation outcome by Board	SATISFACTORY	
9.	Approach to Human Relations aspects.	Attrition is rate much below the industry rate; no labour unrest during preceding five years and	

Information pursuant to the provisions of Schedule V of the Companies Act, 2013 and forming part of the explanatory statement to the Notice convening the Annual General Meeting.

#### I. GENERAL INFORMATION

##### (1) Nature of Industry:

The Company can be broadly classified as a focused Specialty Plant Nutrition Company engaged in manufacturing Micronutrients for agriculture produce. The Company also deals in Veterinary products on a small scale. The Company is also dealing and manufacturing Soluble Fertilisers and Sulphur based fertilizers.

##### Outstanding Achievements:

As given under the heading evaluation of his performance above

##### (2) Date or expected date of commencement of commercial production:

The Company was incorporated in the year 1969 and since then it has been into production.

##### (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus –

Not Applicable.

##### (4) (a) Financial performance based on given indicators (Based on Audited published financial statement for the year 31.03.2020 & 31.03.2021).

		As on 31.03.2020	As on 31.03.2021
1.	Sales to Profit before Interest, Depreciation & Tax	18.23%	16.36%
2.	Sales to Profit before Depreciation & Tax	9.61%	9.56%
3.	Current Ratio	1.44	1.49
4.	Debt Equity Ratio	0.89	0.71
5.	Earning Per Share	Rs. 12.00 per share	Rs. 17.41 per share

#### (4) (b) Export Performance and net foreign exchange collaborations

		As on 31/03/2020 (Rs. In Lakhs)	As on 31/03/2021 (Rs. In Lakhs)	Remarks
1.	Export Earnings	24.68	22.61	--
2.	Net Foreign Exchange Collaborations	NIL	NIL	No Foreign Exchange Collaborations

#### (6) Foreign Investments or Collaborators, if any.

There is no investment by Foreign Collaborators but the FII & Non Resident Indians are holding 1,93,241 Equity Shares of Rs.10/- each fully paid up. The Company's overseas investment in aggregate is Rs. 2,024.89 Lakhs in its Subsidiary abroad.

#### II. INFORMATION ABOUT THE APPOINTEES

##### B. DR. RAHUL MIRCHANDANI

##### 1) Background details:

2) Dr. Rahul Mirchandani was appointed as the Managing Director of the Company for a period of 5(Five) years from 4<sup>th</sup> April, 2017 to 31<sup>st</sup> March, 2022 and his remuneration was fixed for a period of 3(three) years from 4<sup>th</sup> April, 2017 to 31<sup>st</sup> March, 2020 by the Board of Directors in their Meeting held on 27<sup>th</sup> April, 2017 pursuant to the recommendation of the Nomination and Remuneration Committee, which was approved by the Members in the 47<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> September, 2017. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their Meeting held on 13<sup>th</sup> August, 2020 revised the Remuneration of Dr. Rahul Mirchandani with effect from 1<sup>st</sup> April, 2020 for remainder of his tenure of 2(two) years upto 31<sup>st</sup> March, 2022 which was approved by the Members in the 50<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2020. Note No. 4 to the Notice convening 50<sup>th</sup> AGM may also be referred to have complete glimpse of the background of Dr. Rahul Mirchandani.

##### 3) Past remuneration:

As per the approval granted by the members of the Company at their 50<sup>th</sup> AGM held on 24<sup>th</sup> September, 2020, Dr. Rahul Mirchandani was entitled to overall remuneration of not exceeding 5% of the Net Profits of the Company in any financial year. Within the said overall remuneration Dr. Rahul Mirchandani was entitled to a remuneration of Rs. 16,20,000/- p.m. including perquisites as per schedule V of the Companies Act, 2013. Dr. Rahul Mirchandani was also entitled for Commission within the overall remuneration as prescribed under Section 196, and 197 read with Schedule V of the Companies Act, 2013.

##### 4) Recognition and Awards:

Dr. Rahul Mirchandani has a rich and extensive experience of management and his vision and commitment has enabled the Company steer through the most difficult times the Company has faced.

**5) Job Profile and his suitability:**

As Managing Director, he oversees all the functions and day to day affairs of the Company. He has a rich and varied background and imparts solutions to problems, foresight and vision in Marketing and Execution. This insight experience has largely contributed to the Company's progress in present competitive environment.

**6) Remuneration proposed :**

**As stated in the Resolution under item No. 4**

**7) Comparative Remuneration profile :** In this Industry there are Large Corporate House, where the remuneration is substantially higher in line with their turnover and profits. The Company could be classified as a Medium Sized Micro Nutrient Company and considering its size in terms of turnover and profits, the proposed remuneration could be considered to be reasonable. The proposed remuneration is in line with Schedule V of the Companies Act, 2013, which is in comparison with prevailing remuneration payable to the managerial person in Industry.

**8) Pecuniary relationship with Company or managerial personnel. :** Dr. Rahul Mirchandani is one of the promoters of the Company and is the son of founder promoters Late Dr. T.B. Mirchandani and Mrs. Bala Mirchandani. He is brother of Dr. Jimmy Mirchandani, Director and is the husband of Director Mrs. Nitya Mirchandani.

**III OTHER INFORMATION**

**(1) Reasons of loss or inadequate profits:**

The Company has been earning adequate profit since last several years. It has undertaken major expansion and diversification programme in line with the objects enlisted at the time of IPO. This entail interest cost and provision for higher depreciation on the assets. The profitability of the Company has been stable year by year but may be inadequate for making payment of the remuneration (which is in consonance with the corporate practice) to all the working Directors as the total Managerial Remuneration should not exceed 5% of the Net Profit as computed under the Companies Act, 2013. The profits may be inadequate due to the seasonal nature of business and the dependence of Indian Agriculture on rains. This additional information is being given as an abundant caution to meet contingency of having inadequate profit in any Financial Year during the tenure of working Directors.

The policy of the Company is to maintain the space with the innovative technology and this has resulted an increasing trend in the profitability in the long run.

**(2) Steps taken or proposed to be taken for improvement:**

The Company runs successfully several process controlled manufacturing facilities at Chhatral, Hyderabad and Mumbai. This keeps the batch costs and consumption in control and restricts sudden changes in manufacturing

costs. The Company also has begun a stringent cost budgeting exercise wherein every Department, Regional and State Heads have been assigned cost budget in addition to sales and collection targets. The Company has also discontinued low profit product lines to keep profits at desired levels. In order to save the transportation cost and timely delivery of the nutrients to the farmers at the time of need, the Company has set up factories at 5 places spread all over the Country. The turnover has increased for the last five years from Rs. 230 Crores as on 31<sup>st</sup> March, 2017 to Rs. 381 Crores as on 31<sup>st</sup> March, 2021 but due to lower margin the net profit does not increase correspondingly.

**(3) Expected increase in productivity and profits in measurable terms**

Based on the strategy, the Company expects to achieve improvement in the level of Turnover by 12% every year over the preceding Financial Year. The increase in Turnover will result in the better utilization of Plant's capacity leading to improved profitability. The Company is also in the process of implementing cost reduction drives. This will enable the Company to achieve better performance in the years ahead.

**IV DISCLOSURES**

**1) The shareholders of the Company shall be informed of the remuneration package of the managerial persons.**

The details of remuneration have been provided elsewhere in this statement.

**2) The following disclosures shall be mentioned in the Board of Director's Report under the heading "Corporate Governance", if any, attached to the Annual Report.**

The Company undertakes to disclose the following details in the relevant Report of the Board of Directors of the Company.

- (i) All elements of remuneration package of all the Directors
- (ii) Details of fixed component and performance linked incentives along with the performance criteria.
- (iii) Service contracts, notice period, etc.
- (iv) Stock option details, if any

The copy of the Agreement containing terms and conditions inclusive of the remuneration of Dr. Rahul Mirchandani are available at the Registered Office of the Company for the inspection of the members.

None of the Directors, Key Managerial Personnel and their relatives except Dr. Jimmy Mirchandani, Director, Dr. Rahul Mirchandani, Chairman and Managing Director and Mrs. Nitya Mirchandani, Director are concerned or interested in the said resolution.

The above may be treated as an abstract of the terms of contract under Section 190(1) of the Companies Act, 2013.

The Board of Directors of your Company recommends the resolution as a **Special Resolution** for approval under Item No. 4.

**Item No. 5**

The Board, on the recommendation of the Audit Committee, has approved the appointment of and payment of remuneration to the Cost Auditors to conduct the audit of the Cost Records of the Company for the financial year ending March 31, 2022 for a audit fee of Rs. 2,90,400/- (Rupees Two Lakh Ninety Thousands Four Hundred Only) p.a. plus GST and reimbursement of Out of Pocket Expenses at actual based on the recommendation made by the Audit Committee after evaluating the performance of the Cost Auditor.

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2022.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the **Ordinary Resolution** set out at Item No. 5 of the Notice for approval by the shareholders.

**By Order of the Board**

Place: Mumbai  
Date: 11<sup>th</sup> August, 2021

**Qaiser P. Ansari**  
**Company Secretary and**  
**Senior V.P. (Legal)**  
**Membership No. ACS-8979**

## BOARD'S REPORT

To  
The Members,  
Aries Agro Limited

Your Directors have pleasure in presenting their 51<sup>st</sup> Annual Report on the operations of the Company together with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2021.

### FINANCIAL PERFORMANCE

(Rupees in Lakhs unless stated otherwise)

Particulars	Standalone		Consolidated	
	Year Ended 31st March, 2021	Year Ended 31st March, 2020	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Revenue from Operations	47,449.83	37,150.08	47,451.15	37,150.08
Less :- Discount / Rebates	9,304.18	7,535.63	9,304.18	7,535.63
	38,145.65	29,614.46	38,146.97	29,614.46
Other Income	523.04	1,216.37	27.00	724.28
<b>Total Revenue (including Other Income)</b>	<b>38,668.68</b>	<b>30,830.82</b>	<b>38,173.96</b>	<b>30,338.74</b>
Profit Before Tax, Interest & Depreciation	6,239.55	5,397.35	5,702.15	4,701.68
Less :- Finance Costs	2,593.22	2,552.11	2,596.35	2,553.38
Depreciation & Amortisation Expense	638.15	536.44	644.36	536.44
	3,231.37	3,088.55	3,240.72	3,089.83
<b>Profit Before Tax</b>	<b>3,008.19</b>	<b>2,308.80</b>	<b>2,461.44</b>	<b>1,611.85</b>
Less :- Current Tax	640.00	647.00	640.00	647.00
Adjustment of Tax relating to earlier periods	6.45	39.49	6.45	39.49
Deferred Tax	97.83	61.24	97.83	61.24
	744.27	747.73	744.27	747.73
<b>Profit After Tax</b>	<b>2,263.91</b>	<b>1,561.07</b>	<b>1,717.16</b>	<b>864.12</b>
Add / (Less) :- Share of Profit / (Loss) of Associates	-	-	(77.48)	(84.27)
<b>Profit for the year</b>	<b>2,263.91</b>	<b>1,561.07</b>	<b>1,639.68</b>	<b>779.86</b>
Less :- Non-Controlling Interest	-	-	(156.03)	(194.39)
<b>Profit for the year attributable to Owners of the Parent</b>	<b>2,263.91</b>	<b>1,561.07</b>	<b>1,795.71</b>	<b>974.24</b>
Balance brought forward	9,787.03	8,586.56	10,958.78	10,340.22
Add / (Less) :- On Account of Divestment of Step Down Subsidiary	-	-	-	4.91
Adjustment on Account of IFRS 16	-	-	0.27	-
Foreign Currency Translation Reserve	-	-	(59.41)	-
<b>Amount available for Appropriation</b>	<b>12,050.94</b>	<b>10,147.63</b>	<b>12,695.34</b>	<b>11,319.38</b>
Less :- Dividend Proposed / Paid	-	299.12	-	299.12
Tax on Dividend Proposed	-	61.48	-	61.48
Provision for Doubtful Debts	-	-	-	-
	-	360.60	-	360.60
<b>Surplus carried forward to Balance Sheet</b>	<b>12,050.94</b>	<b>9,787.03</b>	<b>12,695.34</b>	<b>10,958.78</b>

Particulars	PERCENTAGE TO GROSS SALES							
	Standalone				Consolidated			
	Year Ended		Year Ended		Year Ended		Year Ended	
	31st March, 2021		31st March, 2020		31st March, 2021		31st March, 2020	
Revenue from Operations		100.00		100.00		100.00		100.00
Less :- Discount / Rebates		19.61		20.28		19.61		20.28
		80.39		79.72		80.39		79.72
Other Income		1.10		3.27		0.06		1.95
<b>Total Revenue (including Other Income)</b>		<b>81.49</b>		<b>82.99</b>		<b>80.45</b>		<b>81.67</b>
Profit Before Tax, Interest & Depreciation		13.15		14.53		12.02		12.66
Less :- Finance Costs	5.47		6.87		5.47		6.87	
Depreciation & Amortisation Expense	1.34		1.44		1.36		1.44	
		6.81		8.31		6.83		8.32
<b>Profit Before Tax</b>		<b>6.34</b>		<b>6.21</b>		<b>5.19</b>		<b>4.34</b>
Less :- Current Tax	1.35		1.74		1.35		1.74	
Adjustment of Tax relating to earlier periods	0.01		0.11		0.01		0.11	
Deferred Tax	0.21		0.16		0.21		0.16	
		1.57		2.01		1.57		2.01
<b>Profit After Tax</b>		<b>4.77</b>		<b>4.20</b>		<b>3.62</b>		<b>2.33</b>
Add / (Less) :- Share of Profit / (Loss) of Associates		-		-		(0.16)		(0.23)
<b>Profit for the year</b>		<b>4.77</b>		<b>4.20</b>		<b>3.46</b>		<b>2.10</b>
Less :- Non-Controlling Interest		-		-		(0.33)		(0.52)
<b>Profit for the year attributable to Owners of the Parent</b>		<b>4.77</b>		<b>4.20</b>		<b>3.78</b>		<b>2.62</b>
Balance brought forward		20.63		23.11		23.09		27.83
Add / (Less) :- On Account of Divestment of Step Down Subsidiary		-		-		-		0.01
Adjustment on Account of IFRS 16		-		-		0.00		-
Foreign Currency Translation Reserve		-		-		(0.13)		-
<b>Amount available for Appropriation</b>		<b>25.40</b>		<b>27.32</b>		<b>26.75</b>		<b>30.47</b>
Less :- Dividend Paid	-		0.81		-		0.81	
Tax on Dividend Proposed	-		0.17		-		0.17	
Provision for Doubtful Debts	-		-		-		-	
		-		0.97		-		0.97
<b>Surplus carried forward to Balance Sheet</b>		<b>25.40</b>		<b>26.34</b>		<b>26.75</b>		<b>29.50</b>



## OPERATIONS STANDALONE

During the Financial Year 2020-21, the Earnings Before Interest, Depreciation and Tax was 16.36% compared to 18.23% in the previous year. The Total Revenue (excluding Other Income) for the year net of discount / rebates was Rs. 38,145.65 Lakhs as against Rs. 29,614.46 Lakhs in the previous year. Profit after tax for the year was 5.93% compared to 5.27% in the previous year.

## CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Indian Accounting Standard (Ind-AS) 110 on Consolidated Financial Statements, the Audited Consolidated Financial Statement is provided in the Annual Report.

The Consolidated Profit Before Interest, Depreciation, Exceptional Items and Taxes (EBITDA) of the Group was Rs. 5,702.15 Lakhs in the Financial Year 2020-21 compared to Rs. 4,701.68 Lakhs in the previous year. Consequently, the Consolidated Profit Before Exceptional Items and Taxes (PBT) was Rs. 2,461.44 Lakhs in the Financial Year 2020-21 compared to Rs. 1,611.85 Lakhs in the previous year.

## FINANCIAL REVIEW

With the collective support of staff and Aries Customers the Company was able to improve its revenue from Indian operations by 27.72 % with an increase in profitability before tax by 30.29 % in comparison with the previous year.

The global manufacturing operations remained suspended. However, the process of connection of electricity lines is under way. Once the production line is restarted and Aries flagship brand is manufactured in granules, this will be in the best interest of the Company's profitability. Please refer to the discussion made in the Management and Discussion Analysis Report forming part of this Report.

## DIVIDEND

After considering earnings, requirement for funds and with the objective of rewarding the Shareholders, the Directors have recommended Dividend of 8% being Rs. 0.80 per Equity Share

of Rs. 10/- each which is 4.60% of Net Profit for the year ended 31<sup>st</sup> March, 2021 (previous year 5% being Rs. 0.50 per Equity Share of Rs. 10/- each which is 5.02% of Net Profit) subject to your approval at the ensuing Annual General Meeting. The Dividend, if approved, will result in an outflow of Rs. 104.03 Lakhs.

## TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of Profit for Financial Year 2020-2021 in the Statement of Profit and Loss aggregating to Rs. 12,050.94 Lakhs.

## FUTURE PROSPECTS:

The Company strengthened the process of digitizing booking and payment process using its in-house application, Aries Integrated Management System (AIMS). This resulted in order booking of Rs. 574 Crores generated online. The first quarter of 2021-22 has commenced with the conversion of this booked orders and despite 45 days slow down due to second wave conditions in the rural markets, the overall sales picked up by June end and we saw good prospects of revenue growth in the current Financial Year 2021-22. The cost parameters have seen tremendous pressure with raw material, freight and people cost increasing and hence it is only through stringent cost control measures that profitability will remain stable going forward. The Company has put in place systems to ensure this and a price increase was also effected during H1. Demand has continued to remain stable.

The Company is adding new product line in Pesticides, Bio Stimulant, Fisheries and Crop Specific customized range. These have been developed in line with the requirements of various states and crops and also responding to changes in FCO and CIB norms. The Company is also exploring B2B and bulk international opportunities using its existing and subsidiary network. These efforts will ensure that the revenue growth in the current financial year is satisfactory.

## CREDIT RATING

The Company's Credit Rating has been Re-Affirmed on 5<sup>th</sup> February, 2021 by Brickwork Ratings as under:

Facilities	By BRICKWORK RATINGS By CARE RATINGS (CURRENT)		By BRICKWORK RATINGS (REAFIRMED)		
	Amount (Rs)	Rating	Amount (Rs)	Rating Action	Indication/Significance
Long Term Bank Facilities (Fund Based)	135.80 Cr	Revised As BWR BBB (Stable)	136.16 Cr	Revised As BWR BBB (Stable) Reaffirmed	Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.
Short Term Bank Facilities (Non Fund Based)	25.20 Cr	Revised as BWR A3+	27.20 Cr	Revised as BWR A3+ Reaffirmed	Instruments with this rating are considered to have moderate degree of safety regarding timely payment of financial obligations. Such instruments carry higher credit risk as compared to instruments rated in the two higher categories.
<b>Total</b>	161.00 Cr		163.36 Cr		

The rating reflect moderate degree of safety regarding timely servicing of financial obligations.

## CHANGES IN NATURE OF BUSINESS AND REVISION IN THE BOARD'S REPORT

There is no change in the nature of business of the Company during the year. There is no revision made in the Board's Report and whatever submitted herewith is the final Report.

## SAFETY AND HEALTH

The health and safety of the employees across its operations remains the highest priority for the Group. All endeavours are being made to enhance safety standards and processes towards minimising safety risks in all operations in the Company. There was no accident or mishap in any of its four factories.

### Safety measures for dealing with Covid-19

1. Strict travel of all employees only by private vehicle/own bike or by bus provided by the company.
2. Every employee to record body temperature before leaving the house using a simple home thermometer and submission of the readings daily on Aries App.
3. The temperature is recorded at entry point of office/depot/branches during arrival and departure of all employees and every person who enters the office/depot/branches.
4. Every person entering the Company premises to compulsorily pass through the sanitizer tunnel and also get UV screened before entering.
5. Social distancing at all times for all employees while in the Company premises.
6. Mandatory wearing of mask for all employees while in the Company premises.
7. Sanitization of workspace at least three times a day.
8. Touch free sanitizers installed all the over the office/depot/branch premises.
9. All meetings are conducted using digital platforms to minimize face to face proximity.
10. Travel history of all employees has been collected. They are advised to report any travel done outside city limits immediately to HR.
11. Instructions given to employees to order a Swab Test immediately, if anyone at home is having COVID-19 symptoms and not to report for duty. Any person staying at home or quarantined due to symptoms is instructed to submit Negative Covid-19 Report while resuming duty.
12. Employees are advised to take immunity boosting medication or home remedies and eat balanced meals, home cooked food.
13. All Aries staff and workers are covered under COVID-19 group insurance to take care of some of the expenses in case of any eventuality
14. Visitors entry are completely banned into the Company premises and in case of anyone visiting, have to compulsorily fill the visitor declaration form in line with the Covid 19 SOP issued by the MOH at least 24 hours prior to the arrival into the Company's premises.

15. Using digital remote working & collaboration platform to ensure full preparedness for sudden lockdowns, if any, in future.

## PUBLIC DEPOSITS

The Company has not accepted any deposits from the Public within the meaning of Section 73 of the Companies Act, 2013 and Members (other than Directors) during the year under review and as such, no amount on account of Principal or Interest on Deposits from Public and Members (other than Directors) was outstanding as on 31<sup>st</sup> March, 2021.

## SUBSIDIARIES & ASSOCIATE COMPANIES

Your Company has four Subsidiaries out of which three are Non-Material Indian Subsidiaries viz Aries Agro Care Private Limited, Aries Agro Equipments Private Limited and Mirabelle Agro Manufacturing Private Limited and one foreign subsidiary namely Golden Harvest Middle East FZC.

The operations of Aries Agro Care Pvt. Ltd. commenced in the Financial Year 2008-09 but discontinued the activity in the financial year 2012-13 due to extremely volatile nature of seeds business and had no business activity in the financial year 2020-2021. The Company incurred expenses to the tune of Rs. 0.51 Lakhs for the Financial Year.

The business operations of Aries Agro Equipments Pvt. Ltd. commenced in the year 2009-10 in agricultural sprayers but discontinued the activity in the financial year 2013-14 due to lack of appropriate distribution network for Farm Equipments and had no business activity in the financial year 2020-2021. The Company incurred expenses to the tune of Rs. 0.51 Lakhs for the Financial Year.

Mirabelle Agro Manufacturing Private Limited was incorporated on 26<sup>th</sup> December, 2019. The Company's started its Trading Activities during the Financial Year 2020-21 and had a Turnover of Rs. 13.22 Lakhs earning a miniscule Profit of Rs. 0.09 Lakhs.

The above three Companies are Wholly Owned Subsidiaries of the Company.

As regards the overseas subsidiary M/S. Golden Harvest Middle East FZC a Trading Entity, in their Twelfth Year of operation, has not generated any sale and has incurred Loss of AED 26.98 Lakhs (INR 538 Lakhs) for the year 2020-2021, since trading revenue did not materialize for licensing reasons.

As required under S. 129(3) of The Companies Act, 2013, annexed hereto are the Audited Financial Statements for the Year ended 31<sup>st</sup> March, 2021 of Golden Harvest Middle East FZC., Aries Agro Care Private Limited, Aries Agro Equipments Private Limited and Mirabelle Agro Manufacturing Private Limited.

A Statement in Form AOC-1 of Subsidiary Companies as prescribed under Section 129(3) of The Companies Act, 2013 read with Rule 5 of Companies(Accounts) Rules, 2014, is annexed and is forming part of the Annual Report.

Apart from the above statement a list of Subsidiary & Group Companies is given in Note No. 35 of the Notes to Accounts, and is forming part of the Annual Report.

All the above Indian Subsidiary and Group Companies are Un-listed and Non-Material Companies as defined under Listing Regulations. M/S Amarak Chemicals FZC, Fujairah, UAE is and Associate of the Subsidiary M/S. Golden Harvest Middle East FZC.

There is no Associate or Joint Venture Companies other than as listed above.

#### **INSURANCE**

All properties and assets of your Company are adequately insured covering all conceivable risks.

#### **DIRECTORS & KEY MANAGERIAL PERSONNEL**

##### **DIRECTORS**

There is no change in the Composition of the Board of Directors during the year under review.

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013, Dr. Jimmy Mirchandani, Director retires by rotation and being eligible, offers himself for re-appointment. Accordingly, his re-appointment forms part of the Notice of ensuing Annual General Meeting.

All the Independent Directors have submitted declarations to the effect that each of them meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director during the year.

Section 149(10) of the Act provides that an Independent Director shall hold office for a term of five consecutive years on the Board and shall be eligible for re-appointment on passing a Special Resolution by the Company and disclosure of such appointment shall be made in its Board's Report. Section 149(11) provides that an Independent Director may hold office for up to two consecutive terms.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship of transactions with the Company.

Familiarisation Programme for Independent Directors----Though there is no formal Policy for familiarization but the Company in order to familiarize the Independent Directors with the business of the Company presentation was made by the Functional Heads covering Operations of the Company at every Quarterly board meeting and nature and scope of business, nature of industry in which Company operates, profitability and future plans. Regularly at meetings updates are given to the Board. House Journal as and when published is also sent to all the Directors and their feedback are considered. Action Taken Report and Legal Updates are also being placed at every meeting of the Board and Audit Committee just to keep the Directors updated with the latest amendments and Action Taken by the Management.

##### **KEY MANAGERIAL PERSONNEL**

Mr. Vivek K. Joshi, Chief Financial Officer resigned from the Company with effect from 1<sup>st</sup> July, 2021.

Dr. Rahul Mirchandani was appointed as the Managing Director of the Company for a period of 5(Five) years from 4<sup>th</sup> April, 2017 to 31<sup>st</sup> March, 2022 and his remuneration was fixed for a period of 3(three) years from 4<sup>th</sup> April, 2017 to 31<sup>st</sup> March, 2020 by the Board of Directors in their Meeting held on 27<sup>th</sup> April, 2017 pursuant to the recommendation of the Nomination and Remuneration Committee, which was approved by the Members in the 47<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> September, 2017. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their Meeting held on 13<sup>th</sup> August, 2020

revised the Remuneration of Dr. Rahul Mirchandani with effect from 1<sup>st</sup> April, 2020 for remainder of his tenure of 2(two) years upto 31<sup>st</sup> March, 2022 which was approved by the Members in the 50<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2020.

The period of 5 (Five) years is getting over on 31<sup>st</sup> March, 2022, the Board of Directors in their Meeting held on 11<sup>th</sup> August, 2021, pursuant to the recommendation of the Nomination and Remuneration Committee, re-appointed Dr. Rahul Mirchandani for a period of 5 (Five) years from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2027 and fixed remuneration, subject to the approval of the Members at the ensuing Annual General Meeting and the same forms part of the Notice of ensuing Annual General Meeting.

Apart from the above there were no other change in the Key Managerial Personnel during the year under review. All the Key Managerial Personnel have submitted disclosures and declaration required under the Companies Act, 2013 and Listing Regulations.

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

Four(4) Meetings of the Board of Directors were held during the year. For further details, please refer Report on Corporate Governance of this Annual Report.

##### **AUDIT COMMITTEE**

There was no changes in the constitution of the Audit Committee during the year. The Committee comprises of Mr. B. V. Dholakia, Chairman), Prof. R. S. S. Mani, Mr. C. B. Chhaya and Mrs. Nitya Mirchandani, Members. For further details, please refer Report on Corporate Governance of this Annual Report.

All the recommendations made by the Audit Committee were accepted by the Board during the year under review.

##### **CSR COMMITTEE**

There was no change in the CSR Committee during the year. The Committee comprises of Dr. Rahul Mirchandani(Chairman), Shri. B. V. Dholakia and Mrs. Nitya Mirchandani. For further details, please refer Report on Corporate Governance of this Annual Report.

##### **STAKE HOLDERS RELATIONSHIP COMMITTEE**

There was no change in the Stake Holders Relationship Committee during the year. The Committee comprises of Mr. C. B. Chhaya(Chairman), Dr. Rahul Mirchandani and Mrs. Nitya Mirchandani. For further details, please refer Report on Corporate Governance of this Annual Report.

##### **BOARD EVALUATION**

The Board of Directors have carried out an Annual Evaluation of its own performance and individual Directors themselves pursuant to the provisions of the Act and Corporate Governance requirements as prescribed by Regulation 17(10) of the SEBI(LODR) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the Board Composition and Structure, Effectiveness of Board Process, Information and Functioning etc.

In a separate Meeting of the Independent Directors, performance of Non-Independent Directors, Performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

## POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Policy on Directors Appointment and Remuneration including criteria for determining qualifications, positive attributes, independence of Director and also Remuneration for Key Managerial Personnel and other Employees are contained in the Nomination and Remuneration Policy which is hosted at the web site of the Company [www.ariesagro.com](http://www.ariesagro.com) and the same is re-produced in the Report on Corporate Governance.

## DIRECTORS' RESPONSIBILITY STATEMENTS

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that:

- in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures;
- they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the Annual Accounts on a 'going concern' basis;
- they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as under:

- The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;**

Non-Executive Directors	Ratio to median Remunerations	Directors Remuneration / Sitting Fees Rs. Lakhs
Dr. Jimmy Mirchandani	0.49	1.60
Mrs . Nitya Mirchandani	1.05	3.40
Prof R. S. S. Mani	0.86	2.80
Mr. Chakradhar Bharat Chhaya	1.05	3.40
Mr. Bhumitra Vinodchandra Dholakia	0.99	3.20
<b>Executive Directors</b>		
Dr. Rahul Mirchandani	65.06	211.17

- The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;**

Directors, Chief Financial Officer, Company Secretary	% Increase in Remuneration in the Financial Year
Dr. Rahul Mirchandani, CMD	19.59
Mr. Vivek K. Joshi, Chief Financial Officer	85.02
Mr. Qaiser P. Ansari, Company Secretary & Sr. VP (Legal)	7.49

- The percentage increase in the median remuneration of employees in the financial year: 5.28 %**
- The number of permanent employees on the rolls of Company: 958**
- 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 average annual increase was around 12.37% after accounting for promotions and other event based compensation revision.

- Affirmation that the remuneration is as per the Remuneration Policy of the Company.**

The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

The Statement containing Particular of Employees as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, drawing remuneration in excess of the limits set out in the said Rules are provided in the Annual Report.

Information in accordance with the provisions of Section 197(12) of the Companies Act, 2013 ("Act") read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as under:

**TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE YEAR 2020-21**

Sr. No.	NAME	DESIGNATION	REMUNERATION RECEIVED	NATURE OF EMPLOYMENT	OTHER TERMS & CONDITIONS	NATURE OF DUTY	QUALIFICATION & EXPERIENCE	DATE OF COMMENCEMENT	AGE	Last Employment held	% of Equity Shares held as on 31.03.2020	Whether relative of any Director or Manager and the name of such Director or Manager
1	DR. RAHUL MIRCHANDANI	CHAIRMAN & MANAGING DIRECTOR	21,116,700	CONTRACTUAL	N.A.	MANAGING THE AFFAIRS OF THE COMPANY	B. Com; CFA; MBA; Ph.D	02.02.1994	46	N.A.	23.24	Brother of Dr. Jimmy Mirchandani & Husband of Mrs. Nitya Mirchandani
2	MR. VIVEK JOSHI	CHIEF FINANCIAL OFFICER	5,682,610	FULL TIME EMPLOYEE	N.A.	FINANCIAL MANAGEMENT OF THE COMPANY	B. Com., LL.B., FCA	09.09.2019	49	M/s Excel Telesonic (I) Pvt. Ltd.	0.00	N.A.
3	MR. QAISER PARVEZ ANSARI	COMPANY SECRETARY & SENIOR VICE PRESIDENT (LEGAL)	3,373,169	FULL TIME EMPLOYEE	N.A.	COMPANY SECRETARY	B. Com. LLB ACS	02.06.2008	58	M/s Sabero Organics Gujarat Ltd., Desgn - CS & Dy.Gen. Manager (Legal & Taxation)	0.00	N.A.
4	MR. JAYAPRADEEP SUBRAMANIAN	VICE PRESIDENT (MARKETING) SOUTHERN REGION	9,588,495	FULL TIME EMPLOYEE	N.A.	MARKETING & EXTENSION ACTIVITIES FOR SOUTHERN REGION	M.Sc. MBA	15.11.2013	39	M/s Tata Consultancy Services, Desgn - IT Analyst	0.06	N.A.
5	MR. ARUN K. TIWARI	HEAD MARKETING OPERATIONS(NORTHERN REGION)	5,146,320	FULL TIME EMPLOYEE	N.A.	MANAGING THE MARKETING ACTIVITIES OF NORTHERN REGION	B. Sc	01.12.1992	53	N.A.	0.00	N.A.
6	MR. SANTOSH KUMAR PANDEY	HEAD MARKETING OPERATIONS (MAHARASHTRA AND NIPANI DIV)	3,479,053	FULL TIME EMPLOYEE	N.A.	MANAGING THE MARKETING ACTIVITIES OF MAHARASHTRA, NIPANI DIVISION	M. Sc (Ag)	26.05.2004	47	N.A.	0.00	N.A.
7	MR. BIPOB CHATTERJEE	CHIEF PRODUCTION CONTROLLER	2,641,125	FULL TIME EMPLOYEE	N.A.	OVER ALL PRODUCTION	B.Sc.	08.12.2009	52	M/s Jaysynth Dye Chem, Desgn - Production Officer	0.00	N.A.
8	MR. RAJESH GUPTA	REGIONAL CONTROLLER	3,323,239	FULL TIME EMPLOYEE	N.A.	MANAGING THE MARKETING ACTIVITIES OF WESTERN REGION	B.A.	06.07.2001	42	N.A.	0.00	N.A.
9	MR. PREMRAJ CHAUHAN	REGIONAL CONTROLLER	2,787,762	FULL TIME EMPLOYEE	N.A.	MANAGING THE MARKETING ACTIVITIES	B.Sc.	10.08.1997	47	N.A.	0.00	N.A.
10	MR. DEVENDRA TIWARI	HEAD MARKETING OPERATION (CENTRAL REGION)	2,678,385	FULL TIME EMPLOYEE	N.A.	MANAGING THE MARKETING ACTIVITIES OF THE CENTRAL REGION	M.Sc	02.01.2002	45	M/s Valace Agrochemical Ltd	0.00	N.A.
11	MR. BHAGWADAS GANGWAR	REGIONAL CONTROLLER	2,655,953	FULL TIME EMPLOYEE	N.A.	MANAGING THE MARKETING ACTIVITIES	Graduate	01.04.2003	45	N.A.	0.00	N.A.

**TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE YEAR 2020-21(EMPLOYED FOR THE PART OF FINANCIAL YEAR**

Sr. No.	NAME	DESIGNATION	REMUNERATION RECEIVED	NATURE OF EMPLOYMENT	OTHER TERMS & CONDITIONS	NATURE OF DUTY	QUALIFICATION & EXPERIENCE	DATE OF COMMENCEMENT	AGE	Last Employment held	% of Equity Shares held as on 31.03.2020	Whether relative of any Director or Manager and the name of such Director or Manager
1	MR. B.R.PANDEY*	SR. VICE PRESIDENT (HR& PERSONNEL)	3,562,856	FULL TIME EMPLOYEE	N.A.	HR & ADMIN	B.Sc. DPMIR	18.01.1982	59	M/s R. B. Vaidya & Co. Desgn - Gen. Assistant	0.01	N.A.

\* Mr. B. R. Pandey expired on 29.01.2021.

PARTICULARS OF EMPLOYEES IN TERMS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) AND 5(3) OF THE COMPANIES(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 DRAWING REMUNERATION NOT LESS THAN Rs. 1.02 Crores p.a./Rs. Eight Lakhs Fifty Thousand p.m. DURING THE YEAR 2020-21												
SR. No.	NAME	DESIGNATION	REMUNERATION RECEIVED	NATURE OF EMPLOYMENT	OTHER TERMS & CONDITIONS	NATURE OF DUTY	QUALIFICATION & EXPERIENCE	DATE OF COMMENCEMENT	AGE	Last Employment held	% of Equity Shares held as on 31.03.2020	Whether relative of any Director or Manager and the name of such Director or Manager
1	DR. RAHUL MIRCHANDANI	CHAIRMAN & MANAGING DIRECTOR	21,116,700	CONTRACTUAL	N.A.	MANAGING THE AFFAIRS OF THE COMPANY	B. Com; CFA; MBA; Ph.D	02.02.1994	46	N.A.	23.24	Brother of Dr. Jimmy Mirchandani & Husband of Mrs. Nitya Mirchandani

## ESOPS

The Company has not offered any ESOPS scheme to its Employees or Directors.

## RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROLS

Your Company has elaborate Risk Management Procedure which is based on three Pillars. Business Risk Assessment, Operational Controls Assessment and Policy Compliance processes. Major Risks identified by the Business and Functions are systematically addressed through mitigating actions on continuing basis. The Key risks are also discussed at the Audit Committee.

The Company's Internal Financial Control System is commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by the Statutory as well as Internal Auditors covering all Offices, Factories and Key Business areas. Significant Audit Observations and Follow Up Actions thereon are reported to Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's Internal Control environment and monitors the implementation of the audit recommendations.

Based on the framework of Internal Financial Controls and Compliance System established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and review performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the Financial Year 2020-21.

## GREEN INITIATIVES

Pursuant to Sections 101 and 136 of the Companies Act, 2013 the Company will be sending Annual Report through electronic mode(email) to all the shareholders who have registered their email

addresses with the Company or with the Depository to receive the Annual Report through electronic mode and initiated steps to reduce consumption of paper.

## HUMAN RESOURCES

Humans are considered as one of the most critical resources in the business which can be continuously smoothened to maximize the effectiveness of the Organization. Human resources build the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening the Company's Polices and Systems. All personnel continue to have healthy, cordial and harmonious approach thereby enhancing the contributory value of the Company.

## LISTING

The Equity Shares of the Company are listed at BSE Limited (BSE) and National Stock Exchange of India Limited(NSE).

The Company has made all the compliances of Listing Regulations including payment of Annual Listing Fees upto 31<sup>st</sup> March, 2022 to both the Stock Exchanges.

## CORPORATE GOVERNANCE

The Company has complied with the various requirements under the Corporate Governance reporting system. A detailed Compliance Report on Corporate Governance is annexed to this Report as required by the Listing Regulations. The Auditors' Certificate on Compliance with the conditions of Corporate Governance is also annexed to this report.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Listing Regulations with the Stock Exchanges, is also annexed to this report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO**

Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014 and forming a part of the Directors Report are as under: -

**I. CONSERVATION OF ENERGY**

The Company accords great importance to conservation of energy. The main focus of the Company during the year was:

**a. Energy Conservation measures taken:-**

- i. Close monitoring of consumption of electricity, LPG, Diesel and water.
- ii. Creating awareness among Workmen to conserve energy.
- iii. Aries continues power generation through its Solar Power Generation System at its manufacturing unit at Pashamylaram, Distt: Medak.
- iv. Conversion of boilers in Hyderabad Unit from diesel to solid briquette based fuel.
- v. Exclusive use of CNG for manufacturing at Chhatral Unit
- vi. Optimum use of Energy by Switching off Machines, Lights, Fans, Air Conditioners and Exhaust Systems whenever not required

Impact of measures taken for reduction of energy consumption and consequent impact on the cost of production of goods

**b. Total energy consumption and energy consumption per unit of production**
**Form –A**

Form for disclosure of Particulars with respect to Conservation of Energy.

Sr. No.	Particulars		Current Year	Previous Year
			2020-2021	2019-2020
(a)	<b>Purchased:-</b>			
	<b>I. Electricity</b>			
	(i) Unit (KWH)		<b>934,025</b>	963,859
	(ii) Total Amount (Rs)		<b>9,138,833</b>	9,630,324
	(iii) Rate/Unit (Rs.)		<b>9.78</b>	9.99
	<b>II Piped Gas</b>			
	(i) Unit(M3)		<b>198,669</b>	226,183
	(ii) Total Amount (Rs)		<b>8,947,723</b>	10,133,418
	(iii) Rate/Unit (Rs.)		<b>45.04</b>	44.80
(b)	<b>Own Generation</b>			
	(i) Coal		Not Applicable	Not Applicable
	(ii) Furnace Oil - Kl		-	-
	(iii) Internal Generation Units(Generator)		<b>617</b>	789
	(iv) Solar System Units		<b>75,852</b>	84,113

**II. Form for disclosure of particulars with respect to Technology Absorption, Research and Development**
**(A) RESEARCH AND DEVELOPMENT:**
**1. Specific Areas in which Research and Development was carried out by the Company.**

- The Company has received in house R & D recognition from DSIR and is continuously striving to launch / introduce innovative products / technologies in the field.
- The Company's R&D at Mumbai is ISO 9001:2015 certified and works on new product development and continuous quality checks. The manufacturing unit at Pashamylaram, Distt: Medak/ Chhatral, Gujarat has been equipped with a state of art laboratory to keep pace with the Company's expansion in that region.
- Emphasis is also given on standardizing the QC procedures for the new products launched
- Baseline R&D work has been initiated on new agri-input products like nano fertilizers and organic fertilizers
- In the last few years, the company has been focusing on Crop specific formulations, hydroponic nutrient formulations and specific formulations for international markets.
- 18 new products introduced have been organically certified by UK Cert.
- Our team of extension officers conducts continuous field demonstrations and field trials alongwith large scale soil sampling, dealer / farmer meetings, field days, etc which provides constant updates on market demand and technical requirements across all states in India in the agri sector
- Develop new markets in the Protected Cultivation and Precision Agriculture sector
- To supplement the extension activities a dedicated in house research farm has been set up at Raipur and the rooftop greenhouse installed at the head office in Mumbai is used to carry out research in soilless cultivation
- Efforts are put in setting up and promoting Good Agricultural Practices for individual crops across the country. Work on India GAP has been initiated on soybean and tomatoes
- There is a continuous focus on co development projects with University in relevant areas which continues across India alongwith publications in various reputed agri journals.
- Factory procedures are being modified to increase the shelf life and quality of various products. Self manufacturing of some raw materials is also being done.

- The Company is the first in India to receive permission from DGCA for the use of drones for nutrient spraying.
- Other important pest management devices and filtering devices are under field trials.
- New apps / softwares are being developed keeping in line with the digitisation policy of the company

## 2. Objectives

- Innovate and develop products/ technologies ideally suited for sustainable and precision agriculture
- Design and Develop new production processes to improve the cost effectiveness of the products as well as their agronomical efficiency.
- Develop production processes that utilize renewable energy and are pollution free.
- Ensure continuous updation of in house knowledge required to develop products and services for the company.
- Source worldwide information related to product development and agriculture best practices
- Develop new age environmental friendly crop management techniques

## 3. Benefits derived as a result of the above efforts.

- Improvement in productivity/quality and reduction in cost of production of Company's Plants and at Customer's end.
- Cost reduction, import substitution, safer environment and strategic resource management.
- Meeting the statutory requirements.
- Demonstration of a Sustainable urban farm set up to address the issue of pesticide free healthy food

## 4. Future Plan of Action :

- Conducting scientific research and studies, pilot scale development, trial and testing for development of new products, new process development, improvement in the existing production process, etc
- Customized micronutrient fertilizers for export
- Modification of manufacturing process to make it pollution free
- Continued efforts to develop India GAP on commercial crops and try establishing a linkage between farmers and the industry

## 5. Expenditure on R & D

Sr. No.	Description	For the Year ended 31 <sup>st</sup> March 2021 (Amt. in Rs.)	For the Year ended 31 <sup>st</sup> March 2020 (Amt. in Rs.)
I)	Capital	3,31,473	5,77,590
II)	Recurring	1,75,32,648	1,76,40,382
	Total	1,78,64,121	1,82,17,972
	Total R&D expenditure as a % of		
	a) Gross Turnover	0.38	0.48
	b) Net Turnover	0.47	0.58

### B1. Technology Absorption, Adaptation and Innovation

The Management has focused on productivity and Total Quality Management [TQM] in order to optimize manufacturing costs. The Company continues to be ISO 9001:2015 certified.

### B2. Benefits

This has helped in achieving optimum manufacturing costs, improved quality of products and consequently, enhanced customer satisfaction. The Company uses indigenous technology.

### B3. The Company has not imported any technology during the year under review.

## C. Foreign Exchange Earnings and Outgo

1. Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

International clients are located in Kenya, Nigeria, Nepal and Taiwan. Sales were booked for Kenya, Nepal and Taiwan. Registration process started in Nigeria and Bangladesh. Distributors in Nepal have put up their own manufacturing unit to support and increase sales and distribution network throughout Nepal. The total exports and global sales constituted 0.06% of our Group Revenue in FY 2020-21 (This adds upto 0.36 % including Nepal & Kenya Exports in INR).

### 2. Total Foreign Exchange used and earned:

Used : Rs. 52,46,61,212/-

Earned: Rs. 28,56,335/-

## SPECIAL BUSINESS

As regard to the items of the Notice of the AGM relating to Special Business, the resolutions incorporated in the Notice and the Explanatory Statement relating thereto, fully indicate the reasons for seeking the approvals of members to those proposals. Your attention is drawn to these items and Explanatory Statement annexed to the Notice.

## VIGIL MECHANISM

The Vigil Mechanism of the Company, which also incorporates a Whistle Blower Policy in terms of the Listing Regulations is in place. Protected disclosures can be made by a Whistle Blower in writing or through an e-mail, to the Chairman/Member of the Audit Committee.



The Policy on Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website [www.ariesagro.com](http://www.ariesagro.com).

#### **PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN & SECURITIES PROVIDED**

Particulars of Loans given, Investments made, Guarantees given and Securities provided along with the purpose for which the Loan or Guarantee or Security is proposed to be utilized by the recipient are provided in the Standalone Financial Statements.

#### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

None of the transactions with Related Parties falls under the scope of Section 188(1) of the Companies Act, 2013. Information on transactions with Related parties pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rule, 2014 are given in **Annexure-I** in Form AOC-2 and the same forms part of this Report.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-II** of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Policy is available on the Web-Site of the Company at [www.ariesagro.com](http://www.ariesagro.com).

Your Company continues to demonstrate a strong commitment towards providing products which do not hamper the soil and crop eco systems.

#### **ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on [www.ariesagro.com](http://www.ariesagro.com).

#### **AUDITORS & AUDITORS REPORTS**

##### **Statutory Auditors**

M/s. Sandeep Sheth & Associates, Chartered Accountants, Mumbai, (Membership No. 101903 and having Peer Review Certificate issued by the Institute of Chartered Accountants of India), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the Forty Seventh Annual General Meeting of the Company held on 28<sup>th</sup> September, 2017 and being eligible continue to be the Statutory Auditors.

The Statutory Auditors' Report both with respect to the Standalone and Consolidated Financial Statements do not contain any qualification, reservation or adverse remark. Further that there was no fraud reported by Auditors under sub-section (12) of Section 143 of the Companies Act, 2013 other than those reportable to the Central Government.

##### **Cost Auditors**

The Company has appointed M/s. R. Nanabhoy & Co., Cost Accountants, to conduct the Audit of Cost Accounting Records of its products for the financial year 2019-2020.

The due date for filing the Cost Audit Reports in XBRL mode for the financial year ended March 31, 2020 was 31<sup>st</sup> December, 2020. The Cost Audit Reports were filed by the Cost Auditor on 5<sup>th</sup> December, 2020 within the due date.

Further M/s. R. Nanabhoy & Co., Cost Auditors were re-appointed as the Cost Auditor of the Company for the year ending 31<sup>st</sup> March, 2021 by the Board of Directors at their meeting held on 13<sup>th</sup> August, 2020 after ensuring their eligibility and obtaining the letter of eligibility from them.

The Company's Cost Audit for the Financial Year 2020-2021 is under process and the Company will have the Audit completed within 180 days of the end of the Financial Year-2020-2021 i.e. on or before 27<sup>th</sup> September, 2021 and file the Report within 30 days of the Board Meeting approving the Report.

##### **Secretarial Auditors**

The Board appointed Mr. A. Sekar, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2020-2021. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith and marked as **Annexure-III** to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

##### **SECRETARIAL STANDARDS**

The Company has in place proper systems to ensure compliance with the provisions of the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

##### **ANNUAL SECRETARIAL COMPLIANCE REPORT**

Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company obtained the Annual Secretarial Compliance Report for the Financial Year 2020-2021 from Mr. A. Sekar, Practising Company Secretary, the Secretarial Auditor of the Company and the same has been filed with the BSE Limited and the National Stock Exchange of India Limited on 30<sup>th</sup> June, 2021 well within the extended time of 31<sup>st</sup> July, 2021. The Secretarial Auditor has not reported any non-compliance.

##### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.**

The Company has zero tolerance towards sexual harassment at the workplace. The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

There was no complaint received during the year under review.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE FINANCIAL YEAR END OF THE COMPANY TO WHICH FINANCIAL RESULTS RELATE**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

**MATERIAL ORDERS PASSED**

No material Orders have been passed by any Authority in respect of any matters with regard to the business of the Company during the Financial Year.

Referring to the Previous Year's Board's Report, classification of Micronutrients relating to the Sanand Unit in the state of Gujarat is pending before Customs, Excise and Service Tax Appellate Tribunal(CESTAT) at Ahmedabad and the matter is yet to be heard.

The Commissioner of Central GST & Central Excise and The Commissioner of Custom (NS-V) have passed order against the Company, for Chhatral & Mumbai facilities respectively. However, the Company has in past successfully defended such order at Apex Court. This being similar matter of classification of Chapter heading, Company is confident of getting favorable Order in these matters and hence, does not foresee any material impact. The matter is yet to be heard.

**GENERAL DISCLOSURES**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
3. Issue of Shares (including Sweat Equity Shares) to employees of the Company under any scheme.
4. Buy Back of shares of the Company during the year under review.

5. The Managing Director of the Company does not receive any remuneration or commission from any of its Subsidiaries.
6. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
7. There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
8. The Company is not required to submit Business Responsibility Report in pursuance of Regulation 34(2)(f) SEBI(LODR) Regulations, 2015.

**STATUTORY DISCLOSURES**

None of the Directors of your Company is disqualified as per provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary Disclosures, as required under various provisions of the Companies Act, 2013 and the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

**ACKNOWLEDGEMENT**

We would like to acknowledge with gratitude, the support and co-operation extended by Shareholders, Vendors, Media, Registrar and Share Transfer Agent, and Banks and look forward to their continued support. We appreciate continued co-operation received from various regulatory authorities including Department of Agriculture, Department of Corporate Affairs, Registrar of Companies, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges, Depositories, Central Government and respective State Governments. We also recognize and appreciate the sincere hard work, loyalty and efforts of the employees and look forward to their continued support.

For and on behalf of the Board,

Place: Mumbai  
Date: 11<sup>th</sup> August, 2021

**Dr. Rahul Mirchandani**  
**Chairman & Managing Director**  
**DIN-00239057**

### Form No. AOC -2

(Pursuant to clause(h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies(Accounts) Rules, 2014)  
Form for disclosure of Particulars of Contracts / Arrangements entered into by the Company with Related Parties referred to in sub-section(1) of section 188 of the Companies Act, 2013 including certain arm's lengths transactions under third provision thereto:

#### 1 Details of Contracts or Arrangements or Transactions not at arm's length basis :

Aries Agro Limited has not entered into any Contract or Arrangement with its Related Parties which is not at arm's length during the Financial Year 2020-21

#### 2 Details of Contracts or Arrangements or Transactions at arm's length basis:

Sr. No.	Particulars			
1	Name(s) of the Related Party and nature of Relationship	Golden Harvest Middle East FZC - 75% Subsidiary	Mirabelle Agro Manufacturing Pvt Ltd - Wholly Owned Subsidiary	Dr. Jimmy Mirchandani
2	Nature of contracts / Arrangements / Transactions	Order based contracts	Order based contracts	Appointment as a Consultant
3	Duration of Contracts / Arrangements / Transactions	Order based contracts	Order based contracts	5 Years from 4 <sup>th</sup> April, 2017 to 3 <sup>rd</sup> April, 2022.
4	Salients terms of contracts / Arrangements / Transactions including value, if any	As per the Orders from time to time	As per the Orders from time to time	As a Consultant upto 3 <sup>rd</sup> April, 2022 at a Fee of Rs. 4,00,000/- p.m. and Annual Performance Bonus, the aggregate of total remuneration payable to Dr. Jimmy Mirchandani in any financial year not to exceed Rs. 85,00,000/- (Rupees Eighty Five Lacs only) per annum and on such other terms and conditions as stated in the Consultancy Agreement dated 30 <sup>th</sup> May, 2017
5	Date of Approval by the Board, if any	Not Applicable since the contract was entered into in the ordinary course of business and on arm's length basis	Not Applicable since the contract was entered into in the ordinary course of business and on arm's length basis	3 <sup>rd</sup> April, 2017.
6	Amount received as advances, if any	239.82 Lakhs	-	-
7	Sales	-	11.89 Lakhs	
8	Rent received	-	0.40 Lakhs	
9	Legal & Professional Fees paid	-	-	84.42 Lakhs

For and Behalf of the **Board of Directors** of **Aries Agro Limited**

Place : Mumbai  
Date : 11<sup>th</sup> August, 2021

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN-00239057

**ANNUAL REPORT ON CSR ACTIVITIES  
FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2021**

**1. A brief outline of the Company's CSR Policy.**

Policy on Corporate Social Responsibility of the Company is broadly framed taking into account the following parameters: -

- Welfare measures for the community at large, so as to ensure the disadvantaged sections of the Society obtain maximum benefits.
- Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness especially with regard to the farming sector for their development and augmenting of farmers' income.
- Protection and safeguarding of the environment and maintaining ecological balance through a range of ecologically sustainable and cost effective products.
- Priority is being given on the welfare of the farmers and most importantly on their education and information dissemination for effective crop management.

Subject to overall superintendence of the Board, the Managing Director of the Company has been authorized to exercise powers for according approval for the project within the ceiling limit of said 100% budget. CSR should be broadly implemented by the Company in the areas in which its operating units are located. CSR committee has framed the CSR Policy and modifies from time to time and the Board to implement and monitor CSR activities.

The CSR Policy is hosted at [www.ariesagro.com](http://www.ariesagro.com) in the Investor Relations Section.

**2. Composition of CSR Committee:**

Sr. No.	Name of Director	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. Rahul Mirchandani,	Chairman/ Managing Director	2	2
2.	Shri Bhumitra V. Dholakia	Member/Independent Director	2	2
3.	Mrs. Nitya Mirchandani	Member/Non-Executive Director	2	2

**3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company.**

<https://ariesagro.com/wp-content/uploads/2021/02/CSR-Policy-For-Amendment-BM-09-02-2021-Final.pdf>

**4. Provide the details of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).**

Not Applicable to the Company.

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

There is no surplus amount available required to be set off for any of three preceding financial years.

**6. Average net profit of the Company as per section 135(5) for three Financial Year:-**

Financial Year	Net Profit as per Section 198 of the Companies Act, 2013 (in Rs.)
2017-2018	21,77,58,399
2018-2019	22,91,45,829
2019-2020	24,05,70,904
Total Profit	68,74,75,132
Average Net Profit	22,91,58,377
2% of Average Net Profit—amount to be spent during financial year 2020-2021	45,83,168
Total amount unspent upto Financial Year 2019-2020	NIL
Total amount to be spent for CSR Activities in Financial Year 2020-21	45,83,168

7. a) Two percent of average net profit of the company as per section 135(5)- Rs. 45,83,168/-  
 b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil  
 c) Amount required to be set off for the financial year, if any- Nil  
 d) Total CSR obligation for the financial year (7a+7b-7c)- Rs. 45,83,168/-

8. (a) CSR amount spent or unspent for the financial year 2020-2021

Total Amount Spent for the Financial Year. (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
47,03,393/-	NIL	Not Applicable	Not Applicable	Not Applicable	Not Applicable

- (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	State	District	Project Duration	Amount allocated for the project (In Rs.)	Amount spent in the current financial Year (In Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (In Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
											Name	CSR Registration Number
NOT APPLICABLE												
	<b>Total</b>											

- (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local areas (Yes/No)	State	District	Amount spent for the project (In Rs.).	Mode of implementation- Direct (Yes/No).	Mode of implementation - Through implementing Agency.	
								Name	CSR Registration Number
1.	Education including Farmers	(ii)	Yes	<i>Around the Areas where Company's Factories and Depots are located.</i>	-	12,28,546	Yes	Not Applicable	Not Applicable
2.	Farmers Call Centre	(x)	Yes	-do-		8,43,283	-do-	Not Applicable	Not Applicable
3.	Infrastructure Support	(x)	Yes	-do-		10,32,689	-do-	Not Applicable	Not Applicable
4.	Health Care	(i)	Yes	-do-		15,98,875	-do-	Not Applicable	Not Applicable
	<b>Total</b>	-	-	-	-	<b>47,03,393</b>	-	-	-

- (d) Amount spent in Administrative Overhead – Nil  
 (e) Amount spent on Impact Assessment, if applicable – Not Applicable  
 (f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs. 47,03,393/-

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (In Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (In Rs.)	Amount spent in the reporting Financial Year (In Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if			Amount remaining to be spent in succeeding financial years (In Rs.)
				Name of the Fund	Amount (In Rs)	Date of transfer.	
1.	2020-2021	Nil	Nil	Not Applicable	Not Applicable	Not Applicable	NIL
2.	2019-2020	Nil	Nil	Not Applicable	Not Applicable	Not Applicable	NIL
3.	2018-2019	Nil	Nil	Not Applicable	Not Applicable	Not Applicable	NIL
	<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Not Applicable</b>	<b>Not Applicable</b>	<b>Not Applicable</b>	NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project.	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (In Rs.).	Amount spent on the project in the reporting Financial Year (In Rs).	Cumulative amount spent at the end of reporting Financial Year. (In Rs)	Status of the project - Completed /Ongoing.
1.	NONE							
	<b>Total</b>							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details)

(a) Date of creation or acquisition of the capital asset(s) – NONE

(b) Amount of CSR spent for creation or acquisition of capital asset – Rs. NIL.

(c) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) – NOT APPLICABLE

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – The Company has spent the more than 2% .

I hereby declare that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company.”

For and on behalf of the Board,

Chairman and Managing Director & Chairman of CSR Committee  
 Dr. Rahul Mirchandani  
 Chairman & Managing Director  
 DIN-00239057

**SECRETARIAL AUDIT REPORT  
FOR THE YEAR ENDED MARCH 31, 2021**

To  
The Members  
Aries Agro Limited  
Aries House, Plot No. 24  
Deonar, Govandi (E)  
Mumbai - 400 043

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good Corporate Practices by Aries Agro Limited, (hereinafter called the Company). Secretarial Audit was conducted in the manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representative during the conduct of Secretarial Audit, I hereby report that in my opinion the Company has during the year ended 31<sup>st</sup> March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year under review, according to the provision of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent they are applicable to the company
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with client;
  - (d) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") were not applicable to the company
  - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
  - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
  - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vii) Other laws specifically applicable to the company namely: -
  - The Insecticides Act, 1968 and
  - The Fertilizer Control Order, 2011

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

- (i) Applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.  
During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

I further report that the company has formulated a Compliance Management System to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, which is ongoing and subject of continuous review. Further, based on the compliance mechanism established by the Company and on the basis of compliance certificates issued by the Compliance Officer and taken on record by the Board of Directors, prima facie, it is opined that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. Also, as informed, the Company has responded appropriately to notices received from various statutory authorities / regulatory authorities including initiating actions for corrective measures, where found necessary.

**I further report that** during the audit period, the company has not undertaken any action having a major bearing on the company's affairs in pursuance of the above referred laws

**PLACE: MUMBAI**  
**DATE: 29<sup>th</sup> June, 2021**

**A. SEKAR**  
**COMPANY SECRETARY**  
**ACS 8649 CP 2450**  
**UDIN: A008649C000538200**

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

#### *'Annexure A'*

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. Following the nation-wide lockdown implemented by the Central and State Governments arising out of COVID-19 situation, the statutory records and extract of the minutes of the meetings of the Board of Directors and their Committees held by the company during the year under review were verified on the basis of soft copies of the documents and records shared by the Company.
3. I 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 on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, followed by me provide a reasonable basis for our opinion.
4. I have not verified the correctness and appropriateness of financial records, Books of Accounts and records pertaining to direct and indirect taxation of the company, which I believe are the domain of other professionals on whom the responsibility is entrusted by the provisions of the Companies Act, 2013.
5. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**PLACE: MUMBAI**  
**DATE: 29<sup>th</sup> June, 2021**

**A. SEKAR**  
**COMPANY SECRETARY**  
**ACS 8649 CP 2450**  
**UDIN: A008649C000538200**



## REPORT ON CORPORATE GOVERNANCE

### 1. CORPORATE GOVERNANCE PHILOSOPHY

The Company's Corporate Governance is aimed at ensuring Business Sustainability by striking a balance between Economic and Social goals and between Individual and Corporate goals. The Corporate Governance framework is to encourage the efficient use of resources, maintain an accountability and compliance of applicable Laws with a view to enhance value of all the Stakeholders. The Company follows principles governing disclosures and obligations as enshrined in the Regulation 4 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Company is fully compliant with the Regulatory Guidelines relating to the Corporate Governance under SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and the Companies Act, 2013.

In compliance with the disclosure requirements of Schedule V to the Regulation 34 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the details are set out below:-

### 2. BOARD OF DIRECTORS

#### (A) Board Composition {2(a) and (c) of Part C of Schedule V}

The Board of Directors of the Company ('the Board') consists of 6 Directors, headed by an Executive Chairman and out of which Five (5) are Non Executive Directors of which Three(3) are Independent Directors, two Non-Executive-Non Independent Directors out of which one is Woman Director. The Independent Directors are eminent professionals, with experience in, Management and Strategy, Human Resources, Banking, Corporate Laws etc. Composition of the Board and category of Directors are as follows:

Name of the Director and (Category)	Directorship in other Companies (Public/Private)*	Membership/Chairmanship of the Committees in other Companies**		Directorship in other Listed Entity (Category of Directorship)
		Chairperson	Member	
Dr. Rahul Mirchandani Chairman & Managing Director (Promoter- Executive Director)	7(3/4)	--	--	--
Dr. Jimmy Mirchandani Director (Promoter- Non-Executive Director)	5(2/3)	--	--	--
Mrs. Nitya Mirchandani Director (Woman Director) (Promoter- Non-Executive Director)	5(2/3)	--	--	--
Prof. R.S.S. Mani Director (Independent- Non-Executive Director)	0(0/0)	--	--	--
Mr. Chakradhar Bharat Chhaya Director (Independent- Non-Executive Director)	1(0/1)	--	--	--
Mr. Bhumitra Vinodchandra Dholakia Director (Independent- Non-Executive Director)	2(1/1)	--	--	--

- \*Directorships in Indian Public/Private Companies (Listed and Unlisted).*
- None of the Directors hold office in more than Eight Listed Entities. None of the Directors serve as an Independent Director in more than Seven Listed Entities. Managing Director does not serve as an Independent Director in any Listed entity.*
- \*\*As required under Regulation 26(1)(b) of the Listing Regulations, the disclosure includes Chairmanship/Membership of the Audit Committee and Stake Holders Relationship Committee in India Public Companies(Listed and Unlisted).*
- During the year none of our Directors acted as Member in more than Ten Committees or as Chairperson in more than Five Committees across all Indian Public Companies(Listed and Unlisted) where he/she is a Director. For this purpose, Committee will include only Audit Committee and Stake Holders Relationship Committee.*

#### (B) Attendance and Other Directorships {2(b), (d) and (e) of Part C of Schedule V}

The Board of Directors met 4(four) times during the year on 26.06.2020, 13.08.2020, 12.11.2020 and 09.02.2021. There was a gap of more than four months between the Meetings held on 11<sup>th</sup> February, 2020 and 26<sup>th</sup> June, 2020 i.e. on or before 30<sup>th</sup> June, 2020 as allowed by the SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020 . Between other Meetings not more than four months had elapsed. Every Quarter there was a Board Meeting as required under the Articles of Association of the Company. The necessary quorum was present at all the Meetings.

Attendance of Directors at Board Meetings, last Annual General Meeting and number of Directorships and Chairmanships/ Memberships of Committees of each Director in various Companies as on 31<sup>st</sup> March, 2021 is as follows:-

Name of the Director & Designation and category	Attendance of Meetings during 2019-20		Inter Se Relationship
	Board Meetings Attended	Last AGM held on 24-09-2020	
Dr. Rahul Mirchandani Chairman & Managing Director (Promoter)(CMD)	4	Yes	Brother of NED and Husband of NED
Dr. Jimmy Mirchandani Director (Promoter)(NED)	4	Yes	Brother of CMD
Prof. R. S. S. Mani Director Non Executive (Independent)	4	Yes	N.A.
Mr. Chakradhar Bharat Chhaya Director Non Executive (Independent)	4	Yes	N.A.
Mr. Bhumitra Vinodchandra Dholakia Director Non Executive (Independent)	4	Yes	N.A.
Mrs. Nitya Mirchandani Director Non-Executive (Promoter)(NED)	4	Yes	Wife of CMD

**(C) Details of Equity Shares of the Company held by the Directors as on 31<sup>st</sup> March, 2021 are given below: {2(f) of Part C of Schedule V}**

Name of the Directors	Number of Equity Share
<b>Executive Directors</b>	
Dr. Rahul Mirchandani	30,23,021
<b>Non-Executive Directors</b>	
Dr. Jimmy Mirchandani	31,64,830
Prof. R. S. S. Mani	NIL
Mr. C. B. Chhaya	NIL
Mr. Bhumitra V. Dholakia	NIL
Mrs. Nitya Mirchandani	3,000

The Company has not issued any Convertible Instruments.

**(D) Web link where details of familiarization Program to Independent Director{2(g) of Part C of Schedule V}**

The web link for details of familiarization program to Independent Director is <https://ariesagro.com/wp-content/uploads/2020/08/Trng-to-Independent-Directors-29.08.2020.pdf>.

**(E) Selection of New Directors and Board Membership Criteria**

The Nomination and Remuneration Committee ('NRC') works with the Board to determine the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. The updated Policy for appointment and removal of Directors and determining Directors' independence is available on our website at [www.ariesagro.com](http://www.ariesagro.com).

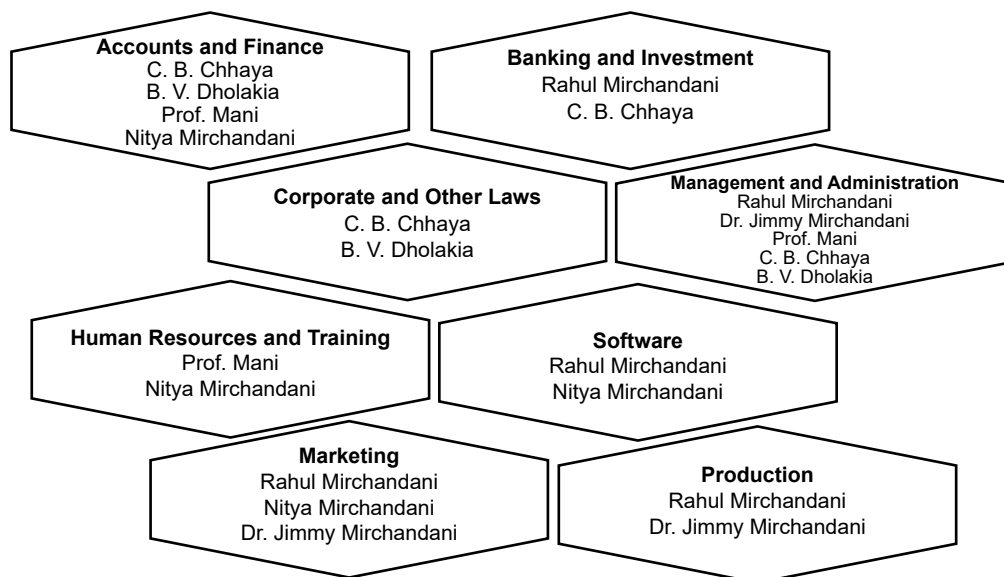
**Key Board Qualifications, Expertise and Attributes**

The Directors are committed to ensuring that the Board is in compliance with the highest standards of Corporate Governance. The table below summarizes the key qualifications, skills and attributes which are taken into consideration by the NRC while recommending appointment of Directors to the Board

**Director qualifications, skills, expertise, competencies and attributes desirable in Company's business and sector in which it functions {2(h) of Part C of Schedule V}**

Skills and Attributes	Description
<b>Alignment with Company culture and value system</b>	Exhibit high levels of integrity and be appreciative of the core values of the Company
<b>Experience in Managing Medium Size Corporations</b>	Experience in leading and Managing Medium Size Corporations and have an understanding of the business environment, complex business processes, strategic planning, risk management, etc. Also, possess experience in driving growth with the ability to evaluate opportunities that are in line with the Company's strategy.
<b>Understanding of Industry and Operations</b>	Experience and knowledge of the functioning, operations, growth drivers, business environment and changing trends in the Fertilizer Industries as well as experience in overseeing large supply chain operations.
<b>Understanding of finance and related aspects</b>	Experience in Financial Management of Medium Size Corporations with understanding of capital allocation & funding and financial reporting processes.
<b>Knowledge of technology and innovation</b>	Understanding of emerging trends in technology and innovation that may have an impact on the business and have the ability to guide necessary interventions that can be utilised in making the business more competitive and sustainable
<b>Knowledge of Governance and Law</b>	Understanding of the legal ecosystem within which the Company operates and possess knowledge on matters of regulatory compliance, governance, internal controls. Experience in policy advocacy at national and international level.

**{2(h) of Part C of Schedule V}**



- (F) All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) of the Listing Regulations. It is hereby confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified in Listing Regulations and are Independent of the Management. **{2(i) of Part C of Schedule V}**
- (G) During the year under review none of the Independent Directors has resigned before the expiry of his tenure. **{2(j) of Part C of Schedule V}**
- (H) **Board Meetings**

The Agenda and Background notes with supporting are circulated to the Directors well in advance of the Board Meetings and Committee Meetings ("Meetings") and additional items with Agenda Notes, if any, are tabled during the course of the Meetings. During the year information as mentioned in Regulation 17(7) of Listing Regulations has been placed before the Board for its consideration. The Minutes of all the Committees of the Directors are placed before the Board and noted by them.

The terms and conditions of the appointment of Independent Directors are disclosed on the Web Site of the Company.

During the year a separate Meeting of the Independent Directors was held inter-alia to review the performance of Non-Independent Directors and the Board as a whole. The Meeting was held without the presence of Management Staff of the Company.

The Board periodically reviews compliance reports of all laws applicable to the Company.

**(I) Code of Conduct**

The Company has adopted a Code of Conduct for the Members of the Board and the Senior Executives including Duties of the Independent Directors in compliance with the provision of Regulation 17(5) of Listing Regulations. All the Members of the Board, Key Managerial Personnel and the Senior Management Personnel have affirmed compliance to the Code of Conduct as on 31-03-2021, and a declaration to that effect signed by the Chairman & Managing Director is attached and forms a part of this Report.

**BOARD COMMITTEES**

**3. AUDIT COMMITTEE**

All the Members of the Committee are Non-Executive and Independent Directors and they are professionals and financially literate within the meaning of Regulation 18 (1) (c) of the Listing Regulations.

**(i) The terms of reference of the Audit Committee :**

The terms of reference of the Audit Committee are in accordance with Part C of Schedule II to the Regulation 18 (3) of the Listing Regulations and Section 177 of the Companies Act, 2013. The Committee acts as a link between the Management, Auditors and Board of Directors of the Company and has full access to financial information.

Recommendations of the Audit Committee, if any, are considered and implemented by the Board from time to time.

**(ii) Composition, Name of Members and Chairperson**

The Audit Committee comprises of the following Directors:

Mr. Bhumitra V. Dholakia : Chairman (Independent Director)

Prof. R. S. S. Mani : Member (Independent Director)

Mrs. Nitya Mirchandani : Member (Non-Independent Director)

Mr. C. B. Chhaya : Member (Independent Director)

The Chairman of the Audit Committee remains present at the Annual General Meeting. The previous Annual General Meeting of the Company was held on 24<sup>th</sup> September, 2020 and was attended by Mr. Bhumitra V. Dholakia, Chairman of the Audit Committee.

**(iii) Meetings and Attendance during the year**

The Audit Committee met 4(four) times during the year on 26.06.2020, 13.08.2020, 12.11.2020 and 09.02.2021.

There was a gap of more than four months between the Meetings held on 11<sup>th</sup> February, 2020 and 26<sup>th</sup> June, 2020 i.e. on or before 30<sup>th</sup> June, 2020 as allowed by the SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020. Between other Meetings not more than four months had elapsed. The necessary quorum was present at all the Meetings. All the Four Meetings were attended by all the Members of the Audit Committee held during the year under review.

The Statutory Auditors, Internal Auditors, Cost Auditors, Secretarial Auditors and Chief Financial Officer are permanent invitees to the Meetings of the Committee and they all endeavour to attend most of the Meetings. The Company Secretary is the Secretary of the Committee.

**4. NOMINATION AND REMUNERATION COMMITTEE**

The Company has a Nomination and Remuneration Committee of Directors. The scope of the Nomination and Remuneration Committee is as per the provisions of the Listing Regulations.

**(i) The Terms of Reference of the Nomination and Remuneration Committee which are in line with the provisions of the Companies Act, 2013 and Listing Regulations are as under:**

1. To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. To formulate criteria for evaluation of Independent Directors and the Board;
3. to devise a policy on Board diversity;
4. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Director.
6. recommend to the board, all remuneration, in whatever form, payable to Senior Management.

**(ii) & (iii) Composition, Name of Members, Chairperson & Attendance during the year**

Nomination and Remuneration Committee consists of Mr. Chakradhar Bharat Chhaya, Prof. R. S. S. Mani, and Mr. Bhumitra V. Dholakia all Independent Directors, as Members. Mr. Chakradhar Bharat Chhaya is the Chairman of the Committee. During the Financial Year 2020-21, the Committee met 1(one) time on 13.08.2020 and all the Committee Members attended the Meeting.

(iv) The Company does not have any Employee Stock Option Scheme.

(v) **Remuneration Policy**

The Remuneration Policy for Working Directors is in line with the other peer Companies and reviewed periodically. The payment of remuneration is duly approved by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee and subsequently confirmed by the Shareholders.

The Nomination and Remuneration Policy of the Company is displayed on Company's web-site i.e. [www.ariesagro.com](http://www.ariesagro.com). and the same is re-produced as under:

**ARIES AGRO LIMITED  
NOMINATION AND REMUNERATION POLICY FOR DIRECTORS AND  
KEY MANAGERIAL PERSONNEL (KMP)**

**1. Introduction**

*The Company considers human resources inclusive of its Senior Management Team Members as its invaluable Asset. This policy on Nomination and Remuneration of Directors, Key Manager Personnel (KMPs) and Senior Management has been formulated in terms of the provisions of the Companies Act, 2013 and the Listing Agreement in order to attract and retain high-performing and motivated Executives in a competitive corporate world. This will lead to good corporate governance as well as sustained and long-term value creation for Stakeholders.*

**2. Objective and purpose of the Policy**

*The objective and purpose of this policy are:*

- 2.1 *To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other Employees.*
- 2.2 *\*To formulate the criteria for evaluation of performance of all the Directors on the Board and to specify the manner for effective evaluation of performance of Board, its Committees and individual Directors to be carried out by the Nomination and Remuneration Committee and review its implementation and compliance.*
- 2.3 *To devise a policy on Board diversity; and*
- 2.4 *To lay out remuneration principles for working Directors, Key Managerial Personnel and Senior Management Team Members linked to their effort, performance and achievement in relation to the Company's goals*
- 2.5 *\*Developing a succession plan for the Board and Senior Management and reviewing the plan at regular intervals (yearly);*

**3. Definitions**

*'Board' means Board of Directors of the Company.*

*'Directors' means Directors of the Company.*

*'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable Listing Agreements and/or Regulations.*

*'Company' means Aries Agro Limited*

*'Independent Director' means a Director referred to in Section 149(6) of the Companies Act, 2013 and Rules.*

*'Key Managerial Personnel (KMP)' means*

- i) *Managing Director or the Manager,*
- ii) *Whole-time Director;*
- iii) *Company Secretary; and*
- iv) *Chief Financial Officer*

*'Senior Management' means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Director, including the functional heads.*

*Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.*

**General**

*This Policy is divided in three parts:-*

**Part – A** *Scope and Applicability*

**Part–B** *Responsibilities and Powers of the Committee and recommended by the Committee to the Board.*

**Part – C** *covers the appointment and nomination; and*

**Part – D** *covers remuneration and perquisites etc.*

*This policy shall become effective from the date of its adoption by the Board and shall be included in the Report of the Board of Directors.*

**Part – A**

**SCOPE AND APPLICABILITY**

- a) *Remuneration structures and other terms of employment of Key Managerial Personnel and Senior Management. Personnel.*
- b) *Remuneration of Non-Executive Directors*
- c) *Selection of the Independent Directors*
- d) *Selection of Key Managerial Personnel.*

## Part – B

### RESPONSIBILITIES AND POWERS OF THE NOMINATION AND REMUNERATION COMMITTEE

The following matters shall be dealt with by the Committee in consonance with the principles and requirements enshrined under the Companies Act and the Listing Agreement particularly clause relating to Corporate Governance: ;

- (a) **Size and composition of the Board**  
Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company as a whole;
- (b) **Directors:**  
Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board;
- (c) **Succession plans:**  
\*Developing, Establishing, and reviewing Board, Key Managerial Personnel Senior Management Personnel succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management;
- (d) **Evaluation of performance:**
  - i. Make recommendations to the Board on appropriate performance criteria for the Directors.
  - ii. \*Formulate the criteria and framework for evaluation and carry out the Evaluation of performance of every Director on the Board of the Company, KMP and Senior Management Personnel of the Company at regular intervals (yearly) in line with the Guidelines or Guidance Note issued by the Securities and Exchange Board of India and/or Institute of Company Secretaries of India.
  - iii. Identify ongoing training and education programmes for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.
- (e) **Board diversity:**  
The Committee is to assist the Board in ensuring Board nomination process with the diversity of gender, thought, experience, knowledge and perspective in the Board, in accordance with the Board Diversity Policy.
- (f) **Remuneration framework and policies:**  
The Committee is responsible for reviewing and making recommendations to the Board on;
  - (a) The remuneration of the Managing Director, Whole-time Directors and other KMPs
  - (b) The level of remuneration of Non-Executive Directors and for individual remuneration for Non-Executive Directors and the Chairman, including any additional fees payable for membership of Board committees;
  - (c) The remuneration policies for all employees including KMPs, Senior Management and other Employees including base pay, incentive payments, equity awards, retirement rights and service contracts having regard to the need to
    - (i) Attract and motivate talent to pursue the Company's long term growth;
    - (ii) Demonstrate a clear relationship between executive compensation and performance; and
    - (iii) Be reasonable and fair, having regard to best governance practices and legal requirements.
  - (d) The Company's equity based incentive schemes including a consideration of performance thresholds and regulatory and market requirements;
  - (e) The Company's superannuation arrangements and compliance with relevant laws and regulations in relation to superannuation arrangements; and
  - (f) The Company's remuneration reporting in the financial statements and remuneration report.
  - (g) However, the Managing Director or Executive Director jointly or severally shall have right to fix total pay package (remuneration, allowances and perquisites) of all the Key Managerial and Senior Management Personnel (other than Director level) within the frame work of this Policy and periodically report to the Committee which will evaluate the same and if need be recommend variation in the pay package.

## Part – C

### Policy for appointment and removal of Director, KMPs and Senior Management

#### Appointment criteria and qualifications

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management level and recommend to the Board his / her appointment.
2. A person to be appointed as Director, KMP or Senior Management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth, complementary skills in relation to the other Board members.
4. The Company shall not appoint or continue the employment of any person as Managing Director / Executive Director who has attained the age of seventy years and shall not appoint Independent Directors who has attained the age of seventy years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years with the approval of shareholders by passing a Special Resolution based on the Explanatory Statement annexed to the Notice for such motion indicating the justification for extension of appointment beyond seventy years as the case may be.
5. A Whole-Time KMP of the Company shall not hold office in more than one Company except in its Subsidiary Company at the same time. However, a Whole-Time KMP can be appointed as a Director in any Company, with the permission of the Board of Directors of the Company.

**Term / Tenure****1. Managing Director / Whole-time Director**

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry term.

**2. Independent Director**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's Report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director, provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves, is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time (Executive) Director of a listed Company.

**Removal**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other Applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

**Retirement**

The Whole-time Directors, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing Policy of the Company. The Board will have the discretion to retain the Whole-time Directors, KMP and Senior Management Personnel in the same position/ remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

**PART – D****Policy relating to the remuneration for Directors, KMPs and other Employees****Managing Director, Executive Director or Whole Time Director**

- The remuneration / compensation / commission etc. to Directors will be determined by the Committee and recommended to the Board for approval.
- The remuneration and commission to be paid to the Managing Director and/or Executive Directors (Whole Time Directors) shall be as permissible under the provisions of the Companies Act, 2013 and the rules made thereunder.
- Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director Or Executive Director(Whole Time Director) Where any insurance is taken by the Company on behalf of its Managing Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**Remuneration to KMPs (other than Directors) and Senior Management Personnel (referred to as Executives)**

The policy on remuneration for KMPs and Senior Management Personnel is as below:

**1. Fixed Pay**

The remuneration and reward structure for Executives comprises three broad components – Annual Remuneration, Variable Pay (Performance Incentive) and Long-Term rewards. The Committee would determine the remuneration of the Directors and formulate guidelines for remuneration payable to the Employees.

These guidelines are as under:

**a) Annual Remuneration**

Annual Remuneration refers to the annual compensation payable to the employees of the Company. This comprises of two parts – a fixed component, and a performance-linked variable component based on the extent of achievement of the individual's objectives and performance of the business unit. Every employee is required to sign off and accept a target which clearly articulates the key performance measures for the particular defined role. The performance-linked variable pay will be directly linked to the performance on individual components of the performance contract and the overall performance of the business. An employee's variable pay would, therefore, be directly dependent on key performance measures that represent the best interests of shareholders.

The objective is to set the total remuneration at levels to attract, motivate, and retain high-caliber and high potential personnel in a competitive global market. The total remuneration level is to be reset annually based on a compensation with the relevant peer group globally, established through independent compensation surveys from time to time.

**b) Long-term rewards**

Long term rewards may include Long Term Incentive Plans (LTIP) under which incentives would be granted to eligible Executives based on their contribution to the performance of the Company, relative position in the organization and length of service under the supervision and approval of the Committee. The Company could implement various long term awards schemes that could include Long Term Incentive Programme (LTIP) spread over several years with payouts in multiple tranches linked to the Company's performance. Another form of long term awards could be in the nature of Stock Options of the Company. Stock Options may be granted to key employees and high performers in the organization who would be selected by the Committee based on their criticality, past performance and potential. The grant, vesting and other scheme details would be formulated from time to time.

These long term reward schemes are implemented to attract and retain key talent in the industry.

**Remuneration to Non-Executive / Independent Directors****1. Remuneration**

The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013 and the rules made thereunder and the Listing Agreement..

*The remuneration to the Non-Executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.*

*Remuneration structure for Independent Directors – Sitting fees as per the norms of the Company.*

*Incase of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.*

*This Policy shall be reviewed by the Board on its own or upon the suggestion of the Nomination and Remuneration Committee as and when any changes are to be incorporated in the Policy. Any change or modification in the Policy as recommended by the Committee would be tabled for approval of the Board.*

*This Policy is updated on 13<sup>th</sup> August, 2020.*

#### vi) Performance Evaluation of Directors

Pursuant to applicable provisions of the Companies Act, 2013 and Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee has formulated a framework containing, inter-alia, the criteria for performance evaluation of the Independent Directors, Board of Directors, Committees of Board, Individual Directors including Managing Director and Non-Executive Directors and Chairperson of the Board.

##### Criteria for Appointment of Directors

Appropriate to the Business of the Company and enhancing the effectiveness of the Board are the basis for the NRC to select a candidate for appointment to the Board. When recommending a candidate for appointment, the NRC will have regard to:

- industry experience, background, and other qualities required to the Office of the Director with due regard to the benefits of diversity of the Board;
- ability and inclination to contribute to the overall effectiveness of the Board and work constructively with the existing directors;
- the skills and experience the individual brings to the role and how these will enhance the skill sets and experience of the Board as a whole;
- the past positions held by the individual including directorships or other relationships and ability to exercise independent judgment;
- the time commitment required from a Director to actively discharge his duties to the Company

#### vii) Meeting of Independent Directors

1(One) separate Meeting of the Independent Directors were held on 09.02.2021, inter-alia, to discuss evaluation of the performance of Non- Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

#### viii) Tenure of Independent Directors:

All three Independent Directors were appointed for a term of 5(five) years in the Forty Fourth Annual General Meeting held on 26<sup>th</sup> September, 2014 to hold office upto 25<sup>th</sup> September, 2019. Mr. C.B. Chhaya who attained age of 75 years on 9<sup>th</sup> November, 2019 was re-appointed for second term of 5(five) years w.e.f. 01.04.2019 in the 48<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> September, 2018. Prof. R. S. S. Mani and Mr. B. V. Dholakia were re-appointed for second term of 5(five) years w.e.f. 26<sup>th</sup> September, 2019 in the 49<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2019.

#### 5. DETAILS OF REMUNERATION PAID TO THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021.

##### i) Managing Director

The Agreement with the Chairman & Managing Director is for a period of 5(Five) Years from 04.04.2017 to 31.03.2022 at a remuneration sanctioned for a period of 3(Three) Years i.e. upto 31<sup>st</sup> March, 2020.

The Board of Directors at their Meeting held on 11<sup>th</sup> February, 2020, pursuant to the recommendation of the Nomination and Remuneration Committee, revised the Remuneration of Dr. Rahul Mirchandani with effect from 1<sup>st</sup> April, 2020 for remainder of his tenure of 2(two) years upto 31<sup>st</sup> March, 2022. The remuneration was revised for the remaining period of 2(Two) Years i.e. upto 31<sup>st</sup> March, 2022 by the Members at the 50<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2020.

The total remuneration paid to the Managing Director during the year 2020-21 was as under:

(Rupees)

Name	Salary	Commission	Contribution to Provident Fund/ Gratuity	Total
Dr. Rahul Mirchandani Chairman & Managing Director	1,94,40,000	--	16,76,700	2,11,16,700

Notes:

The Agreement with the Managing Director is for a period of 5(Five) Years from 04.04.2017 to 31.03.2022 at a remuneration sanctioned for a period of 3(Three) Years i.e. upto 31<sup>st</sup> March, 2020. The remuneration was revised for the remaining period of 2(Two) Years i.e. upto 31<sup>st</sup> March, 2022 by the Members at the 50<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2020. Either party to the Agreement was entitled to terminate by giving the other party a notice of 3 months.



- a) The Managing Director is entitled to compensation for loss of office in accordance with and subject to restrictions laid down under Sections 197 and 202 of the Companies Act 2013.
- b) Presently, the Company does not have a scheme for grant of Stock Options to its Working Directors
- c) The Managing Director is entitled to Commission within the overall limit prescribed under Section 197 of the Companies Act, 2013.
- ii) **The Non Executive Directors** are not entitled to any Remuneration except payment of Sitting Fees for attending the Meetings of Board of Directors and Committees thereof. During the year 2020-21, the Company has paid total Sitting Fee of Rs. 14,40,000/- to Non Executive Directors as under:

Dr. Jimmy Mirchandani	Rs. 1,60,000.00
Prof. R. S. S. Mani	Rs. 2,80,000.00
Mr. C. B. Chhaya	Rs. 3,40,000.00
Mr. B. V. Dholakia	Rs. 3,20,000.00
Mrs. Nitya Mirchandani	Rs. 3,40,000.00

Since there is a payment of only Sitting Fees either the disclosure of the criteria of making other payments to Non-Executive Directors or dissemination of the information on the website has not been made.

- iii) All Pecuniary Relationship or Transactions of the Non-Executive Directors vis-à-vis the Listed Entity is disclosed in the Notes to the Financial Statements and forms part of the Annual Report under the Heading "Related Party Transactions."

#### 6. STAKE HOLDERS RELATIONSHIP COMMITTEE

- i) The Company has a Stake Holders Relationship Committee pursuant to provisions of Section 178(5) of the Companies Act, 2013 and Listing Regulations.
- ii) The Stake Holders Relationship Committee has been constituted to specifically look into redressing the Shareholders and Investors' Complaints or Grievances.
- iii) The Committee met once during the year on 9<sup>th</sup> February, 2021.
- iv) The Composition of the Stake Holders Relationship Committee and details of Meetings attended by its Members are given below:

Name & Position	Category	Number of Meetings during the Financial Year 2020-21	
		Held	Attended
Mr. C. B. Chhaya Chairman	Independent, Non-Executive	1	1
Mrs. Nitya Mirchandani Member	Non-Independent, Non Executive	1	1
Dr. Rahul Mirchandani Member	Non-Independent, Executive	1	1

As per Regulation 46 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 the exclusive E-mail id of the Investor Grievance Department of the Company is investorrelations@ariesagro.com.

- v) The Company has always valued Customer relationship. This philosophy has been extended to Stakeholder Relationship also.
- vi) **Name & Designation and Address of Compliance Officer:**

Mr. Qaiser Parvez Ansari, Company Secretary is designated as Compliance Officer of the Company.

Aries House, Plot No. 24, Deonar

Govandi(E), Mumbai-400 043

Phone No. 022 2552 9000/2556 4052/53/62580505

- vii) A statement of various Complaints received and cleared by the Company during the year ended on 31<sup>st</sup> March, 2021 is given below:

	Nature of Request/Complaint	Opening	No. of Requests/Complaints	Redressed	Pending
	<b>A: REQUESTS</b>				
1.	Receipt of D/W for Revalidation/Correction of Bank Mandate	0	23	23	0
2.	Receipt of Indemnity Bond and Affidavit for issue of Duplicate Share Certificate	0	1	1	0
	<b>TOTAL</b>	<b>0</b>	<b>24</b>	<b>24</b>	<b>0</b>
	<b>B: COMPLAINTS</b>				
1.	Non receipt of Dividend Warrant	0	1	1	0
	<b>TOTAL</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>
	<b>GRAND TOTAL</b>	<b>0</b>	<b>25</b>	<b>25</b>	<b>0</b>

- viii) The "SCORES" website of SEBI for redressing of Grievances of the investors is being visited at regular intervals by the Company Secretary and any Complaint received, is promptly resolved and Action Taken Report filed on SCORES.
- ix) As required by the Listing Regulations the E-mail ID of the Investor Grievance Department of the Company is [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com).
- x) The Web Site address of the Company is [www.ariesagro.com](http://www.ariesagro.com).

## 7. OTHER COMMITTEES (VOLUNTARY DISCLOSURE AND COMPLIANCE)

### a) Corporate Social Responsibility (CSR) Committee

Corporate Social Responsibility(CSR) Committee of Directors as required under Section 135 of the Companies Act, 2013 is comprising of the following Directors:

- i) Dr. Rahul Mirchandani, Non-Independent, Executive
- ii) Mr. Bhumitra V. Dholakia, Independent, Non-Executive
- iii) Mrs. Nitya Mirchandani, Non-Independent, Non Executive

The broad terms of reference of CSR Committee is as follows:

- (a) to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;
- (b) to recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- (c) to monitor the Corporate Social Responsibility Policy of the Company from time to time.

During the year 2(two) Meetings of the CSR Committee were held on 13<sup>th</sup> August, 2020 and 9<sup>th</sup> February, 2021.

The Composition of the CSR Committee and details of the Meetings attended by its Members are given below:

Name & Position	Category	Number of Meetings during the Financial Year 2020-21	
		Held	Attended
Dr. Rahul Mirchandani Chairman	Non-Independent, Executive	2	2
Mrs. Nitya Mirchandani Member	Non-Independent, Non Executive	2	2
Mr. Bhumitra V. Dholakia	Independent, Non-Executive	2	2

### b) Treasury Committee

#### Composition of the Committee

The Treasury Committee was constituted by the Board of Directors of the Company at their meeting held on 28<sup>th</sup> January, 2010 to consider and approve financial needs (borrowings of the Company from time to time and negotiate the Terms and Conditions with the Banks/Financial Institutions, avail the Credit Facilities and finalize and sign Agreements, Deeds, Documents etc with the Banks/Financial Institutions.

The Committee consists of the following members:

- Dr. Rahul Mirchandani : Chairman  
 Mr. C. B. Chhaya : Member  
 Mrs. Nitya Mirchandani : Member

During the year 2(two) Meetings of the Treasury Committee were held on 24.08.2020 and 14.10.2020.

The Composition of the Treasury Committee and details of the Meetings attended by its Members are given below:

Name & Position	Category	Number of Meetings during the Financial Year 2020-21	
		Held	Attended
Dr. Rahul Mirchandani Chairman	Non-Independent, Executive	2	2
Mr. C. B. Chhaya	Independent, Non-Executive	2	2
Mrs. Nitya Mirchandani	Non-Independent, Non-Executive	2	2

### c) Risk Management Committee

The Company is not required to have the Risk Management Committee as it does not fall under the Top 500 Companies as required by the Listing Regulations.

## 8. GENERAL BODY MEETINGS

(a) and (b) The date, time and venue of the last 3 General Body Meetings of the Company is given below:

Financial Year ended	Date	Time	Venue	Details of Special Resolutions
31 <sup>st</sup> March, 2018	28.09.2018	10.00 a.m.	The Chembur Gymkhana, 16 <sup>th</sup> Road, Chembur, Mumbai-400 071	1. Re-appointment of Shri Chakradhar Bharat Chhaya as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company with effect from April 1, 2019." 2. Confirmation of Appointment of Dr. Jimmy Mirchandani as a Consultant upto 3 <sup>rd</sup> April, 2022.
31 <sup>st</sup> March, 2019	30.09.2019	10.30 a.m.	The Huddle, Stellar Towers, 12 <sup>th</sup> Floor, Opp: K. Star Mall, Diamond Garden, Chembur, Mumbai-400 071	1. Re-appointment of Prof. R. S. S. Mani as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company with effect from 26 <sup>th</sup> September, 2019." 2. Re-appointment of Shri. B. V. Dholakia as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company with effect from 26 <sup>th</sup> September, 2019." 3. Approval of the amendment in the terms of the deployment of funds referred to in the Prospectus dated 26 <sup>th</sup> December, 2007 issued by the Company.
31 <sup>st</sup> March, 2020	24.09.2020	4.30 p.m.	Through Video Conferencing ("VC")/Other Audio Visual Means("OAVM")	Approval of Remuneration payable to Dr. Rahul Mirchandani, the Managing Director, for the remainder of his term from 1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2022.

(c) to (d) **No Postal Ballot was conducted during the year under review. No Extra Ordinary General Meeting was held.**

(e) and (f) At the forthcoming Annual General Meeting there is no Item on the Agenda requiring to be passed by Postal Ballot. Hence, no need to specify the procedure for Postal Ballot.

## 9. MEANS OF COMMUNICATION

**Means of Communication:**

### (i) Quarterly/Half-yearly and Yearly Financial Results

The Quarterly/Half-Yearly and Annual results of the Company are published in the Newspapers and posted on the website of the Company at [www.ariesagro.com](http://www.ariesagro.com). The Company's Financial Results are sent in time to Stock Exchanges so that they may be posted on the Stock Exchanges' website.

### (ii) Newspaper where results are published

The Company usually publishes its financial results in following newspaper

1. The Business Standard
2. Mumbai Lakhsdeep

### (iii) Company's Corporate Website

The Company's website is a comprehensive reference on Aries Agro Management, Products, Investor Relations, Clients, etc. The section on "Investors' Relations" serves to inform the Stakeholders, by giving complete Financial Details, Corporate Governance, Composition of Board, Contact Information relating to our Registrar and Transfer Agents, etc.

Quarterly Report on Corporate Governance Listing Regulations have been submitted to Stock Exchange(s) as follows

Quarterly Report for the quarter ended	Submitted to BSE Ltd. Through their portal	Submitted to National Stock Exchange of India Ltd through NEAPS
30 <sup>th</sup> June, 2020	5 <sup>th</sup> July, 2020	5 <sup>th</sup> July, 2020
30 <sup>th</sup> September, 2020	2 <sup>nd</sup> October, 2020	2 <sup>nd</sup> October, 2020
31 <sup>st</sup> December, 2020	5 <sup>th</sup> January, 2021	5 <sup>th</sup> January, 2021
31 <sup>st</sup> March, 2021	5 <sup>th</sup> April, 2021	5 <sup>th</sup> April, 2021

### (iv) Release of Official News

The Company intimates to the Stock Exchange all Official News and places on its websites also.

### (v) Presentation to Institutional Investors or to analysts

There is no Official News release displayed on the website. The Company's presentations to Institutional Investors/Equity Analyst is posted on the website of the Company.

**(vi) Corporate Filing and Dissemination System (CFDS), BSE Online and NSE Electronic Application Processing System (NEAPS) –**

In accordance with Listing Regulations, all disclosures and communications to BSE Limited are done electronically through BSE's Online portal and to the National Stock Exchange of India Limited are done electronically through NSE's NEAPS portal.

**10. GENERAL SHAREHOLDERS INFORMATION**

**(i) Annual General Meeting**

The 51<sup>st</sup> Annual General Meeting of the Shareholders will be held on Thursday, 23<sup>rd</sup> September, 2021 at 4.30 p.m. through Video Conferencing("VC")/Other Audio Visual Means("OAVM").

**(ii) Financial Calendar:-**

For the year ending 31<sup>st</sup> March, 2022 the Financial Results will be announced on:

First Quarter	: On or before 14th August, 2021
Half year	: On or before 14th November, 2021
Third Quarter	: On or before 14th February, 2022
Yearly	: On or before 30 <sup>th</sup> May, 2022

**(iii) Date of Book Closure:** - None. Book Closure was required in view of the transfer of shares in Physical Form. Since Physical Transfer is not allowed the Company has not declared any Book Closure. Only transmission is allowed in Physical Form for which no Book Closure is required.

**(iv) Dividend,** if any, declared by the Members in the ensuing Annual General Meeting will be paid on 20<sup>th</sup> October, 2021.

**(v) Listing:** The Equity Shares of the Company are listed on BSE Ltd and National Stock Exchange of India Ltd.  
ISIN NO. : INE298I01015

**(vi) Listing Fee:** The Listing Fee for the financial year 2020-2021 has been paid to the above Stock Exchanges.  
***The Listing Fee for the financial year 2021-2022 have also been paid to the above Stock Exchanges.***

**(vii) Scrip Code : BSE - 532935**  
**NSE - ARIES**

**(viii) Market Price Data: high, low during each month in the last Financial Year.**

Monthly Share Price Data of the Company's shares on BSE for the year ended 31<sup>st</sup> March, 2021

Month	Highest		Lowest	
	Rate (Rs.)	Date	Rate (Rs.)	Date
April, 2020	64.70	20.04.2020	38.80	01.04.2020
May, 2020	72.10	29.05.2020	52.45	04.05.2020
June, 2020	78.75	24.06.2020	62.80	11.06.2020
July, 2020	66.00	10.07.2020	55.60	27.07.2020
August, 2020	93.20	19.08.2020	59.00	03.08.2020 & 05.08.2020
September, 2020	84.90	18.09.2020	72.00	10.09.2020
October, 2020	86.00	23.10.2020	75.20	20.10.2020
November, 2020	92.00	17.11.2020	75.00	02.11.2020
December, 2020	118.45	09.12.2020	83.10	21.12.2020
January, 2021	109.95	08.01.2021	89.00	28.01.2021
February, 2021	106.80	03.02.2021	82.80	22.02.2021
March, 2021	101.25	12.03.2021	74.70	31.03.2021

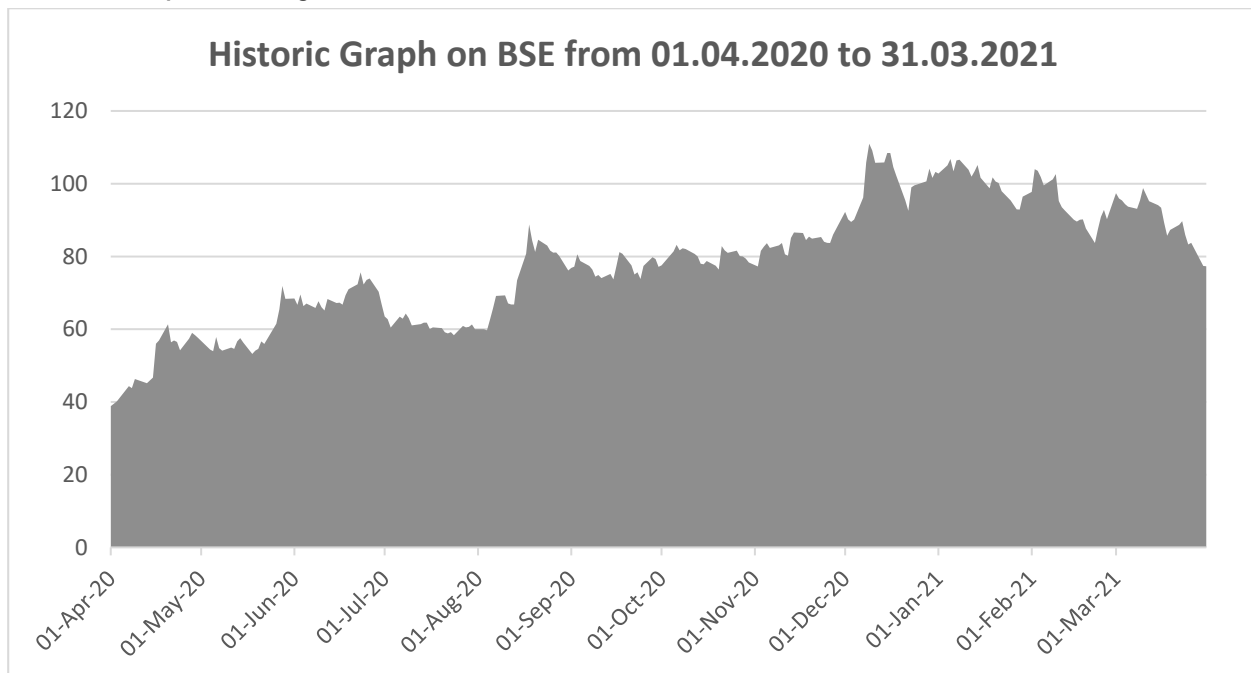
Monthly Share Price Data of the Company's shares on NSE for the year ended 31<sup>st</sup> March, 2021

Month	Highest		Lowest	
	Rate (Rs.)	Date	Rate (Rs.)	Date
April, 2020	64.30	20.04.2020	38.00	07.04.2020
May, 2020	72.70	29.05.2020	52.50	12.05.2020
June, 2020	76.15	26.06.2020	63.00	12.06.2020
July, 2020	65.50	07.07.2020	56.45	27.07.2020
August, 2020	93.45	19.08.2020	58.20	05.08.2020
September, 2020	84.80	18.09.2020	72.25	01.09.2020
October, 2020	85.60	06.10.2020	76.00	15.10.2020
November, 2020	91.40	17.11.2020	76.00	02.11.2020
December, 2020	118.40	09.12.2020	81.45	21.12.2020
January, 2021	110.00	08.01.2021	88.40	28.01.2021
February, 2021	107.05	03.02.2021	82.75	22.02.2021
March, 2021	101.90	12.03.2021	76.00	30.03.2021

(xv) Performance in comparison to BSE & NSE Sensex

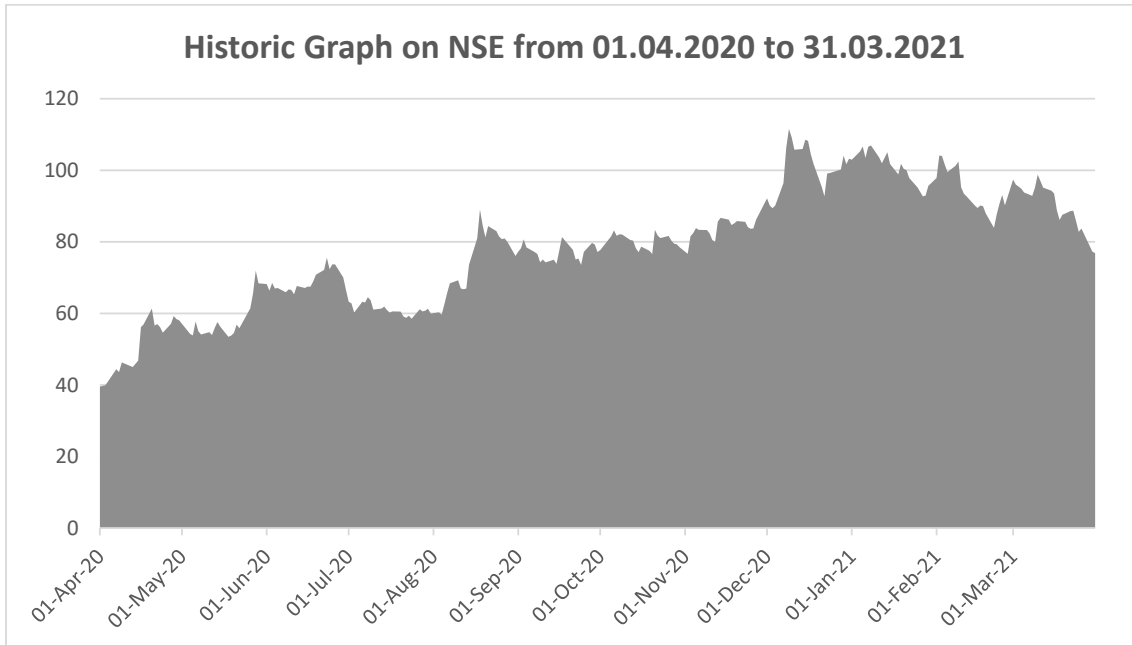
**BSE**

**Historic Graph of Aries Agro on BSE**



## NSE

### Historic Graph of Aries Agro on NSE



(ix) During the year under review the listed securities of the Company have not been suspended from trading by any of the Stock Exchanges.

(x) **Name and Address of the Registrar and Share Transfer Agents**

**M/S. AARTHI CONSULTANTS PVT LTD**

**Regd. Office**

1-2-285 Domalguda,  
Hyderabad – 500029  
Tel: 040 27638111 / 27634445 / 27642217 / 66611921  
Fax: 040 27632184  
Email: [info@arthiconsultants.com](mailto:info@arthiconsultants.com)

(xi) **Share Transfer System**

Requests for dematerialisation and re-materialisation should be sent to the Aarthi Consultants Private Limited,

The Company's Shares are traded on the Stock Exchanges in the compulsory dematerialised form. Shareholders are requested to ensure that their Depository Participants ("DPs") promptly send physical documents, i.e. Dematerialization Request Form ("DRF"), Share Certificates, etc. to the ISD by providing the Dematerialization Request Number ("DRN").

**Dematerialization** As on 31<sup>st</sup> March 2021, 1,29,00,588 Shares of the Company (representing 99.20% of the total shares) were held in the dematerialised form and 1,03,751 Shares (representing 0.80 % of the total shares) were held in the physical form. As on 31<sup>st</sup> March 2021, the total number of Shareholders were 14,451 out of which 14,288 (98.87%) were holding shares in a dematerialised form. The balance 163 (1.13%) shareholders continued to hold shares in the physical form.

The requests for dematerialisation of shares are processed by the Registrar and Share Transfer Agents and if all the documents are found to be in order, the same are approved by them within a period of 15 days.

**No Physical Transfer of Shares have been effected after 1<sup>st</sup> April, 2019, in terms of the mandates of the Securities and Exchange Board of India('SEBI') and Ministry of Corporate Affairs('MCA').**

(xii) (1) **Distribution of Share Holding as on 31<sup>st</sup> March 2021**

SL NO	CATEGORY	HOLDERS	HOLDERS PERCENTAGE	SHARES	AMOUNT	AMOUNT PERCENTAGE
1	1 - 5000	12144	85.62	1461414	14614140	11.24
2	5001 - 10000	1074	7.57	846194	8461940	6.51
3	10001 - 20000	494	3.48	744619	7446190	5.73
4	20001 - 30000	168	1.18	423899	4238990	3.26
5	30001 - 40000	77	0.54	272267	2722670	2.09
6	40001 - 50000	71	0.50	332045	3320450	2.55
7	50001 - 100000	92	0.65	661772	6617720	5.09
8	100001 & Above	63	0.44	8262129	82621290	63.53
	Total:	14183	100	13004339	130043390	100

*\*Prepared based on the PAN*

(2) **Distribution of shareholding according to categories of shareholders as on 31<sup>st</sup> March, 2021**

Categories	No. of Shares	Amt. in Rs.	% to Total
Promoters	6847926	68479260	52.66
Directors (Independent)	0	0	0.00
Financial Institutions/ Banks	203	2030	0.00
Mutual Funds / UTI	0	0	0.00
NRIs / OCBs/FIIs	193241	1932410	1.49
Other Bodies Corporate	568237	5682370	4.37
Public	5394732	53947320	41.48
<b>Total</b>	<b>13004339</b>	<b>130043390</b>	<b>100.00</b>

(xii) **Details of Demat Shares as on 31<sup>st</sup> March, 2021**

Name of Depository	No. of Shareholders	No. of Shares	% of Capital
NSDL	6,972	1,01,39,292	77.97
CDSL	7,316	27,61,296	21.23
<b>Sub-Total</b>	<b>14,288</b>	<b>1,29,00,588</b>	<b>99.20</b>
Physical Mode	163	1,03,751	0.80
<b>Grand Total</b>	<b>14,451*</b>	<b>13004339</b>	<b>100.00</b>

*\*Actual Count*

(xiii) **The Company has not issued any GDR's/ ADR's, Warrants or any other Convertible Instruments.**

(xiv) **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

Not Applicable

(xv) **Plant Location: -**

Location	Address
Mumbai, Maharashtra	• ARIES House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043, Maharashtra
Hyderabad, Telangana	• 244-246, 250-252, IDA Phase-II, Pashamylaram, Patancheru Mandal, Medak Dist;502 307, Telangana
Chhatral, Gujarat	• 1202/1 & 1202/2, Village: Rajpur, Taluka: Kadi, Distt: Mehsana, 382 740, Gujarat
Lucknow Uttar Pradesh	• Plot No. 836, Banthara, Lucknow-Kanpur Highway, Sikandarpur, Tehsil & Distt. Lucknow, U. P., 227 101
Vijaywada Andhra Pradesh	• Survey No.69/1C, Opp to CIPET College Road, Vijayawada To Nuzuvid Road, Surampalli Village, Gannavaram Mandal, Krishna District, Andhra Pradesh:- 521 212.
Fujairah, UAE	• Amarak Chemicals FZC ( An Associate Company of the Subsidiary M/S Golden Harvest Middle East FZC) Al Hayl Industrial Area, P. O. Box 5283, Fujairah Free Zone (FFZ), Fujairah, UAE

(xvi) **Address for Correspondence:**

i) Any query relating to the shares of the Company for Shares held in Physical Form and Shares held in Demat Form should be addressed to:

M/s. Aarathi Consultants Pvt. Ltd.  
1-2-285 Domalguda,  
Hyderabad – 500029  
Tel: 040 27638111 / 27634445 / 27642217 / 66611921  
Fax: 040 27632184  
Email: info@aarthiconsultants.com

ii) For grievance redressal and any query

Mr. Qaiser P. Ansari, Company Secretary & Compliance Officer at the following address  
Aries Agro Limited  
Aries House, Plot No. 24,  
Deonar, Govandi (E)  
Mumbai – 400043  
Tel: 022 25529000/22564052 / 53  
Email: [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com)  
Web Site: [www.ariesagro.com](http://www.ariesagro.com)

(iii) SEBI toll-free helpline service for investors: 1800 266 7575/1800 22 7575 (available on all days from 9.00 a.m. to 6.00 p.m.)

(xvii) **Credit Ratings**

The Credit Rating of the Company was Re-Affirmed by Brickwork Ratings w.e.f. 5<sup>th</sup> February, 2021 as under:

Facilities	By BRICKWORK RATINGS By CARE RATINGS (CURRENT)		By BRICKWORK RATINGS (REAFIRMED)		
	Amount (Rs)	Rating	Amount (Rs)	Rating Action	Indication/Significance
Long Term Bank Facilities (Fund Based)	135.80 Cr	Revised As BWR BBB (Stable)	136.16 Cr	Revised As BWR BBB (Stable) Reaffirmed	Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.
Short Term Bank Facilities (Non Fund Based)	25.20 Cr	Revised as BWR A3+	27.20 Cr	Revised as BWR A3+ Reaffirmed	Instruments with this rating are considered to have moderate degree of safety regarding timely payment of financial obligations. Such instruments carry higher credit risk as compared to instruments rated in the two higher categories.
<b>Total</b>	161.00 Cr		163.36 Cr		

The rating reflect moderate degree of safety regarding timely servicing of financial obligations.

**11. DISCLOSURES**

(i) **Related Party Transactions**

During the year under review, besides the transactions reported in Notes to the Accounts of the Annual Report, there were no other Related Party Transactions with the Promoters, Directors and Management that had a potential conflict with the interest of the Company at large.

The Board has approved a Policy for Related Party Transactions.

All the transactions with Related Parties are periodically approved by the Audit Committee. The Register of Contracts detailing transactions in which Directors are interested is placed before the Board at every Meeting for its approval. Transactions with Related Parties, as per requirements of Ind AS 24 are disclosed in Note No. 35 to the Accounts in the Annual Report and they are not in conflict with the interest of the Company at large.

(ii) **Compliances by the Company**

There have been no instances of Non-Compliance on any matter with the Rules and Regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other Statutory Authority relating to the Capital Markets during the last three years.



**(iii) Whistle Blower Policy: (Vigil Mechanism)**

The Company has adopted a Whistle Blower Policy and established the necessary Vigil Mechanism for Employees and Directors to report concerns about un-ethical behavior. No person has been denied access to the Chairman/Member of the Audit Committee. The said Policy has been put up on the web site of the Company. There is one of the item at every Audit Committee Meeting to review any complaint received under Vigil Mechanism.

**(iv) Compliance with Mandatory and Non-Mandatory Items**

The Company has complied with the Mandatory requirements regarding the Board of Directors, Audit Committees and other Board Committees and other disclosures as required under the provisions of the Listing Regulations. The status of compliance in respect of Non-Mandatory requirements of Listing Regulations is as follows:

**(a) Maintenance of the Chairman's Office:** The Company has an Executive Chairman and the office provided to him for performing his executive functions is also utilized by him for discharging his duties as Chairman. No separate office is maintained for the Non-Executive Chairman of the Audit Committee but Secretarial and other assistance is provided to him, whenever needed, in performance of his duties.

**(b) Shareholders' rights:** Un-Audited Quarterly Financial Results and Summary of Significant Events are posted on the website of the Company.

**(c) Audit Qualification:** The Auditors remarks if any are explained in the Board's Report and necessary actions are also taken by the Company when required. The Company shall endeavor to have unqualified Financial Statements. There is no qualification in the Auditors Report in the current year.

There have been no qualifications by the Auditors in their report on the Accounts of the Company for the last 11(Eleven) years. The Company shall endeavor to continue to have unqualified Financial Statements.

**(d) Separate posts of Chairman and CEO—**The Articles No. 179 of the Articles of Association permits the Managing Director to hold the office of the Chairman.

**(e) Reporting of Internal Auditor** Partner of the firm of Internal Auditor attends the Meetings of the Audit Committee regularly and directly interacts with the Audit Committee.

**(v) Web link where Policy for determining Material Subsidiaries is disclosed**

The Company has not formulated the Policy as its three Indian Subsidiaries are not Material and at present they do not have any commercial activity.

**(vi) Web link where Policy on dealing with Related Party Transactions:**

The web link for Policy dealing with Related Party Transactions is at [www.ariesagro.com](http://www.ariesagro.com).

**(vii) Disclosure of Commodity Price Risks and Commodity Hedging Activities**

Not Applicable

**(viii)** No funds were raised, during the year under review, through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of the Listing Regulations.

**(ix)** A certificate from a Company Secretary in Practice is annexed to this Report certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority.

**(x)** Recommendations of all the Committees, if any, are considered and implemented by the Board from time to time.

**(xi)** Total fees for all services paid by the Company and the Subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part, is given under Note No. 33.1(a) of the Notes to Accounts of Consolidated Financial Statements.

**(xii)** No complaints were received by the Internal Committee from any employee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. For other details kindly refer to the separate Para in the Board's Report.

**12. Non Compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) above**

The Company has complied with all Mandatory items of the Listing Regulations. The Company has executed a new Listing Agreement with BSE Ltd and the National Stock Exchange of India Ltd thus complying with Regulation 109 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**13. Adoption of Discretionary requirements as specified in part E of Schedule II of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015.**

The Company has complied with all the discretionary requirements as specified in Part E of Schedule II of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015.

14. As per para 13 of Part C of Schedule V to the Listing Regulations, the Company has made disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 on the website of the Company – [www.ariesagro.com](http://www.ariesagro.com).

**15. Declaration regarding Code of Conduct:**

The Members of the Board and Senior Management Personnel have affirmed the Compliance with the Code of Conduct applicable to them during the year ended 31<sup>st</sup> March, 2021. The Annual Report of the Company contains a Certificate by the Chairman and Managing Director in terms of Listing Regulations based on compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management Personnel.

16. Compliance Certificate from the Auditors regarding compliance of conditions of Corporate Governance is annexed with this Report.

**17. Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account**

Not Applicable

**18. CMD/CFO Certification**

Chairman & Managing Director/Chief Executive Officer and Chief Financial Officer have issued necessary certificate pursuant to the provisions of Listing Regulations and the same is annexed and forms part of the Annual Report.

**19. Reconciliation of Share Capital Audit**

A qualified Practicing Company Secretary has carried out a Share Capital Audit to reconcile the total admitted Equity Share Capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and Listed Equity Share Capital. The Audit Report confirms that the Total Issued/Paid-Up Capital is in agreement with the total number of shares in the Physical form and total number of Dematerialized shares held with NSDL and CDSL.

20. For the purpose of SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 2011, the following Companies are to be considered as Group Companies belonging to Promoters Group.

Sr. No.	Name of the Companies	Shareholding of the Company as on 31.03.2021
1.	Sreeni Agro Chemicals Ltd.	NIL
2.	Aries Marketing Ltd.	NIL
3.	Blossoms International Ltd.	NIL
4.	Aries East-West Nutrients Pvt. Ltd.	NIL

**21. SUBSIDIARY COMPANIES**

A list of Subsidiary Companies is given in Note No. 35 of the Notes to Accounts forming part of the Annual Report.

All the Subsidiary Companies are Board managed. These are not material Subsidiaries as defined under Listing Regulations.

The Audit Committee reviews the Consolidated Financial Statements of the Company and the Investments made by its un-listed Subsidiary Companies. The Minutes of the Board Meetings along with Report on Significant developments of un-listed Subsidiary Companies are periodically placed before the Board of Directors of the Company.

**22. UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

During the year Unpaid/Unclaimed Amount of Rs. 3,84,286/- in respect of Unpaid/Unclaimed Dividend-2012-13 was transferred to Investor Education and Protection Fund (IEPF) on 6<sup>th</sup> November, 2020.

Pursuant to Section 124(5) of the Companies Act, 2013 dividend which remains Un-Paid/Un-Claimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

In accordance with the provisions of Companies Act, 2013 the Company has transferred 4,425 Equity Shares of 10/- each, to the credit of IEPF Authority, on 6<sup>th</sup> / 7<sup>th</sup> November, 2020, in respect of which dividend had not been paid or claimed by the members for seven consecutive years or more as on the cut-off date, i.e. 5<sup>th</sup> October, 2020. The Company has initiated necessary action for transfer of shares in respect of which dividend has not been paid or claimed by the members consecutively since 2013-14.

The status of dividend remaining unclaimed is given hereunder:

Unclaimed Dividend	Status	Whether it can be claimed	Can be claimed from	Action to be taken
For the Financial Year 2007-08	Transferred to Investor Education and Protection Fund Account	No (As per Section 205C of the Companies Act, 1956, No claim shall lie against the Fund) N.A.	N.A.	N.A.
For the Financial Year 2009-10	Transferred to Investor Education and Protection Fund Account	Yes	(As per Section 125(4) of the Companies Act, 2013 from the IEPF Authority by following the procedure prescribed under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016.	As per the Rules

Unclaimed Dividend	Status	Whether it can be claimed	Can be claimed from	Action to be taken
For the Financial Year 2010 - 10 (Interim Dividend-2010-11) to Financial Year-2012-13	Transferred to Investor Education and Protection Fund Account	Yes	(As per Section 125(4) of the Companies Act, 2013 from the IEPF Authority by following the procedure prescribed under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016.	As per the Rules
For the Financial Years 2013-14 to 2019-20	Lying in respective Unpaid Dividend Accounts	Yes	(As per Section 125(4) of the Companies Act, 2013 from the IEPF Authority by following the procedure prescribed under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016.	As per the Rules

Pursuant to the provision of the Investor Education and Protection Fund (Uploading of Information Regarding Un-Paid/Un-Claimed amounts lying with Companies), Rules, 2012, the Company has hosted on its website i.e. [www.ariesagro.com](http://www.ariesagro.com) and on the web site of the Ministry of Corporate Affairs the details of the Unclaimed Dividend as on the AGM dated 24.09.2020.

23. The date of declaration of dividend in respect of Financial Years 2013-14 to 2019-20 and the last date for claiming such dividend is given in the table below:

Financial year	Date of Declaration	Rate	Last Date of Claiming payment from Aarthi Consultants Pvt. Ltd*	Due for Transfer to IEPF
2013-14	26 <sup>th</sup> September, 2014	20%	1 <sup>st</sup> October, 2021	2 <sup>nd</sup> October, 2021
2014-15	30 <sup>th</sup> September, 2015	20%	5 <sup>th</sup> October, 2022	6 <sup>th</sup> October, 2022
2015-16	30 <sup>th</sup> September, 2016	15%	5 <sup>th</sup> October, 2023	6 <sup>th</sup> October, 2023
2016-17	28 <sup>th</sup> September, 2017	20%	3 <sup>rd</sup> October, 2024	4 <sup>th</sup> October, 2024
2017-18	28 <sup>th</sup> September, 2018	23%	3 <sup>rd</sup> October, 2025	4 <sup>th</sup> October, 2025
2018-19	30 <sup>th</sup> September, 2019	18%	5 <sup>th</sup> October, 2026	6 <sup>th</sup> October, 2026
2019-20-Interim	11 <sup>th</sup> March, 2020	5%	16 <sup>th</sup> April, 2027	17 <sup>th</sup> April, 2027

\*Indicative dates. Actual dates may vary.

- (ix) The Company's Registrars have already written to the Shareholders and Depositors informing them about the due dates for transfer to IEPF for unclaimed dividends. Attention of the stakeholders is again drawn to this matter through the Annual Report.

Shareholders are requested to get in touch with the Registrars for encashing the unclaimed dividend amount, if any, standing to the credit of their account.

As per, Section 124(6) of the Companies Act, 2013 all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF, shall also be transferred to IEPF. Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, in the name of IEPF Suspend Account.

All the Share Holders are requested to claim the Unpaid/Unclaimed Dividends due to them by making an application to M/S. Aarthi Consultants Pvt. Ltd., Registrar and Transfer Agents of the Company or directly to the Company on or before 2<sup>nd</sup> October, 2021. In case the Share Holders fail to claim the above dividend, all the concerned shares (whether held in physical or electronic form) will be transferred by the Company to IEPF Account. Kindly note that Dividend for Financial Year 2012-13 has already been transferred to IEPF.

However, the Share Holders can claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Account by making an application in Form IEPF-5 online and sending the physical copy of the same duly signed (as per registered specimen signature) along with requisite documents enumerated in the said Form IEPF-5 to the Company at its Registered Office or to M/S. Aarthi Consultants Pvt. Ltd., Registrar and Transfer Agents of the Company for verification of their claim. We shall send a verification report to IEPF Authority for refund of the unclaimed dividend amount and transfer of the shares back to the credit of the shareholder. As per the above mentioned rules, only one such request can be made in one year.

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## **CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AUDITORS' CERTIFICATE**

To the Members of Aries Agro Limited

We have examined the compliance of the conditions of Corporate Governance by Aries Agro Limited for the year ended 31<sup>st</sup> March, 2021, as stipulated in Listing Regulations.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to review of the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations. It is neither an audit nor an expression of an opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations.

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

For **Sandeep Sheth & Associates**  
Chartered Accountants

Mumbai  
Date: 11<sup>th</sup> August, 2021

**Sandeep Sheth**  
Proprietor  
Membership No. 101903  
UDIN: 21101903AAAAGB7611

## **Declaration by the Chairman & Managing Director to the Compliance of Code of Conduct in pursuance of Regulation 26 of the Listing Regulations**

It is hereby declared that the Company has obtained from all the Members of the Board and Senior Management Personnel of the Company, affirmation to the effect that they have complied with the Code of Conduct of the Company during the Financial Year 2020-2021.

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN-00239057

Date: 11<sup>th</sup> August, 2021

## MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Aries Agro Limited ("The Company") to the best of our knowledge and belief certify that :

- (a) We have reviewed the Financial Statements and the Cash Flow Statement for the Year ended on 31<sup>st</sup> March, 2021 and that to the best of our knowledge and belief we state that :-
- These Statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading.
  - 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.
- (b) We further state that to the best of our knowledge and belief there are no transactions entered into by the Company during the year, which are Fraudulent, Illegal or Violative of the Company's Code of Conduct. We hereby declare that all the Members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- (c) We are responsible for establishing and maintaining Internal Controls for Financial Reporting and for evaluating the effectiveness of the same over the Financial Reporting of the Company and have evaluated the effectiveness of Internal Control Systems of the Company pertaining to Financial Reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee that:
- there have been no significant changes in the Internal Controls over Financial Reporting during the year.
  - there have been no significant changes in the Accounting Policies made during the year and that the same has been disclosed in the Notes to the Financial Statements; and
  - there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an Employee having significant role in the Company's Internal Control System over Financial Reporting.

Mumbai  
29<sup>th</sup> June, 2021

Dr. Rahul Mirchandani  
Chairman & Managing Director  
**DIN-00239057**

Vivek K. Joshi  
Chief Financial Officer  
**Membership No. ACA-101683**

## CERTIFICATE

*(Pursuant to Clause 10(i) of Part C of Schedule V of LODR)*

I have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of ARIES AGRO LIMITED (CIN L99999MH1969PLC014465), having Registered Office at Aries House, Plot No. 24, Deonar, Govandi East, Mumbai 400 043 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that as on 31<sup>st</sup> March, 2021, none of the Directors on the Board of the Company, 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

Ensuring the eligibility 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.

Place : Mumbai  
Date : 29<sup>th</sup> June, 2021

A. SEKAR  
COMPANY SECRETARY  
ACS 8649 CP 2450  
UDIN:A008649C000538354

## MANAGEMENT DISCUSSION AND ANALYSIS

### FORWARD LOOKING STATEMENTS

This report contains forward looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward looking statements. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the Directors and Management of the Company, about the business, industry and markets in which the Company operates. These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, many of which are beyond Company's control and difficult to predict, that could alter actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of the Company. In particular, such statements should not be regarded as a projection of future performance of the Company. It should be noted that the actual performance or achievements of the Company may vary significantly from such statements.

### OVERVIEW

#### OVERVIEW OF INDUSTRY:

The Company is part of the growing specialty plant nutrition industry, which is a niche sector within the crop nutrition segment of agricultural inputs. During the year under review the monsoon was at 109% of the LPA (Long Period Average). 3 out of the 4 Kharif season months received above normal rainfall viz June (107%), August (127%) and September (105%) while July recorded deficient rainfall. Even Rabi season had favourable water and weather conditions and the Company was able to perform well even in this season.

The entire Financial Year was however marked with disruptions due to lockdown conditions in different times in different states and this persisted throughout the year. However, being classified under essential services, our business was minimally affected and teams across the country went beyond the call of duty to ensure seamless flow of work.

On a standalone basis, the Company's gross revenue increased by 27.72% from Rs. 371.50 Crores to Rs. 474.50 Crores.

#### MANUFACTURING BASE

The total capacity utilization currently stands at 67.33% of the total installed capacity of 95,400 MT p.a. in India. The manufacturing unit at Fujairah, UAE began the process of installing the power connection for the machinery to manufacture our products. However, due to lockdown conditions, the commencement of production will be delayed by few months. However, it is expected to commence operations in H2 of Financial Year 2021-22. In the meanwhile, fixed costs have been reduced to bare minimum in UAE. Increased focus on the strengthening of the Indian manufacturing base has been extremely beneficial to improve the profitability of the Company.

### Continuity in Operations in Lockdown Phase

With constantly changing classification of Red and Green Zones and sudden shutdowns due to sanitizing protocols, movement restrictions, unavailability of drivers for trucks, health checks, quarantine requirements, it was never certain when any location, where an Aries manufacturing Unit was located would be forced to halt work. It was too risky to centralise manufacturing. With rural areas largely in the Green zones and a good monsoon, demand remained very buoyant. The supply side needed decentralisation of all semi-skilled and routine tasks. A timely decision was made to outsource packing operations and repacking of the rebranded products to almost 11 locations nation-wide. This ensured that our factories, running with limited workers due to distancing norms, would use our skilled workers only for core manufacturing and outsource packing (a time consuming but routine operation) to other locations. Suggestions were received from factory incharges regarding delegation of this function and their forward thinking helped rapid supply of material to meet the growing demand.

### HIGHLIGHTS & KEY DEVELOPMENTS

#### HIGHLIGHTS

Financial Year 2020-21 was characterized by a very stable and robust demand scenario and the quarterly share of revenue was as under:

Particulars	Percentage Share in Annual Revenue 2020-21
Q 1	23.48
Q 2	30.11
H 1	53.59
Q 3	27.78
Q 4	18.63
H 2	46.41
Annual	100%

#### Waging a War on Cost:

With every passing week, it became evident that the lifting of lockdown would happen very gradually and would take months longer than originally envisaged. Costs remained under pressure with fuel and consequent logistics rates on the rise, increase cost of imports due to increase in USD rates, shortages of Chinese raw material and supply constraints on packing material. A war on cost was declared at all levels within the organisation. Travel costs in the first quarter was significantly reduced, reimbursements for fuel and hotel were eliminated and was phased back gradually during the unlock period.

Stringent cost control measures strengthened with a continued focus on domestic manufacturing showed increase in profitability (PAT) by 45.02%.

Orders received during the annual booking bazaars have assisted in better working capital management. Aries flash sales were conducted for the fourth year in April and May 2020.

On a consolidated basis, consolidated PAT showed an improvement in line with domestic business.

**Booking Bazaar:**

Annual Bookings for the year 2020-21 were conducted entirely online and the flash sales during April 2020 led to the total booking of Rs. 636 Crores from 1306 distributors and dealers. This has enabled well-planned manufacturing and distribution throughout the year.

**New Product Ideation:**

The Research and Development process is continuous and the lockdown months were used for product ideation, identification of new suppliers and trials on new product lines. Top 75 customers and team leads from all states were engaged in a confidential half day dialogue on new products under consideration and online polls and detailed discussions helped refine the product ideas further. During FY 2020-21 period, 07 new / upgraded products were introduced for test marketing and trials and a further dozen product concepts are in various stages of R&D and feasibility studies. This was the best time for the R&D teams to get mindshare of customers and to think about these new products and solutions

The following seven products were introduced in FY 2020-21

- Arisoft (Di-sodium EDTA)
- Aripotash (Liquid Potash)
- Fertimax HD – 13:00:45 (High Density NPK Grade)
- Fertimax HD – 00:52:34 (High Density NPK Grade)
- Paraakram (CPPU)
- Zinc HD Tablets (High Density Water Soluble Zinc)
- Aries Garden Care kits

**KEY MEASURES TO ENSURE CONTINUED WORK DURING COVID-19****Occupational Health and Safety:**

Securing a go ahead to restart meant putting in place immediate and comprehensive measures for ensuring safety of the Aries workforce. Visitors entry was banned, only rostered staff were allowed on the premises and masks, face shields and spot temperature checks became a norm at all factories. A phased reopening of manufacturing facilities began – with Lucknow, Ahmedabad, Hyderabad and Mumbai restarting on 7, 8, 10 and 12 April 2020 respectively. 100 percent COVID rapid antibody testing was also carried out every month. Workers were provided accommodation and food on site and were permitted to return home only once every 10 days, to minimize off-site contact. We also engaged private bus service to facilitate travel to and from the factories. Anyone entering and exiting the premises had to pass through a full body sanitization tunnel with safe disinfectants and also have a UV stick frisk-down before being seated on their desks. Regular sanitization of the premises was carried out professionally and staff were instructed to sanitize their own desks every few hours and use touch free sanitizers placed all over the office and factory premises.

Occupational health and safety protocols were detailed and enforced very strictly to ensure a safe and secure work environment. Offices discontinued work from home arrangements in phases once permissions were obtained in all 26 locations. In the interim, staff without laptops or personal home computers was allowed to take office computers home to ensure no disruptions.

**Aries Applications, Online Attendance & Health Report**

The Aries sales force application was upgraded to include administrative staff. With biometric attendance suspended, the app

tracked attendance, record temperature at the time of leaving home, record temperature and daily oximeter reading at the time of entering the premises, latitude-longitude of the exact location and time where these readings were taken and a weekly self declaration of every staff's health parameters. All privilege, casual and sick leave was combined and those asked to quarantine were permitted to avail paid leave without any hindrance

**Rapid Digitization:**

For almost three years, many initiatives were taken to enable digitization at various levels in the organization. Orders, annual bookings, payments were almost entirely done digitally for 2 years before the lockdown. In those years, the insistence to go digital was seen as an unnecessary change, especially when paper trails were familiar and also seen as effective by the teams in getting the job done. However, in April 2020 the entire financial year's order book could only be created remotely. Apart from the sales booking application, several other processes moved entirely online. Human resource monitoring, expense claims, training and developments, farmers' meetings (now branded as Aries Fasal Sabha) and the Khazaana Loyalty Programme migrated to apps and used virtual tools. The time during the first two phases of lockdown was used to develop and on-board concerned teams to learn and use these processes effectively.

AIMS (Aries Integrated Management System) – that was custom made to aggregate all process including production, planning, procurement, pending orders, dispatch scheduling, inventory control, etc. was now fully implemented. Covid fast tracked the implementation of a digital system architecture at Aries by almost half a decade.

Digital payments through G-Pay and Paytm was also introduced

**KEY EVENTS:****Golden Jubilee & All India Virtual Dealers Conference :**

We had scheduled the finale of the Aries 2020 Campaign as a grand convention in a sprawling 10,000 Sq Ft. setting with all stakeholders from every state in India in attendance. The lockdown truncated this massive plan to showcase the 'Future of Specialty Agriculture'. But Aries' unstoppable spirit decided to convene it virtually – on the same day as scheduled. The behavioral inertia was completely broken and on 19 April 2020 the Company's Golden Jubilee Celebration and Annual Dealer's Convention, the largest online agribusiness customer convention in India was conducted virtually. We connected 850 dealers across 22 States on to a digital platform. This was a record-breaking first of its kind digital customer convention, followed by a 100% digital booking bazaar and flash sale.

**Aries Lockdown Exemplars**

In the several weeks that followed until the unlock phase began in August 2020, we kept our spirits, drive and enthusiasm up. However, it was not always a smooth journey. Several sacrifices were made by team members – at times taking responsibility above and beyond the regular call of duty. Over the months, despite all precautions, a few staff and workers were affected with the virus. One senior worker at Mumbai did not survive COVID-19. He went home after staying inside the Mumbai factory for 46 continuous days and was unfortunately infected a few days later, perhaps back at home or elsewhere. The rest who fought the Virus returned to work to tell their teams their own stories of courage and persistence to mentally and physically win over the deadly virus. To ensure those who went

beyond their domains are recognized, Aries reached to all the staff and workers and asked them nominate their own Covid Warriors and state the reasons why they believed the effort was exemplary. The response to this to recognize colleagues was unprecedented – 100 members of the Aries Family were shortlisted and named as the ‘Aries Lockdown Exemplars’, as a gesture of gratitude to continue to courageously and selflessly serve the farmers of India throughout the Pandemic

#### Social Media Presence

With the lack of face to face contact with external stakeholders, the Aries social media channels sprung to life. Agromax – our You Tube Channel, Twitter, Instagram and Facebook feeds were continuously updated with stories of ‘real people’ within the Aries Network who had created excellence. All the farmers’ meetings were moved online during the lock down period with small group of farmers being trained by the Aries team for a series of online trainings, branded Aries Fasal Sabha. Farmers provided testimonials, Aries Fasal Sabhas built a weekly knowledge sharing dialogue on select crops. Whatsapp groups with staff, farmers and distributors were active with updates on everything relevant to Aries Business. Technical aspects of the Company’s products were communicated digitally through a series of 12 Fasal Sabha sessions on various crops. An Average reach of 20,000 audience per session was recorded on Facebook application.

#### Social Media Campaigns

**From Farms to Handlooms:** - Aries conducted a nationwide social media campaign in July 2020 “From Farms to Handlooms” to showcase the outstanding end products woven together using the amazing non-food crops grown by our farmers across India

**Handmade in India:** We also conducted a nationwide social media campaign in July 2020 to encourage and solicit farmers who worked round the clock to ensure that non-food crops receive the right nutrition to produce high quality fabrics or raw materials

**Virtual International Buyers Convention:** We set up a main stage event in Sept 2020 with several country-specific and product specific virtual tables for existing and potential customers from several countries exploring global business opportunities with Aries.

**Virtual 50<sup>th</sup> Annual General Meeting:** We convened for the first time a virtual AGM on 24-Sept-2020 connecting all shareholders from their comfortable zones

**Inauguration – Chhatral 3<sup>rd</sup> Phase:** We successfully completed the Third Phase of our Chhatral Manufacturing Unit in spite of lockdown condition and inaugurated it on 5 Nov 2020 in the presence of our core department heads and virtual presence of all other personnel across all branches and depots.

#### Aries Shubham 2020 - 51<sup>st</sup> Foundation Day:

To mark the momentous completion of our 50<sup>th</sup> year, Aries Shubham, a mammoth national campaign was planned and executed within a week’s time. This included CSR activity of Annadanam which helped feed 10,988 people at 108 different locations in India and an innovative m-coupon scheme based flash sale that incentivized farmers and dealers across the nation who patronized the Aries range of products on this special occasion. A record breaking 326 farmer meetings were conducted in 20 states on a single day having an attendance of 11730 farmers. The most important element of doubling farm income through Integrated Nutrition Management using Aries products were discussed. A new record of Rs.13.07

Crores Sales and 13.59 Crores collection was also achieved as a perfect culmination to our Jubilee year.

51st Foundation Day - 27-Nov-2020 Highlights					
Annadanam across India		Farmers meetings across India		New Single Day Record	
No. of Locations	108	No. of Meetings	326	Sales	Rs. 13.07 Cr
Persons Served	10,988	No. of farmers attended	11,730	Collections	Rs. 13.59 Cr

**Release of Aries Chronicle:** We ended the most extraordinary Year 2020 with the release of our Chronicle “The Aries Jubilee - A test to our Unstoppable Spirit” a special publication by Aries Team that truly exemplifies the journey of Aries Family through the most difficult times and the spirit to co-create one of the best years in our Corporate History.

#### Planning Meetings:

Planning Meeting for 2021-22 was conducted at Bhopal in February 2021 followed by regional planning meetings in March 2021

#### Excellence Mission:

Aries Knowledge Centre and Yi Mumbai Chapter conducted a 2 week’s excellence mission for students from Kashmir – creating impact by grooming them for significant future leadership roles with Industrial Visits, Masterclasses and Cultural Exchange Program. The completion ceremony was held at the historical Asiatic - Majestic Town Hall which had stellar lineup of speakers who attended physically and virtually.

#### OUTCOMES & RECOGNITION:

The Year 2020-21 has been monumentally special. It was a very different celebration of our Jubilee. What we demonstrated as a collective was not the exuberance of festivities but the exceptional excellence created by hard work and the unstoppable Aries spirit. The first half of the financial year 2020-21, punctuated by the Pandemic lockdowns and uncertainties, saw Aries revenues grow by 27.72%, with increase in profitability by 45.02%, working capital cycle reduced by 35 days, debt reduced by Rs. 15.71 crores.

Our Jubilee moments also included being recognized as one of India’s most innovative business models emerging during COVID-19 the category of ‘Innovation in Customer Interface’ by the Confederation of Indian Industry’s Food and Agriculture center of excellence (CII-FACE), NABARD & the Ministry of Fertilizers, Government. of India. The Aries Marketing team was also declared the Asian ‘Marketing Team of the Year’ by the ACEF Leaders Forum, Agriculture Company of the Year 2019 by Zee Business, Enterprise World’s ‘10 Transformational Business Leaders to Look Out for in 2020’ and Fortune India featured Aries as ‘A Brand trusted by millions of farmers’. These accolades served as a capstone to this extraordinary year of work.

With a forced reboot of plans in the final home run, it was agility, creativity and resilience that reigned supreme in the Aries psyche. With a series of tough and timely choices, Aries evolved – stronger, versatile, spirited and vibrant. Blessed with a team unlike any other, we are indeed ‘Aries Unstoppable’.

For Sixteen consecutive years Aries Quality Management System was audited and certified as ISO 9001:2015 with zero non-compliance report showing complete adherence to international quality standards



## GLOBAL SOURCING

Aries has sourced 25% of its total raw materials from overseas suppliers from China, USA, Turkey Germany, Taiwan, South Korea, UAE and Malaysia. Most of the purchases are based on contractual buying.

## MAN POWER

The total Man Power of the Company increased from 922 to 958 during the year under review.

### Ensuring Job Security:

While most organizations were laying off hundreds and thousands of staff in the first half of the FY 2020-21 due to the lockdown, Aries ensured that since our business continuity was ensured by all teams, it was essential to support every member of the Aries family with job security and stability. Salaries and wages were released earlier than usual, not a single person was laid off due to the pandemic, incentives for sales and cost control were paid well before time, annual increments and promotions post appraisals were announced as scheduled and provision was also made to adjust any available paid leave (no matter under what category) against quarantine and sick days.

In the Financial Year 2020-21, in fact 165 new employees joined Aries. The pressure on cash flows to ensure this team stability led to a widespread feeling of gratitude for the privilege of being part of Aries – a company that amply demonstrated its care and concern for every member of the Aries family across India. This was only possible because of the untiring work by the manufacturing, marketing and support teams to ensure business continuity at all times. Had this been hampered, the situation would have been very difficult. We owe each other an immense debt since everyone's job security was ensured by the collective team work, even at great personal peril from health risks.

Particulars	Apr 20 to Mar' 21
New joiners from April 2020 to March 2021	165
% of staff receiving increment from April 2020 to March 2021	78%
% of staff receiving promotion from April 2020 to March 2021	37%
No. of employees on roll as on March 2021	958

### Workers Safety:

Contract tracing was initially based on the roster of workers on site. However, as the permissions during lockdown increased from 30% to 50% and thereafter 100%, we piloted an automated contact tracing app, that used a Bluetooth beacon to identify people in close proximity for over permitted number of minutes. The chip (initially on the safety vest and thereafter on the identity card) stored information for 30 days and in the event of a COVID-positive team member being reported, all those recorded in close proximity were immediately isolated and tested. The Ideas Hub at the Aries Mumbai HQ and some OYO-rooms were hired and converted into temporary quarantine facilities and a doctor-on-call remotely monitored those in isolation and medication was provided

### Scaling up Training and Upskilling

The first phase of the most stringent lockdown saw Aries team convening in groups of 100 every single day for at least 2 hours of training, followed by quizzes and leaderboards. Competing to learn was evident when zoom rooms filled up fast and active participation from all attendees led to the time being will spent in upskilling

themselves. A minimum of 100 training hours are a mandatory part of appraisal at all levels in the Company and the lockdown period saw cross functional and department specific training programmes conducted by expert internal trainers. Some even took up external language skill and online computer and data analytics courses

## GLOBAL DISTRIBUTION:

Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans: International clients are located in Kenya, Nigeria, Nepal and Taiwan. Sales were booked for Kenya, Nepal and Taiwan. Registration process started in Nigeria and Bangladesh. Distributors in Nepal have put up their own manufacturing unit to support and increase sales and distribution network throughout Nepal. The total exports and global sales constituted 0.06% of our group revenue during the Financial Year 2020-21. (This adds upto 0.36% including Nepal & Kenya Exports in INR).

## OUTLOOK:

The year 2021-22 is our 52<sup>nd</sup> year of operations and the Company continued to have robust plans for growth and expansion. This second year of Covid lockdowns has severely affected rural areas and the virus has spread far and wide into the remotest parts of the country. This, unlike last year, is affecting the movement of people to meet with customers and farmers. However, the flow of material continued uninterrupted under essential services. The Company is looking ahead to face these challenges using digital means of communication, better supply, inventory control and continuous attractive time bound trade schemes. The 2021-22 Annual Booking was once again conducted online with 1426 dealers in 22 states booking using our Booking App. The total booking of Rs. 574 - Crores has been recorded. This is expected to achieve Gross revenue of Rs.525/- Crores in FY 2021-22. In the current year we are also introducing the following products:

Pesticide Range	Organic	Bio Range	Crop Specific Nutrition Products	Fisheries	Micronutrient Complexes
Nirbhay Caps (Lambda-Cyhalothrin 4.9% Capsule Suspension)	Rajat HD (Organic Bactericide)	Humiblack (Bio Stimulant)	Aries Majorsol-Maize	Aquamix (Multi Micronutrient for fishes)	Aribor (Boron Ethanolamine)
Paramvir (Profenofos -40 +Cypermethrin 4)	Nemocheck (Organic Nematode control)	Terrazinc (Zinc Solubilizing Bacteria)	Aries Majorsol-Cotton		Supermax
Dhanush (Carbendazim 12% +Mancozeb 63% WP)	Orga Prom (Organic Fertilizer)	Ariphos (Phosphate Solubilizing Bacteria)	Aries Majorsol-Groundnut		Zinconite-S
Jahaan (Hexaconazole 5 % EC)	Orga Potash (Organic Fertilizer)	Nitrofix (Nitrogen Fixing Bacteria)			Boronite-S
Haasil (Imidacloprid 17.8 SL)					
Trishool (Neem Oil -Azadirachtin 1%)					

In addition 18 Aries' products have been certified organic by UK Cert and the process of taking additional Indian organic Certification is also under way. The manufacturing operations at Amarak Chemicals FZC, Fujairah, UAE is expected to restart operations in H2 to manufacture Aries Super Max which will add to our flagship micronutrients range. A small range of pesticides will also be introduced in FY 2021-22 in addition to Aries Plantomycin.

Aries is also the first Indian Company to receive DGCA License for agriculture drone operations. A 100 day Campaign will be launched between August and October 2021 to exhibit the accurate use of Drones for crop nutrition sprays.

The Phase III of the Hyderabad Unit for packing operations will be functional in Q2 of FY 2021-22 and Phase I of the Raipur packing and warehousing Unit will be operational in H2 of FY 2021-22.

The Company has already incorporated a wholly owned subsidiary, M/s. Mirabelle Agro Manufacturing Pvt. Ltd. whose manufacturing unit will be operational in Q2 of FY 2021-22 and the Company will commence bulk B2B business in India and overseas during the year.

### SEGMENTWISE / PRODUCTWISE PERFORMANCE

As the Company's business activity falls within a single primary business segment, the disclosure requirements of Accounting Standard (Ind AS-108) "Operating Segments", are not applicable.

### RISK MANAGEMENT & INTERNAL CONTROLS

#### RISK MANAGEMENT

The Company has a Risk Management Policy.

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviour together form the Aries Risk Management Systems (ARMS) that governs how the Company conducts its business and manages associated risks.

The Company has in place adequate Internal Financial Controls with reference to Financial Statements. During the year, such controls were tested and no reportable material weakness were observed.

#### INTERNAL CONTROL SYSTEM

The Company has an extensive system of internal controls to ensure optimal utilization of resources and accurate reporting of financial transactions and strict compliance with applicable laws and regulations. The Company has put in place sufficient systems to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly.

#### THREATS AND OPPORTUNITIES

The external factors which could serve as possible threat to the business would include erratic spread of the rainfall and water availability in the reservoirs, fluctuations in oil and gas prices, foreign exchange rate fluctuations, shortages of key raw materials, pricing pressure, indirect and direct substitutes, etc.

The extended lockdown, which has covered almost the entire summer and monsoon has created risks of high logistic costs, unavailability of factory labour and volatile USD and fuel rates. Therefore, cost management is a top priority and every step will need to be taken to control costs and to maintain profitability despite rising cost conditions.

Opportunities would include meeting the high demand in the rural areas, which was highly unaffected by the pandemic. Agri business and farming are perhaps the only areas where lockdown was exempted. The labour, which has moved to the villages from the cities, are also creating additional labour force in the villages, leading to more land area under cultivation. The acceptance of digital methods of information delivery by farmers is creating new opportunities for promoting Aries products with limited visits by sales staff in lockdown conditions. Intensive training and development using virtual means of communication has also been carried out during the lockdown months and this knowledge increase is another emerging opportunity.

Opportunities would also include growth in product range as well as expansion into unserved markets in India and abroad. Increasing awareness levels amongst existing customers on balanced nutrition will increase number of products the farmers purchase from the Aries range.

### COST MANAGEMENT

As trade schemes as a percentage of sales decreased by (0.68)% overall PAT increased by 45.02% compared to the previous Financial Year. Gross Operating margins (EBIDTA) marginally reduced from 18.23% in FY 2019-20 to 16.36% in FY 2020-21, largely due to increase in cost of raw materials.

### FINANCIAL PERFORMANCE:

The Company's Sales Turnover for the financial year ended March 31, 2021 increased to Rs. 47,449.83 Lakhs from Rs. 37,150.08 Lakhs in the previous year, reflecting an increase of 27.72%.

Total expenses for the year was Rs.35,660.49 Lakhs as against Rs. 28,522.03 Lakhs in the previous year.

Profit Before Tax increased to Rs.3,008.19 Lakhs during the year as against Rs. 2,308.80 Lakhs in the previous year.

Tax provision for the year was Rs. 744.27 Lakhs as against Rs. 747.73 Lakhs in the previous year which translates 1.95% on FY 20-21 Net Sales.

Profit After Tax for the year was Rs. 2,263.91 Lakhs as against Rs. 1,561.06 Lakhs in the previous year which is 5.93% of FY 20-21 Net Sales.

Debtors Turnover (on Net Sales) for the year was 104 days as against 125 days in the previous year.

Inventory Turnover (on Net Sales) for the year was 135 days as against 171 days in the previous year.

Operating Profit Margin (on Net Sales) for the year was 16.36% as against 18.23 % in the previous year.

Net Profit Margin (on Net Sales) for the year was 5.93% as against 5.27 % in the previous year.

### RESOURCES & LIQUIDITY (STANDALONE)

As on March 31, 2021, the Net Worth of the Company stood at Rs. 19,052.57 Lakhs as against Rs. 16,817.20 Lakhs.

As on March 31, 2021, the Company had a Debt / Equity ratio of 0.71. The Company has not raised any Deposits from the public.

As on March 31, 2021, Interest Coverage Ratio was 2.41 as against 2.11 in the previous year.

As on March 31, 2021, Current Ratio was 1.49 as against 1.44 in the previous year.

#### DISCLOSURE OF ACCOUNTING TREATMENT

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

#### HUMAN RESOURCES:

As at the end of the financial year there were 958 employees under the permanent rolls and 252 under contract. We have an ongoing arrangement with few labour supplier organizations for our various locations.

We have 123 workers in our permanent employment and sizeable numbers on contract, working in our factories. The detailed breakup of the same is as under:

Sr. No.	Particular	Employees 2020-21
1.	Skilled	19
2.	Semi-Skilled	10
3.	Unskilled	94
	<b>Sub- Total</b>	<b>123</b>
4.	Contract Labour	252
	<b>TOTAL</b>	<b>375</b>

The Department wise breakup of our manpower is as under:

Sr. No	Name of the Department	No. of Staff 2020-21
1.	Directors	01
2.	Accounts, Personnel & Administration, Legal & Secretarial	167
3.	Production(Staff and Workers), R&D and Spray Dryer Operators	173
4.	Sales	617
	<b>TOTAL</b>	<b>958</b>

#### HEALTH/ SAFETY/ENVIRONMENT SENSITIVITY

##### HEALTH THROUGH NUTRITION:

- The Company promotes "Balanced Nutrition as a National Imperative", building resistance of crops to pests and diseases and hence lowering the usage of harmful and expensive pesticides

##### ENVIRONMENT SENSITIVITY:

- The Solar Power Generation System at its manufacturing unit in Hyderabad has generated 75,852.30 units of power during the Financial Year 2020-21, of which 65,305 units were consumed by the facility and the balance 10,547 units were sold to the grid.
- All Aries products are based on the philosophy of "Use less chemicals and use safe chemicals" – low doses of chemically inert and cost effective nutrient complexes
- The entire range of Aries Chelates are environmentally safe
- All our packaging for powders and liquids have been converted into 100% recyclable forms.
- Eighteen number of Aries products are organic certified by UK Cert.

##### NON POLLUTING:

- All Aries factories have zero effluents and produce no harmful emissions

★★★★★★

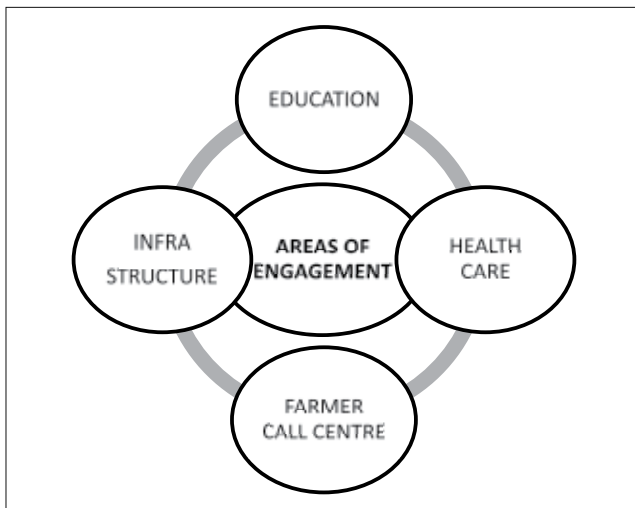
## REPORT ON CORPORATE SOCIAL RESPONSIBILITY

### CSR AT ARIES AGRO LIMITED

Aries continues its tradition of carrying out a range of activities that spread knowledge and adoption of farming best practices in the markets that Aries functions in. The Company has carried out a range of activities during the financial year 2020-21 in addition to some philanthropic activities.

During the critical period like the COVID-19 pandemic disaster filled with fear and uncertainty, Aries was strongly committed to working towards diversified CSR programs to help people in the pandemic period.

### FOCUS AREAS OF ENGAGEMENTS



#### Unique Programmes:

##### Annadanam

- Wockhardt foundation
- Ramadan Relief kit
- Food kit distribution for migrant workers

##### COVID-19 relief:

- Sanitisation tunnels in community market place.
- Mask & Sanitizer distribution.
- PPE kits for Hospital workers, Police in Gujarat and Lucknow.
- Antigen Test Kits.
- Immunity booster kits donation which contains Vitamin C & Z and D3 Tab
- Swab Test kits
- Face Shields

##### Aries Well on Wheels:

Aries has done this donation activity for the third successive year. Aries Water Wheel is an endeavor to effectively deliver portable water over long distances. It is particularly useful in areas where portable water is scarce. In a single trip with the wheel, women can

transfer 45 litres of water which is 3-5 times more as compared to the traditional methods. This initiative by Aries helps women in rural areas to free-up time and hence engage in more fruitful activities to boost family income. This year 300 new families and their neighborhoods were benefitted through this activity.

##### Farmers Call Centre:

The Company's Call Centre based in Vijayawada continued to provide answers to farmer's queries and provided direct interaction with consumers. During the year under review, 12545 number of farmers called the call center at Vijayawada with queries on integrated nutrient management, pest management, soil health and postharvest management, etc were answered by the 6 call center executives. In addition, the Company has added call center numbers on all literature and promotional materials and is extending the reach of this call center to other states across India.

##### Spreading Knowledge:

- Aries' extension team continues to strongly advocate good agricultural practices in all states of India. The activities are conducted under the supervision of Agronomist and Agricultural Research Institutions throughout the year. During the year under review around 13,335 knowledge dissemination activities including farmers meeting were undertaken impacting 1,40,500 number of farmers. These sessions were conducted by team of over 400 extension and sales officials spread across 26 states.
- Farmers' meeting and training programmes on good agricultural practices were conducted at Maharashtra, Gujarat, Karnataka, Rajasthan, Haryana, Uttar Pradesh, Andhra Pradesh, Chhattisgarh, Madhya Pradesh, Gujarat, Tripura, Assam, Himachal Pradesh, Punjab, Bihar, Odisha, Jharkhand, West Bengal, Tamil Nadu, Kerala and Jammu & Kashmir. The unique feature of these events have been that they had participation on a common intellectual platform from top government officials, opinion leaders, academia, research scholars, scientists, agribusiness students and farmers from across the states. These activities exposed farming community to latest plant nutrition concepts.
- This year our company initiated Farmers meeting and training programs on a digital platform. Aries Fasal Sabha- Facebook live sessions were conducted by technical experts for farmers across the country. A series of 12 sessions on various crops were addressed. An Average reach of 20,000 audience per session was recorded on Facebook application. A significant cost was spent on data collection and presentation for online sessions.

##### Scholarships & Sponsorships towards Education:

- The Company also provided fees and scholarships to students from Jawhar School, Mumbai,
- Founder's Excellence Award in academics to meritorious children.
- In addition, amounts were distributed in R. A. Podar College of Commerce & Economics, Matunga, Mumbai as donations to the meritorious students in the Bachelor of Management Studies programme. The Company has been donating similarly since the last 18 years in the name of Aries' founder, Late Bala Mirchandani.
- Sponsorship for Cultural Activity for a CII event.

- Donation to Hariharaputra Bhajan Samaj for Educational services.
- Sponsorship to Orion Racing India.
- Maruti EECO donated to CHILDLINE 1098, Srinagar.

#### Soil Testing Services

The Company has organized during the year soil testing camps in Maharashtra, Gujarat, Punjab, North Karnataka, Andhra Pradesh and Telangana using Mobile Soil Testing Kits which analyse 10 parameters including pH, EC, NPK levels in soil, micro nutrient levels including Zinc, Ferrous, Boron, Organic Carbon, etc. Approximately 5300 Soil Health Cards were issued to farmers providing an additional service in order that they understand the specific nutrient needs of their farms.

#### Influencer Relations

During the year the Company represented at various industry bodies including Confederation of Indian Industry's Agricultural Council, Confederation of Indian Industry's Innovation Council, Indian Micro-Fertilizers Manufacturers Association (IMMA) and Fertilizer Association of India (FAI). At these forums, the Company advocated that balanced plant nutrition being recognized as a national imperative. It has also conducted various sessions with key influencers to promote the systematic spread of world class farmers' education and skilling programmes. The Company believes that the spread of knowledge is an essential part of its responsibility towards society development and nation building.

CSR ACTIVITIES- IMPACT ANALYSIS	
BUSINESS STRATEGY	<ul style="list-style-type: none"> <li>• Increasing awareness amongst customers mainly farmers in balanced nutrition</li> <li>• Goodwill in growth markets</li> </ul>
CSR VISION	<ul style="list-style-type: none"> <li>• Farmers and their communities will have a higher standard of living in an environment that is healthy and sustainable.</li> </ul>
MISSION	<ul style="list-style-type: none"> <li>• Welfare measures for employees &amp; families.</li> <li>• Social and Cultural Development by way of education and training, especially with regards to farming.</li> <li>• Environmental sustainability</li> <li>• Combating hunger in remote areas and urban poor.</li> </ul>
OBJECTIVES	<ul style="list-style-type: none"> <li>• Make tangible progress using specific activities carried out with focused plans.</li> </ul>

ACTIVITIES	<ul style="list-style-type: none"> <li>o Farmer's Education including farmers meeting and online Fasal sabha</li> <li>o Distribution of Aries Well on Wheels to 300 families</li> <li>o Academic Sponsorships to schools</li> <li>o Annadanam- food and food-kit distribution</li> <li>o COVID-19 relief care</li> <li>o Soil testing services</li> </ul>
IMPACT	Aries with its extensive distribution network has so far impacted around 11.50 lakh farmers and the community at large through various initiatives taken up under our CSR activities.
COMMUNICATION	<ul style="list-style-type: none"> <li>• Website</li> <li>• Extension activities</li> <li>• Social Media</li> <li>• Training Programmes</li> </ul>

#### CSR EXPENDITURE DURING THE YEAR 2020-21

Head of Expense	Amount	Item No. in Schedule VII of the Companies Act, 2013	Locality / places
Education including Farmers	12,28,546	(ii)	Around the Areas where Company's Factories and Depots are located.
Farmers Call Centre	8,43,283	(x)	-do-
Infrastructure Support	10,32,689	(x)	-do-
Health Care	15,98,875	(i)	-do-
<b>TOTAL</b>	<b>47,03,393</b>		

Through our knowledge sharing activities and continuous connect with Research Institutions, our commitment to use knowledge as a catalyst for building agricultural productivity remains steadfast. In addition, our products remain environmentally sensitive and we ensure minimum adverse reactions to the soil and related eco systems.

Through its products and passion, Aries continually demonstrates that it is a responsible corporate citizen, working hard to retain the delicate balance of nature and the development of communities where it works and grows.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

As we celebrate 50 years of transforming Indian agriculture, we are mindful of the role and responsibility we have in working towards a sustainable future for India, the planet, and communities we serve. India is home to one-sixth of all humanity. Technology and innovation, are key to creating food security for the future.

The Sustainable Development Goals (SDGs) are an ambitious universal development agenda agreed by all member states of the United Nations. They are an opportunity for all of us to improve our world collectively.

Aries Agro is proud to have aligned its business in furthering the SDGs in India.



In line with UN SDGs we have classified our ESG Goals as follows:

Our products directly improve India's food security. The growing number of harvests to meet the rising food demand over the past decades has led to the depletion of nutrients naturally present in the soil. When Aries Agro pioneered chelated micronutrients, it was a boon for Indian farmers and crop productivity.

Knowing how valuable technology can be, we encourage innovation in agriculture and allied fields to secure a better future for all.

This is a snapshot of how Aries Agro is furthering the SDGs through its own initiatives and spheres of influence especially in promoting farmers' welfare.

Environmental Goals	
1.	Clean Water and Sanitisation <ul style="list-style-type: none"> <li>Installation of rural water filters &amp; new washrooms for girls to access to clean sanitation.</li> <li>Improve manufacturing capabilities through automation</li> </ul>
2.	Affordable and Clean energy-- CARBON-NEUTRAL <ul style="list-style-type: none"> <li>Hyderabad manufacturing run by Solar Power Generation System.</li> <li>Exclusive use of CNG for manufacturing at Chhatral ensuring a reduction in emissions and pollution</li> </ul>

3.	Sustainable cities and Communities <ul style="list-style-type: none"> <li>Launched Aries Greencups and Growbox, an initiative to introduce urban and semi-urban children to the concept of growing their own food.</li> <li>A unique concept of soil-less cultivation taught to the students and school faculty. Participation by 19,000 school students in 20+ Indian states.</li> <li>Plants are operating on solar energy, solid fuels, and CNG.</li> <li>Support capacity building and infrastructure to promote urban agriculture to help establish household food security.</li> </ul>
4.	Responsible Consumption and Production <ul style="list-style-type: none"> <li>Phasing out plastics and foil-based packaging.</li> <li>Adopting new-age environmentally sustainable packs, using soluble sachets, paper bags, and flexible packaging for liquid products.</li> <li>On route to achieve 'zero non-recyclable plastics' consumption.</li> <li>Reduced dosage of our products versus traditional fertilizers promotes responsible farming.</li> </ul>
5.	Climate Action <ul style="list-style-type: none"> <li>Develop and implement educational and public awareness programs on climate change and its effects.</li> <li>Facilitate knowledge-sharing and access to information on climate change via green agricultural practices and use of inert chemicals.</li> <li>Inform and educate farmers on reducing reliance on chemical fertilizers so as to prepare for and adapt to the impacts of climate change on yield and quality.</li> </ul>
6.	Life Below water <ul style="list-style-type: none"> <li>Innovate and use raw materials to prevent bioaccumulation of contaminants in food chain through rivers and sea.</li> <li>Provide mineral nutrition for aquaculture</li> </ul>
7.	Life on Land <ul style="list-style-type: none"> <li>Encourage intake of nutrient-rich Aries products in the dairy industry to minimize environmental degradation and reduction in greenhouse gas emission.</li> </ul>
Social Goals	
1.	No Poverty <ul style="list-style-type: none"> <li>Double farmer income by focusing more on income security.</li> <li>Increase farming efficiency.</li> </ul>
2.	Zero Hunger <ul style="list-style-type: none"> <li>Increase farm productivity through systemic use of high-quality agro-chemicals.</li> <li>Improve soil fertility through advanced products.</li> </ul>
3.	Good health and well being <ul style="list-style-type: none"> <li>Enhance nutritional levels of vegetables by improving nutrient uptake via Aries Agro's water-soluble formulations.</li> <li>Farmer insurance.</li> </ul>

4.	<p>Quality education</p> <ul style="list-style-type: none"> <li>• Support meritorious students through various scholarship programs.</li> <li>• Enable farmer education &amp; skill-training through various training programs by Extension Teams.</li> </ul>
5.	<p>Reduced Inequalities</p> <ul style="list-style-type: none"> <li>• Partner with agronomists and agricultural research institutions globally.</li> <li>• Conduct farmer education and skilling programs.</li> <li>• Advocate good agricultural practices (GAP) to standardize agronomic practices and quality harvests.</li> <li>• Improve farmer income and social protection schemes to allow resilient livelihoods.</li> <li>• Champion India GAP to inspire farmers to employ integrated nutrient management (INM).</li> </ul>
<b>Governance</b>	
1.	<p>Gender Equality</p> <ul style="list-style-type: none"> <li>• Actively promote equal access to decent work and representation to women through advocacy, knowledge creation, on-ground interventions.</li> <li>• In our Hyderabad and Chhatral units, women factory workers outnumber men.</li> <li>• Mumbai head office has a greater ratio of women in empowered and important positions especially Research &amp; Development, HR &amp; Administration, Purchase, and Accounts.</li> </ul>
2.	<p>Decent work &amp; Economic growth</p> <ul style="list-style-type: none"> <li>• Support progress of agricultural communities by improved yield.</li> <li>• Make agriculture an engine of employment and proper economic growth for small landowners and agrarian communities.</li> </ul>

3.	<p>Industry, Innovation and Infrastructure.</p> <ul style="list-style-type: none"> <li>• Develop sound agronomic recommendations in the form of diverse formulations using chelation technology.</li> <li>• Adopt and propagate hydroponic farming as a more efficient practice than traditional forms of agriculture.</li> <li>• Expand agricultural knowledge and productivity assets across all 29 Indian states to improve livelihood opportunities.</li> <li>• Improve manufacturing capabilities through automation.</li> </ul>
4.	<p>Peace, Justice and Strong Institutions</p> <ul style="list-style-type: none"> <li>• Establish responsible corporate governance at all levels of the organization.</li> <li>• Set high standards of business conduct to build an effective institution that offers a stable, enabling work environment with zero man-days lost since inception due to labour unrest.</li> <li>• Leverage resources and innovation to dutifully carry out responsibilities towards the societies we operate in.</li> </ul>
5.	<p>Partnerships for the goal.</p> <ul style="list-style-type: none"> <li>• To work hand-in-hand with the government and other like-minded organisations to derive innovative and cost-effective solutions to the challenges faced by our nation.</li> <li>• Build inclusive partnerships at various levels – national, sub-national, and local-based on shared vision and values to drive the sustainable development agenda.</li> <li>• Partners with several agriculture universities and institutes like Confederation of Indian Industries (CII), Young Indians-CII, Indian Council of Agricultural Research (ICAR) KVK Baramati, Indian Micro Fertilizers Manufacturers Association (IMMA) amongst others.</li> </ul>

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ARIES AGRO LIMITED

#### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Aries Agro 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 Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities 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 financial statements of the current period. These matters were addressed in the context of our audit of the 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 matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Auditor's Response
<p><b>Evaluation of uncertain tax positions</b></p> <p>The Company has material uncertain direct and indirect tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes.</p> <p>The Company has disclosed in contingent liabilities (to the extent not provided for) towards direct and indirect tax position.</p> <p>Refer Notes 4 (M) and 37 to the Standalone Financial Statement</p> <p>The Company undergo assessment proceedings from time to time with direct and indirect tax authorities. There is a high level of judgment required in estimating the level of provisioning and/or disclosure required.</p> <p>The management's assessment is supported by the advice from independent tax consultants and legal consultants, where considered necessary by the management. Accordingly, unexpected adverse outcome, if any, could impact significantly the company's reported profit and balance sheet position.</p>	<p><b>Principal Audit Procedures</b></p> <p>Obtained details of completed tax assessment and demands for the year ended March 31, 2021 from management. We involved company's legal and tax consultants to challenge the management's underlying assumptions in estimating the tax provision, liabilities and the possible outcome of the disputes. Company's legal and tax consultants also considered legal precedence and other ruling evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax position as at April 1, 2020 to evaluate whether any change is required to management's position on these uncertainties.</p> <p>We did not identify any material exception as a result of above procedure relating to management's assessment of provisions.</p>

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of Auditor's Report.

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, changes in equity and cash flows 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.

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

#### Auditor's Responsibilities 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 controls 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 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 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 A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books (and proper returns adequate for the purpose of our audit have been received from branches not visited by us).
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of accounts.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - 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 B". 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 the requirements of section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) 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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, 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 Company.

For **Sandeep Sheth & Associates**  
Chartered Accountants  
(Firm's Registration No. 120685W)

**Sandeep Sheth**  
Proprietor

Date: 29<sup>th</sup> June, 2021  
Place: Mumbai

(Membership No.101903)  
UDIN : 21101903AAAAE48594

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in our Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March 2021, we report that:

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) These fixed assets were physically verified by the management at reasonable intervals. We have been informed that no material discrepancies were noticed on such physical verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company. In respect of immovable properties taken on lease and disclosed as property, plant and equipment in the Ind AS Financial Statement, the lease agreements are in the name of the Company.
- ii. According to the information and explanations provided to us, the stock of inventory has been physically verified during the period by the management at reasonable intervals. No material discrepancies were noticed on physical verification of stocks as compared to book records.
- iii. The Company has granted loans to parties covered in the Register maintained under Section 189 of the Act, 2013
  - (a) As per information and explanation provided to us, the rate of interest and other terms and conditions on which the loans granted by the Company to the bodies corporate listed in the register maintained under section 189 of the Act were not, prima facie, prejudicial to the interest of the company.
  - (b) As per information and explanation provided to us, in the case of loans granted by the company to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of principal and interest as stipulated wherever applicable.
  - (c) As per the information given by the management, there are no overdue amounts in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments made.
- v. According to the information and explanations provided by the company, The Company has not accepted deposits from the public.
- vi. The Company has appointed a cost accountant firm to carry out the Cost Audit. We have reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2014 prescribed by the Central Government under section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing statutory dues including Provident Fund, Employee State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and any other material statutory dues except occasional/ minor delays. As per the information given by the management and apparent from the records the undisputed liabilities as on 31<sup>st</sup> March 2021 is for a period exceeding six months from the date of it becoming payable is NIL.
  - (b) Details of disputed liability in respect of tax dues on account of Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess together with the status and the Forum before which such dispute is pending as on 31<sup>st</sup> March 2021 is as per Annexure I.
- viii. The company has not defaulted in repayment of loans or borrowing to a financial institution, banks, or Government. The Company has not obtained any borrowings by way of issue of debentures.
- ix. According to the information and explanation provided to us, the company did not raise any money by way of initial public offering or further public offer (including debt instruments). The company has taken term loans which have been utilized for the purpose for which such loans were obtained.
- x. During the course of our examination of books and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided for managerial remuneration in accordance with the requisites approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

- xiii.** According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv.** According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv.** According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected to Directors. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi.** The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Sandeep Sheth & Associates**  
Chartered Accountants  
(Firm's Registration No. 120685W)

**Sandeep Sheth**  
Proprietor

Date: 29<sup>th</sup> June, 2021  
Place: Mumbai

(Membership No.101903)  
UDIN : 21101903AAAAE48594

### **Annexure I to Clause vii (b) of Auditor's Report**

#### **Details of disputed statutory dues outstanding as on 31<sup>st</sup> March 2021**

<b>Nature of Dues</b>	<b>Period to which payment relates</b>	<b>Forum where the dispute is pending</b>	<b>Particulars of Dispute</b>	<b>Tax Outstanding Rs.</b>
Sales Tax (Lucknow)	2013-14	The Additional Commissioner – Grade II (Appeals), Commercial Tax, Lucknow (U.P.)	Disallowance of legitimate claim of goods return and levied VAT on Branch transfer and incorrect enhancement of sales turnover.	13,08,859
Sales Tax (Haryana)	2013-14	The Hon'ble High Court of Punjab and Haryana at Chandigarh	Incorrect and perverse orders on classification of Micronutrient fertilizers.	14,00,869
Sales Tax (Haryana)	2014-15	The Hon'ble High Court of Punjab and Haryana at Chandigarh	Incorrect and perverse orders on classification of Micronutrient fertilizers.	9,53,734
			<b>Total</b>	<b>36,63,462</b>
Income Tax	2011-12	High Court of Bombay	(1) Transfer Pricing adjustment (2) Disallowance u/s 2(24)(x) r.w.s. 36(1)(va)	2,12,74,249
Income Tax	2017-18	Commissioner of Income Tax (Appeal)	Addition u/s 68 r.w.s 115BBE	5,05,07,376
			<b>Total</b>	<b>7,17,81,625</b>
Central Excise & Customs	2011-12 & 2012-13	Central Excise & Service Tax Appellate Tribunal (CESTAT)	Classification of Goods Imported	29,91,582 + 29,91,582 (Penalty)
Central Excise & Customs	March 2011 to October 2012	Central Excise & Service Tax Appellate Tribunal (CESTAT)	Classification of Goods Manufactured	3,81,04,558 + 3,81,04,558 (Penalty)
Central Excise & Customs	June 2005 to Jun 2017	Central Excise & Service Tax Appellate Tribunal (CESTAT)	Classification of Goods Manufactured	4,79,90,362
Central Excise & Customs	October 2012 to Jun 2017	Central Excise & Service Tax Appellate Tribunal (CESTAT)	Classification of Goods Manufactured	13,84,20,563 + 13,84,20,563 (Penalty)
Central Excise & Customs	Feb 2012 to Dec 2012	Central Excise & Service Tax Appellate Tribunal (CESTAT)	Classification of Imported Goods	81,84,792
			<b>Total</b>	<b>41,52,08,560/-</b>

## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

### 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 **Aries Agro Limited** (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

The Board of Directors of the Company 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. 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor’s Responsibility

Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### 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 procedure that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflects the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### 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 **Sandeep Sheth & Associates**  
Chartered Accountants  
(Firm’s Registration No. 120685W)

**Sandeep Sheth**  
Proprietor

Date: 29<sup>th</sup> June, 2021  
Place: Mumbai

(Membership No.101903)  
UDIN : 21101903AAAAE48594

## Standalone Statement of Assets & Liabilities as on 31st March, 2021

(Amounts in Rupees unless stated otherwise)

Particulars	Note Nos.	As at 31st March 2021	As at 31st March 2020
<b>I. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	5	479,609,559	413,566,087
(b) Right of Use Asset	5	62,910,215	63,787,060
(c) Capital Work in Progress		122,079,192	121,148,396
(d) Intangible Assets	5	1,699,703	2,253,901
(e) Financial Assets			
(i) Non-Current Investments	6	202,804,000	202,804,000
		<b>869,102,669</b>	<b>803,559,444</b>
<b>(2) Current Assets</b>			
(a) Inventories	7	1,407,486,793	1,380,306,872
(b) Financial Assets			
(i) Trade Receivables	8	1,089,285,342	1,015,866,713
(ii) Cash & Cash Equivalents	9	4,392,260	4,807,386
(iii) Other Bank Balances (Fixed Deposits)	10	34,118,301	33,006,994
(iv) Current Loans	11	1,012,713,148	994,674,206
(v) Other Current Financial Assets	12	909,781	1,124,062
(c) Other Current Assets	13	336,991,893	311,312,025
		<b>3,885,897,518</b>	<b>3,741,098,258</b>
		<b>4,755,000,187</b>	<b>4,544,657,702</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	14	130,043,390	130,043,390
(b) Other Equity	15	1,775,213,876	1,551,676,865
		<b>1,905,257,266</b>	<b>1,681,720,255</b>
<b>(2) Non-Current Liabilities</b>			
(a) Financial Liabilities			
Non Current Borrowings	16	121,535,474	143,387,662
Other Non-Current Liabilities	17	28,713,745	42,113,302
(b) Non Current Provisions	18	30,813,367	28,323,675
(c) Deferred Tax Liabilities (Net)	19	52,799,047	42,614,909
		<b>233,861,633</b>	<b>256,439,548</b>
<b>(3) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Current Borrowings	20	1,155,930,122	1,304,898,537
(ii) (a) Trade Payables - Total outstanding dues of Micro & Small Enterprises	21	67,276,962	105,355,191
(b) Trade Payables - Total outstanding dues of Creditors other than Micro & Small Enterprises		455,094,352	478,424,108
(iii) Other Current Financial Liabilities	22	120,256,675	93,290,579
(b) Other Current Liabilities	23	797,439,250	586,356,843
(c) Current Provisions	24	11,310,961	14,185,255
(d) Current Tax Liability (Net)	25	8,572,966	23,987,386
		<b>2,615,881,288</b>	<b>2,606,497,899</b>
		<b>4,755,000,187</b>	<b>4,544,657,702</b>
<b>TOTAL</b>			
<b>Summary of Significant Accounting Policies</b>	4		

The Notes referred to above form an integral part of these Financial Statements

As per our report of even date

For and on behalf of the Board of Directors of Aries Agro Limited

**For Sandeep Sheth & Associates**

Chartered Accountants  
Firm Registration No. 120685W

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN 00239057

**Prof. R. S. S. Mani**  
Director  
DIN 00527270

**Mr. Vivek Joshi**  
Chief Financial Officer  
Membership No. ACA-101683

**Sandeep Sheth**  
Proprietor  
Membership No 101903  
UDIN 21101903AAAAE48594

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Mr. C. B. Chhaya**  
Director  
DIN 00968966

**Mr. Qaiser P. Ansari**  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

**Place :** Mumbai  
**Date :** 29th June, 2021

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Mr. B.V. Dholakia**  
Director  
DIN 01871816

## Standalone Statement of Profit and Loss for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

Particulars	Note Nos.	Year Ended 31st March, 2021	Year Ended 31st March, 2020
I. Revenue from Operations	26	4,744,983,031	3,715,008,465
Less :- Discount and Rebate		930,418,496	753,562,722
		<b>3,814,564,535</b>	2,961,445,743
II. Other Income	27	52,303,502	121,636,717
III. <b>Total Revenue ( I + II )</b>		<b>3,866,868,037</b>	3,083,082,460
IV. <b>Expenses :</b>			
(a) Cost of Materials Consumed	28	1,764,947,583	1,293,415,555
(b) (Increase) / Decrease in Inventories of Finished Goods	29	113,347,866	(44,207,675)
(c) Employee Benefits Expense	30	409,170,315	396,504,976
(d) Finance Costs	31	259,321,626	255,211,199
(e) Depreciation and Amortization	5	63,815,183	53,644,206
(f) Other Expenses	32	955,446,847	897,634,396
Total Expenses		<b>3,566,049,420</b>	2,852,202,656
V. <b>Profit / (Loss) Before Tax - ( III - IV )</b>		<b>300,818,617</b>	230,879,804
VI. <b>Tax Expense</b>			
(a) Current Tax		64,000,000	64,700,000
(b) Adjustment of Tax relating to earlier periods		644,925	3,949,338
(c) Deferred Tax		9,782,518	6,123,546
<b>Income Tax Expense</b>		<b>74,427,443</b>	74,772,884
VII. <b>Profit for the period - ( V - VI )</b>		<b>226,391,174</b>	156,106,920
VIII. <b>Other Comprehensive Income</b>			
(A) Items that will not be reclassified to Profit or Loss			
(i) Changes in Revaluation Surplus		-	-
(i) Remeasurements of Defined Benefit Plans		(2,452,543)	(8,427,972)
(iii) Equity Instruments through OCI		-	-
		<b>(2,452,543)</b>	(8,427,972)
(ii) Less :- Income Tax relating to Items that will not be reclassified to Profit or Loss		401,620	(2,121,321)
		<b>(2,854,163)</b>	(6,306,651)
(B) Items that will be reclassified to Profit or Loss			
(i) Exchange Differences in translating the Financial Statements of Foreign Operation		-	-
(ii) Debt Instruments through OCI		-	-
(iii) The effective portion of gains and loss on hedging instruments in a cash flow hedge		-	-
		-	-
(ii) Less :- Income Tax relating to Items that will be reclassified to Profit or Loss		-	-
		-	-
		<b>(2,854,163)</b>	(6,306,651)
IX. <b>Total Comprehensive Income for the period (VII + VIII)</b>		<b>223,537,011</b>	149,800,269
X. <b>Earnings per Equity Share</b>	33		
(1) Basic & Diluted		17.41	12.00
<b>Summary of Significant Accounting Policies</b>	5		

The Notes referred to above form an integral part of these Financial Statements

As per our report of even date

For and on behalf of the **Board of Directors** of **Aries Agro Limited**

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm Registration No. 120685W

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN 00239057

**Prof. R. S. S. Mani**  
Director  
DIN 00527270

**Mr. Vivek Joshi**  
Chief Financial Officer  
Membership No. ACA-101683

**Sandeep Sheth**  
Proprietor  
Membership No 101903  
UDIN 21101903AAAAE48594

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Mr. C. B. Chhaya**  
Director  
DIN 00968966

**Mr. Qaiser P. Ansari**  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

**Place :** Mumbai  
**Date :** 29th June, 2021

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Mr. B.V. Dholakia**  
Director  
DIN 01871816

## Statement of Changes in Equity for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

**Note No. 14**

A	Equity Share Capital	Balance as at 31st March, 2020	Changes in Equity Share Capital during the year	Balance as at 31st March, 2021
		130,043,390	-	130,043,390

**Note No. 15**

(Amounts in Rupees unless stated otherwise)

B	Other Equity	Reserves & Surplus			Items of Other Comprehensive Income	Balance as at 31st March, 2021
		Securities Premium Reserve	General Reserve	Retained Earnings	Re-measurement of net defined benefit plans	
	<b>Balance as at 1st April, 2020</b>	<b>490,037,050</b>	<b>102,956,310</b>	<b>978,702,828</b>	<b>(20,019,323)</b>	<b>1,551,676,865</b>
	Add / (Less) : Profit / (Loss) for the year	-	-	226,391,174	(2,854,163)	223,537,011
		-	-	<b>226,391,174</b>	<b>(2,854,163)</b>	<b>223,537,011</b>
	<b>Balance as at 31st March, 2021</b>	<b>490,037,050</b>	<b>102,956,310</b>	<b>1,205,094,002</b>	<b>(22,873,486)</b>	<b>1,775,213,876</b>
	<b>Balance as at 1st April, 2019</b>	<b>490,037,050</b>	<b>102,956,310</b>	<b>858,656,102</b>	<b>(13,712,672)</b>	<b>1,437,936,790</b>
	Add / (Less) : Profit / (Loss) for the year	-	-	156,106,919	(6,306,651)	149,800,268
	Add / (Less) : Dividend paid for F Y 2018-19	-	-	(23,408,027)	-	(23,408,027)
	Add / (Less) : Dividend Distribution Tax paid for F Y 2018-19	-	-	(4,811,544)	-	(4,811,544)
	Add / (Less) : Dividend paid for F Y 2019-20	-	-	(6,503,756)	-	(6,503,756)
	Add / (Less) : Dividend Distribution Tax paid for F Y 2019-20	-	-	(1,336,866)	-	(1,336,866)
		-	-	<b>120,046,726</b>	<b>(6,306,651)</b>	<b>113,740,075</b>
	<b>Balance as at 31st March, 2020</b>	<b>490,037,050</b>	<b>102,956,310</b>	<b>978,702,828</b>	<b>(20,019,323)</b>	<b>1,551,676,865</b>

## Standalone Statement of Cash Flows for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

Sr. No.	Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>A)</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax as per Statement of Profit and Loss	300,818,617	230,879,804
	<b>Adjusted for :</b>		
	Depreciation and Amortisation Expense	63,815,183	53,644,206
	Loss /(Profit) on Sale of Assets (net)	(221,628)	9,691,101
	Interest Income	(50,825,534)	(50,745,837)
	Remeasurements of Defined Benefit Plans	(2,452,543)	(8,427,972)
	Finance Costs	259,321,626	255,211,199
	Operating Profit before Working Capital Changes	570,455,721	490,252,500
	<b>Adjusted for :</b>		
	(Increase) / Decrease in Trade Receivables	(73,418,629)	(22,646,606)
	(Increase) / Decrease in Inventories	(27,179,921)	(82,438,697)
	Increase / (Decrease) in Trade Payables	(61,407,985)	70,509,626
	Increase / (Decrease) in Provisions & Other Current Liabilities	222,249,482	187,308,481
	Cash Generated from Operations	630,698,668	642,985,303
	Income Taxes (paid) / received (Net)	(64,644,925)	(68,649,338)
	<b>Net Cash Flow from Operating Activities (A)</b>	<b>566,053,743</b>	<b>574,335,965</b>
<b>B)</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	Purchase of Fixed Assets ( Tangible Fixed Assets, Capital work in progress (WIP) )	(133,302,044)	(135,120,369)
	Proceeds from Sale of Fixed Assets	1,665,264	2,289,158
	Capital Subsidy received	2,500,000	-
	Investments in Long Term Investments	-	(100,000)
	Movement in Short Term Loans and Advances & Other Assets	(44,615,836)	(157,197,611)
	Interest Income	50,825,534	50,745,837
	<b>Net Cash Flow from / ( used in) Investing Activities (B)</b>	<b>(122,927,082)</b>	<b>(239,382,985)</b>
<b>C)</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
	Dividend Paid	-	(29,911,783)
	Tax on Dividend paid	-	(6,148,410)
	Non Current Borrowings ( Net )	(21,852,188)	10,693,525
	Current Borrowings ( Net )	(148,968,415)	(132,931,471)
	Finance Costs	(259,321,626)	(255,211,199)
	Increase / (Decrease) in Lease Liabilities	(13,399,557)	42,113,302
	<b>Net Cash ( used in ) / from financing activities (C)</b>	<b>(443,541,786)</b>	<b>(371,396,036)</b>
	Net Increase in Cash and Cash Equivalents	(415,125)	(36,443,055)
	Opening Balance of Cash and Cash Equivalents	4,807,386	41,250,442
	Closing Balance of Cash and Cash Equivalents	<b>4,392,260</b>	<b>4,807,386</b>

NOTE : 1 The above statement has been prepared under the indirect method set out in Ind AS-7 " Statement of Cash Flows ".  
2 Figures in the bracket indicate cash out flow.

**As per our report of even date**

For and on behalf of the **Board of Directors of Aries Agro Limited**

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm Registration No. 120685W

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN 00239057

**Prof. R. S. S. Mani**  
Director  
DIN 00527270

**Mr. Vivek Joshi**  
Chief Financial Officer  
Membership No. ACA-101683

**Sandeep Sheth**  
Proprietor  
Membership No 101903  
UDIN 21101903AAAAE48594

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Mr. C. B. Chhaya**  
Director  
DIN 00968966

**Mr. Qaiser P. Ansari**  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

**Place :** Mumbai  
**Date :** 29th June, 2021

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Mr. B.V. Dholakia**  
Director  
DIN 01871816



## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

### 1. Corporate Information

Aries Agro Limited ('Aries' or the 'Company') was incorporated at Mumbai in 1969 for manufacturing of small range of mineral feed additives for animals & birds and then diversified into mineral additives for the agriculture use and currently is into business of manufacturing micronutrients and other nutritional products for plants and animals.

In January, 2007 the Company incorporated Aries Agro Care Private Limited as a Wholly Owned Subsidiary for carrying business in the Branch of agro protection, seeds, etc.

In January, 2007 the Company incorporated Aries Agro Equipment Private Limited as a Wholly Owned Subsidiary for carrying business in all type of farm equipment, machinery, etc.

In December, 2019 the Company incorporated Mirabelle Agro Manufacturing Private Limited as a Wholly Owned Subsidiary for carrying business in Mineral Feed Supplements.

In 2008 the Company acquired 75% Shares in Golden Harvest Middle East FZC, Sharjah, UAE, by virtue of which the said Golden Harvest Middle East FZC has become a Subsidiary of the Company. Golden Harvest Middle East FZC is in the business of trading of plant nutrients.

In the year 2010 the Company's Overseas Subsidiary viz M/S Golden Harvest Middle East FZC acquired 75% Shares of M/S Amarak Chemicals FZC based in Fujairah Free Zone, UAE by virtue of which M/S Amarak Chemicals FZC has become a Step Down Subsidiary of Aries Agro Limited. In F.Y. 2019-20, M/s. Golden Harvest Middle East FZC has reduced its stake from 75% to 49% in M/s Amarak Chemicals FZC. As a result of this, M/s. Amarak Chemicals FZC is now no more a step down subsidiary of M/s. Aries Agro Ltd.

Aries Agro Limited is an Indian Multinational Company that offers the widest range of products in the primary, secondary and micro-fertilizer sector, ranging from individual elements to mixed specialty plant nutrient fertilizers. Since 1969, Aries has pioneered several innovative concepts of farming to Indian agriculturists, including the wonder of Chelation Technology, bio-degradable complexes of plant nutrients, water soluble NPK fertilizers, value added secondary nutrients, natural and biological products and water treatment formulations.

### 2. Basis of Preparation

The financial statements are prepared in accordance with and in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read along with Companies (Indian Accounting Standards) Rules, as amended and other provisions of the Act. The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

### 3. Basis of Measurement - Historic Cost Convention

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and non-current generally based on the nature of product/activities of the Company and the normal time between acquisition of assets/ liabilities and their realization /settlement in cash or cash equivalent. 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.

### 4. Significant Accounting Policies

The principal accounting policies applied in the preparation of financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### A) Plant, Property & Equipment :

All the Property, Plant and Equipment have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognized in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

### **B) Depreciation & Amortization :**

a) Depreciation on property, plant & equipment is provided on a straight-line basis over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight-line basis over their remaining useful life of such assets.

b) Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

### **C) Intangible Assets :**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

### **D) Impairment of Tangible and Intangible Assets :**

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest possible levels for which there are independent cash inflows (cash-generating units). Prior impairment of nonfinancial assets (other than goodwill) are reviewed for possible reversal of impairment losses at each reporting date. Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment.

### **E) Cash and Cash Equivalents :**

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### **F) Inventories and WIP:**

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

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

**a) Raw materials and packing materials :**

Lower of cost and net realizable value. However, 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. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

**b) Work-in-progress and finished goods :**

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

**c) Traded goods :**

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**d) Waste and scrap are not separately valued being insignificant in value.**

**e) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.**

**G) Retirement benefits :**

**a) Short Term Employee Benefits:**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Short - term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**b) Post-Employment Benefits :**

**i) Defined Contribution Plans :**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

**ii) Defined Contribution Plans :**

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Re-measurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Re-measurements are not re-classified to the statement of profit and loss in subsequent periods.

Past service cost is recognized in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

**Other Long Term Employee Benefits :**

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

### H) Non-current assets held for sale :

Non-current assets held for sale are presented separately in the Balance Sheet when the following criteria are met: - the Company is committed to selling the asset; - the assets are available for sale immediately; - an active plan of sale has commenced; and - sale is expected to be completed within 12 months. Assets held for sale and disposal groups are measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortised or depreciated.

### I) Foreign Currency :

#### Functional and Presentation Currency

Consolidated financial statements have been presented in Indian Rupees (₹), which is the Group's functional currency and Group's presentation currency. Each entity in the Group determines its own functional currency (the currency of the primary economic environment in which the entity operates) and items included in the financial statements of each entity are measured using that functional Currency.

#### Transactions and Balances :

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to the Statement of profit and loss.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

### J) Financial Instruments :

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### 1) Financial Assets :

##### (i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

##### (ii) Initial recognition measurement :

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

##### (iii) Subsequent Recognition

###### a) Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

###### Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method, less provision for

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

impairment. For some trade receivables the Group may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counter party is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the shortfalls over the expected life of financial assets. The estimated impairment losses are recognized in a separate provision account and the impairment losses are recognized in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Subsequent changes in assessment of impairment are recognized in provision for impairment and changes in impairment losses are recognized in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income

### **b) Financial Assets measured at fair value through other comprehensive income (FVTOCI)**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

### **c) Financial Assets measured at fair value through profit or loss (FVTPL)**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

### **d) Investment in Subsidiary and Associates**

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

### **e) Investment in Debt Instruments**

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

### **(iv) De-recognition of Financial Assets:**

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

## **2) Financial Liabilities:**

### **(i) Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

### **(ii) Subsequent measurement:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss.

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

### (iii) Loans and Borrowings :

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

### (iv) Trade and Other Payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent unpaid liabilities for goods and services provided to the Group till the end of financial year. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade payables are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest rate method.

### (v) Derecognition of Financial Liabilities :

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

### K) Borrowing Costs :

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalized as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

### L) Leases :

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right-of-Use Assets

The Company recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

#### ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company has used 10% uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities has been presented under the head "Other Financial Liabilities".

### iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### M) Taxes :

#### a) Current Income Tax :

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Company operates. Accordingly, the Company has recognised Provision for Income Tax for the Financial Year ended 31<sup>st</sup> March, 2021 and remeasured its Deferred Tax Assets / Liabilities based on the rates prescribed in the aforesaid section. The impact of this change has been recognised in the Statement of Profit and Loss for the Financial Year ended 31<sup>st</sup> March, 2021.

#### b) Deferred Tax :

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.
- (ii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

#### c) Goods & Service Tax:

Expenses and assets are recognized net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

#### d) Minimum Alternate Tax :

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

### N) Revenue Recognition :

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

#### (a) Sale of products :

As stated in Ind AS 115, Revenue from sale of products is recognized when the entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied net of discounts, returns etc. Ind As 115 is based on a five step model as mentioned below.

1. Identify the contract with customer
2. Identify the performance obligation
3. Determine the transactions price
4. Allocate transaction price
5. Recognize Revenue when (or as) performance obligations are satisfied.

#### (b) Other Income :

##### Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

##### Dividend Income

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

### O) Dividend / Distribution :

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

### P) Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.



## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

### Q) Segment Reporting :

#### Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

### R) Provisions, Contingent Liabilities and Contingent Assets :

A Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised till the realisation of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefit is possible.

### S) Government Grants:

Government grants including any non-monetary grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, are recognised as expenses. Government grants related to property, plant and equipment are presented at fair value and grants are recognised as deferred income.

### T) Research & Development Expenditure:

Revenue expenditure pertaining to research is charged to statement of profit and loss. Development costs of products are charged to the statement of Profit and loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalized.

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

### Aries Agro Limited - Standalone

#### Note No. 5 - Property, Plant and Equipment and Intangible Assets as at 31st March, 2021

Particulars	PROPERTY, PLANT AND EQUIPMENT											Right to Use Asset		Total			
	Land	Buildings	Office Premises	Cylinders	Plant & Machinery	Electrical Installations	Laboratory Equipments	Office Equipments	Furniture & Fixtures	Air Conditioners	Computer	Vehicles	Commercial Vehicles		Total	Computer Software	Total
<b>Gross Block</b>																	
As at 1st April, 2020	44,964,403	362,862,421	19,981,599	2,195,021	237,001,443	17,576,378	3,745,391	9,033,668	25,328,596	4,382,813	9,344,473	14,243,363	1,492,155	752,151,993	20,666,089	863,255,393	
Add :- Addition during the year	-	41,983,028	-	970,782	44,577,554	40,000	1,054,700	1,402,986	1,168,440	666,937	1,171,399	3,243,073	820,796	97,097,706	220,300	97,318,006	
Add :- Reclassified on account of adoption of Ind AS 116	-	-	-	-	-	-	-	-	-	-	-	-	-	35,053,241	-	35,053,241	
Less :- Disposals / Impaired during the year	-	-	-	-	2,500,000	-	-	-	-	48,150	68,990	3,126,721	951,802	6,695,663	-	6,695,663	
<b>As at 31st March, 2021</b>	<b>44,964,403</b>	<b>404,845,449</b>	<b>19,981,599</b>	<b>3,165,803</b>	<b>275,078,997</b>	<b>17,616,378</b>	<b>4,800,091</b>	<b>10,436,654</b>	<b>26,496,036</b>	<b>5,001,600</b>	<b>10,446,882</b>	<b>14,359,715</b>	<b>1,361,149</b>	<b>842,554,036</b>	<b>20,886,389</b>	<b>968,933,978</b>	
<b>Accumulated Depreciation</b>																	
As at 1st April, 2020	-	213,742,323	1,506,346	105,337	65,376,051	11,242,833	2,039,241	6,587,406	18,308,201	3,518,375	8,097,575	6,754,587	1,307,631	338,585,906	26,653,252	383,651,346	
Add :- Addition during the year	-	6,209,922	632,751	198,133	14,639,096	1,299,184	247,395	722,080	968,405	312,982	660,680	1,127,536	102,445	27,110,599	774,498	27,985,097	
Add :- Reclassified on account of adoption of Ind AS 116	-	-	-	-	-	-	-	-	-	-	-	-	-	35,930,086	-	35,930,086	
Less :- Disposals / Impaired during the year	-	-	-	-	-	-	-	-	-	47,018	32,980	1,822,021	850,009	2,752,027	-	2,752,027	
<b>As at 31st March, 2021</b>	<b>-</b>	<b>219,952,245</b>	<b>2,139,097</b>	<b>303,470</b>	<b>80,015,147</b>	<b>12,542,017</b>	<b>2,286,626</b>	<b>7,309,486</b>	<b>19,276,606</b>	<b>3,784,339</b>	<b>8,715,275</b>	<b>6,060,103</b>	<b>560,067</b>	<b>362,944,478</b>	<b>27,427,750</b>	<b>390,372,228</b>	
<b>Net carrying amount</b>																	
As at 31st March, 2021	44,964,403	184,893,204	17,842,502	2,862,333	195,063,850	5,074,361	2,513,465	3,127,448	7,219,430	1,217,261	1,731,607	8,298,612	801,082	479,609,559	62,910,215	542,519,774	
As at 31st March, 2020	44,964,403	149,120,098	18,475,253	2,089,684	171,625,392	6,333,545	1,706,150	2,446,532	7,020,395	864,438	1,246,998	7,488,776	184,524	413,568,087	63,787,060	477,355,147	
<b>Gross Block</b>																	
As at 1st April, 2019	37,766,473	336,209,205	19,981,599	352,534	220,058,035	17,576,378	2,397,774	7,841,442	25,229,841	4,260,086	8,796,128	19,975,421	1,667,155	702,112,070	20,456,586	722,568,655	
Add :- Addition during the year	7,197,930	26,653,216	-	1,842,487	29,412,908	-	1,347,617	1,198,086	98,755	185,528	548,345	53,592	-	68,538,474	209,503	68,747,977	
Add :- Reclassified on account of adoption of Ind AS 116	-	-	-	-	-	-	-	-	-	-	-	-	-	90,440,312	-	90,440,312	
Less :- Disposals / Impaired during the year	-	-	-	-	12,489,900	-	-	5,600	0	62,900	-	5,786,650	175,000	18,498,551	-	18,498,551	
<b>As at 31st March, 2020</b>	<b>44,964,403</b>	<b>362,862,421</b>	<b>19,981,599</b>	<b>2,195,021</b>	<b>237,001,443</b>	<b>17,576,378</b>	<b>3,745,391</b>	<b>9,033,658</b>	<b>25,328,596</b>	<b>4,382,813</b>	<b>9,344,473</b>	<b>14,243,363</b>	<b>1,492,155</b>	<b>752,151,993</b>	<b>20,666,089</b>	<b>863,255,393</b>	
<b>Accumulated Depreciation</b>																	
As at 1st April, 2019	-	206,334,407	873,595	13,561	54,201,469	9,919,411	1,879,921	5,910,820	17,242,222	3,221,864	7,716,826	8,487,924	1,019,436	318,821,256	17,704,174	336,525,430	
Add :- Addition during the year	-	5,407,916	632,751	91,776	14,288,085	1,323,422	159,320	681,905	1,065,979	358,710	380,749	1,562,569	329,757	26,282,940	708,014	26,990,954	
Add :- Reclassified on account of adoption of Ind AS 116	-	-	-	-	-	-	-	-	-	-	-	-	-	26,653,252	-	26,653,252	
Less :- Disposals / Impaired during the year	-	-	-	-	3,113,303	-	-	5,320	-	62,000	-	3,295,906	41,562	6,518,291	-	6,518,291	
<b>As at 31st March, 2020</b>	<b>-</b>	<b>213,742,323</b>	<b>1,506,346</b>	<b>105,337</b>	<b>65,376,051</b>	<b>11,242,833</b>	<b>2,039,241</b>	<b>6,587,406</b>	<b>18,308,201</b>	<b>3,518,374</b>	<b>8,097,575</b>	<b>6,754,587</b>	<b>1,307,631</b>	<b>338,585,906</b>	<b>26,653,252</b>	<b>365,139,156</b>	
<b>Net carrying amount</b>																	
As at 31st March, 2020	44,964,403	149,120,098	18,475,253	2,089,684	171,625,392	6,333,545	1,706,150	2,446,532	7,020,395	864,438	1,246,998	7,488,775	184,524	413,568,087	63,787,060	477,355,147	
As at 31st March, 2019	37,766,473	127,874,798	19,108,004	338,973	165,866,567	7,666,967	517,863	1,930,822	7,987,620	1,038,421	1,079,301	11,487,496	647,719	383,290,814	-	2,752,412	

Note :- Capital Investment Subsidy received during the year Rs. 25,00,000/- has been adjusted against Cost of Plant & Machinery.

**Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

6 NON-CURRENT INVESTMENTS  (Unquoted and fully paid up)	As at 31st March, 2021			As at 31st March, 2020		
	No. of Shares	Face Value (Rs)		No. of Shares	Face Value (Rs)	
<b>A) Equity Shares</b>						
<b>(i) Subsidiary Companies (at Cost)</b>						
(a) Aries Agro Care Pvt Ltd	10000	10	100,000	10000	10	100,000
(b) Aries Agro Equipments Pvt Ltd	10000	10	100,000	10000	10	100,000
(c) Mirabelle Agro Manufacturing Pvt Ltd	10000	10	100,000	10000	10	100,000
(c) Golden Harvest Middle East FZC	1125	AED 100	1,227,375	1125	AED 100	1,227,375
			<b>1,527,375</b>			<b>1,527,375</b>
	No. of Shares	Face Value (Rs)		No. of Shares	Face Value (Rs)	
<b>(ii) Other Investment (at Cost)</b>						
(a) Aries Agro Produce Pvt Ltd	1500	10	15,000	1500	10	15,000
			<b>15,000</b>			<b>15,000</b>
			<b>1,542,375</b>			<b>1,542,375</b>
<b>B) Share Application Money</b>						
<b>(i) Subsidiary Companies</b>						
(a) Golden Harvest Middle East FZC			<b>201,261,625</b>			<b>201,261,625</b>
			<b>202,804,000</b>			<b>202,804,000</b>

- 6.1 Aries Agro Care Pvt. Ltd. has been incorporated as a wholly owned subsidiary on 5<sup>th</sup> January, 2007 with the Registrar of Companies, Maharashtra, Mumbai. to carry on the business in all branches of agro protection, agro care, etc. The Registered Office of the Company is located at "Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043".
- 6.2 Aries Agro Equipments Pvt. Ltd. has been incorporated as a wholly owned subsidiary on 12<sup>th</sup> January, 2007 with the Registrar of Companies, Maharashtra, Mumbai. to carry on the business of manufacturing, repair, etc. of all types of rural and farm equipments, machinery, etc. The Registered Office of the Company is located at "Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043".
- 6.3 Mirabelle Agro Manufacturing Pvt. Ltd. has been incorporated as a wholly owned subsidiary on 26<sup>th</sup> December, 2019 with the Registrar of Companies, Maharashtra, Mumbai. to carry on the business of manufacturing, Producing and Dealing in Mineral Feed Supplements. The Registered Office of the Company is located at "Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043".
- 6.4 Golden Harvest Middle East FZC was incorporated on 31<sup>st</sup> December, 2004 as a Free Zone Company with limited liability to carry on the activities of manufacturing Chemical Fertilizer and exporting all the necessary, material and acts related to its natural work or needed to the above mentioned works. In the year 2008 it became 75% subsidiary of the Company, Aries Agro Limited. The Registered Office of the Company is located at "SAIF Zone ( Emirates of Sharjah ) "UAE". The licence has since been converted into a trading licence effective from 7th December, 2016.
- 6.5 Aries Agro Produce Pvt. Ltd. has been incorporated on 20<sup>th</sup> June, 2008 with the Registrar of Companies, Maharashtra, Mumbai. to carry out the business of all kinds of Farming, agriculture, horticulture etc. and to plant, grow, cultivate and in any other way deal in farming and agricultural produce. The registered office of the Company is located at "Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043".
- 6.6 Losses of Subsidiaries not provided in accounts :

Particulars	Year Ended 31st March 2021		Year Ended 31st March 2020	
	Accumulated	Current Year	Accumulated	Current Year
Aries Agro Care Pvt. Ltd.	(3,321,007)	(5,273)	(3,315,734)	(262,363)
Aries Agro Equipments Pvt. Ltd.	7,553,656	(15,360)	7,569,016	(59,597)
Golden Harvest Middle East FZC	82,804,796	(62,411,257)	148,750,358	(77,755,002)
Mirabelle Agro Manufacturing Pvt. Ltd.	(35,370)	8,867	(44,237)	(44,237)
	<b>87,002,076</b>	<b>(62,423,022)</b>	<b>152,959,403</b>	<b>(78,121,198)</b>

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

7 INVENTORIES	As at 31st March, 2021	As at 31st March, 2020
<b>(At lower of cost or Net Realisable Value) (As Certified and valued by the Management)</b>		
Raw Materials	563,147,180	440,180,213
Finished Goods	747,277,665	860,625,531
Packing Materials	97,061,948	79,501,128
<b>Total</b>	<b>1,407,486,793</b>	<b>1,380,306,872</b>

8 TRADE RECEIVABLES	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured</b>		
Considered Good	1,089,285,342	1,015,866,713
<b>Total</b>	<b>1,089,285,342</b>	<b>1,015,866,713</b>

### 8.1 Ageing of Trade Receivables

Particulars	Ageing		Total
	More than 6 months	Less than 6 months	
<b>As at 31st March, 2021</b>			
Unsecured			
Considered Good	69,691,530	1,019,593,812	1,089,285,342
<b>Gross Total</b>	<b>69,691,530</b>	<b>1,019,593,812</b>	<b>1,089,285,342</b>
As at 31st March, 2020	37,955,449	977,911,264	1,015,866,713

### 8.2 Trade Receivables includes Amount due from Related Parties

Particulars	Maximum balance during the year	As at 31st March 2021	Maximum balance during the year	As at 31st March 2020
Amarak Chemicals	12,507,647	12,124,573	12,507,647	12,507,647
		12,124,573		12,507,647

8.3 The above Trade Receivables are outstanding for more than 6 months

8.4 Trade Receivables are non-interest bearing and receivable in normal operating cycle

9 CASH AND CASH EQUIVALENTS	As at 31st March 2021	As at 31st March 2020
Balance with Banks in Current Accounts	3,637,031	4,546,005
Cash on hand	755,229	261,381
<b>Total</b>	<b>4,392,260</b>	<b>4,807,386</b>

10 OTHER BANK BALANCES	As at 31st March 2021	As at 31st March 2020
Fixed Deposits with Banks held as Margin Money (Maturity less than One Year)	31,678,919	30,160,700
Unclaimed Dividend Accounts	2,439,382	2,846,294
<b>Total</b>	<b>34,118,301</b>	<b>33,006,994</b>

**Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

10.1 Fixed Deposits are kept as Margin against various Credit Limits / Guarantees

<b>11 CURRENT LOANS</b>	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>
<b>(Unsecured and Considered Good)</b>		
Loans to Related Parties	<b>1,012,062,180</b>	993,593,021
Loans to Employees	<b>650,968</b>	1,081,185
	<b>1,012,713,148</b>	994,674,206

11.1 Loan given to Subsidiaries / Associates :

<b>Company Name</b>	<b>Maximum balance during the year</b>	<b>As at 31st March 2021</b>	<b>Maximum balance during the year</b>	<b>As at 31st March 2020</b>
Golden Harvest Middle East FZC	<b>1,012,062,180</b>	<b>1,012,062,180</b>	993,593,021	993,593,021
<i>(For general corporate purpose of the Subsidiary)</i>	<b>1,012,062,180</b>	<b>1,012,062,180</b>	993,593,021	993,593,021

11.2 Refer Note No. 35 for details of Advances to Related Parties

<b>12 OTHER CURRENT FINANCIAL ASSETS</b>	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>
Interest Accrued but not due	<b>909,781</b>	1,124,062
	<b>909,781</b>	1,124,062

12.1 Interest Accrued but not due includes Interest accrued on various Fixed Deposits with Banks

<b>13 OTHER CURRENT ASSETS</b>	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>
<b>(Unsecured and Considered Good)</b>		
Advances to Related Parties	<b>6,302,636</b>	-
Other Advances	<b>322,169,762</b>	303,059,110
Security Deposits	<b>8,519,496</b>	8,252,915
<b>Total</b>	<b>336,991,893</b>	311,312,025

13.1 Advances given to Subsidiaries / Associates :

<b>Company Name</b>	<b>Maximum balance during the year</b>	<b>As at 31st March 2021</b>	<b>Maximum balance during the year</b>	<b>As at 31st March 2020</b>
Mirabelle Agro Manufacturing Pvt Ltd	<b>6,302,636</b>	<b>6,302,636</b>	-	-
	<b>6,302,636</b>	<b>6,302,636</b>	-	-

13.2 Refer Note No. 35 for details of Advances to Related Parties

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

13.3 Other Advances includes :		
Particulars	As at 31st March 2021	As at 31st March 2020
(a) Balances with Taxation Authorities	89,469,337	52,887,462
(b) Advance to Suppliers	227,803,276	236,434,600
(c) Advance to Staff against expenses	1,391,114	10,574,887
(d) Imprest Advance for Vehicle Expenses	104,975	109,975
(e) Prepaid Expenses	3,401,059	3,052,187
	<b>322,169,762</b>	<b>303,059,110</b>

- a) All the above Advances are interest free  
b) Other terms and conditions on which such advances are given to the Companies are not prejudicial to the interest of the Company.

14 EQUITY SHARE CAPITAL		
	As at 31st March 2021	As at 31st March 2020
<b>Authorised</b>		
1,50,00,000 Equity Shares of Rs. 10/- each	150,000,000	150,000,000
	<b>150,000,000</b>	<b>150,000,000</b>
<b>Issued, Subscribed and Fully Paidup</b>		
1,30,04,339 (31st March, 2020 1,30,04,339) Equity Shares of Rs. 10/- each.	130,043,390	130,043,390
	<b>130,043,390</b>	<b>130,043,390</b>

### 14.1 Reconciliation of the number of Equity Shares :

Particulars	As at 31st March 2021	As at 31st March 2020
Shares outstanding at the beginning of the year	13,004,339	13,004,339
Add :- Issued during the year	-	-
Less :- Shares cancelled during the year	-	-
Shares outstanding at the end of the year	<b>13,004,339</b>	<b>13,004,339</b>

### 14.2 List of Shareholder's holding more than 5 % Shares in the Company :

Name of the Shareholders		As at 31st March 2021		As at 31st March 2020	
		No of Shares	% of Holding	No of Shares	% of Holding
(i)	Dr. Jimmy Mirchandani	3,164,830	24.34%	3,254,830	25.03%
(ii)	Dr. Rahul Mirchandani	3,023,021	23.25%	2,893,221	22.25%
	<b>Total</b>	<b>6,187,851</b>	<b>47.58%</b>	<b>6,148,051</b>	<b>47.28%</b>

## 15 Nature of Reserves

- 15.1 **Securities Premium Reserve** : represents the amount received in excess of par value of securities i.e equity shares. Premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.
- 15.2 **General Reserve** : represents the statutory reserve, this is in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.
- 15.3 **Retained Earnings** : represent the undistributed profits of the Company
- 15.4 **Other Comprehensive Income Reserve** : represent the balance in equity for items to be accounted in Other Comprehensive Income. Othe Comprehensive Income is classified into i) items that will not be reclassified to profit and loss, ii) items that will be reclassified to profit and loss.

**Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

16 NON - CURRENT BORROWINGS		As at 31st March 2021	As at 31st March 2020
<b>Secured Term Loans</b>			
Term Loans from Banks		21,106,005	18,363,221
		21,106,005	18,363,221
<b>Un-Secured Term Loans</b>			
Term Loans from NBFC's		100,429,469	125,024,441
		100,429,469	125,024,441
<b>Total</b>		<b>121,535,474</b>	<b>143,387,662</b>

16.1 Secured Term Loans from Banks referred above to the extent of :

Sr. No.	Particulars	As at 31st March 2021	As at 31st March 2020
(a)	Secured by way of Charge on the Company's Motor Vehicles.	2,442,908	3,747,928
(b)	Secured by way of Primary Charge on Office Premises at Vastrapur, Gujarat.	1,996,433	4,201,405
(c)	Secured by way of All existing Stock and Book Debts and Collateral Securities (Land & Building & Plant & Machinery) and personal Guarantee of Directors	16,666,664	10,413,888
		21,106,005	18,363,221

16.2 Un-Secured Term Loans from Banks / NBFC's are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

16.3 Maturity Profile of Term Loans are as set out below :

Sr. No.	Financial Years		Secured Term Loans from Banks	Un-Secured Term Loans from Banks	Total
(a)	2021-22		43,283,112	24,594,972	67,878,084
		<b>Sub-Total</b>	<b>43,283,112</b>	<b>24,594,972</b>	<b>67,878,084</b>
(b)	2022-23		20,086,295	24,594,972	44,681,267
(c)	2023-24		1,019,711	24,594,972	25,614,683
(d)	2024-25 & Above		-	51,239,525	51,239,525
		<b>Sub-Total</b>	<b>21,106,005</b>	<b>100,429,469</b>	<b>121,535,474</b>
	<b>Total</b>	<b>Grand-Total</b>	<b>64,389,117</b>	<b>125,024,441</b>	<b>189,413,558</b>

16.4 Rs. 6,78,78,084/- is shown in Current Maturities ( On 31st March, 2020 Rs. 5,41,18,701/- )

17 OTHER NON - CURRENT LIABILITIES		As at 31st March 2021	As at 31st March 2020
<b>Lease Liabilities</b>			
Liability of Right to use Asset		28,713,745	42,113,302
		28,713,745	42,113,302

18 NON CURRENT PROVISIONS		As at 31st March 2021	As at 31st March 2020
<b>Provision for Employee Benefits (Refer Note No. 30)</b>			
Gratuity		3,441,466	4,462,828
Leave Salary		26,661,768	23,150,899
One Time Incentive		710,133	709,948
<b>Total</b>		<b>30,813,367</b>	<b>28,323,675</b>

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

19 DEFERRED TAX LIABILITY	As at 31st March 2021	As at 31st March 2020
<b>A Deferred Tax Liability</b>		
Related to Fixed Assets : Difference between Depreciation charged for Financial Reporting and Depreciation as per Income Tax	65,522,266	52,354,343
Other Comprehensive Income	401,620	(2,121,321)
Related to Right of Use Asset	17,992,322	-
<b>B Gross Deferred Tax Liability</b>	<b>83,916,208</b>	<b>50,233,022</b>
<b>Gross Deferred Tax Asset</b>		
Disallowance under the Income Tax Act, 1961 U/s 43B	8,987,364	7,618,113
Realted to Lease Liability	22,129,797	-
	<b>31,117,161</b>	<b>7,618,113</b>
<b>C Net Deferred Tax Liability (A-B)</b>	<b>52,799,047</b>	<b>42,614,909</b>
20 CURRENT BORROWINGS	As at 31st March 2021	As at 31st March 2020
<b>Secured Borrowings</b>		
<b>Working Capital Facilities from Banks</b>		
Cash Credits / Working Capital Demand Loan	1,155,930,122	1,196,187,825
	<b>1,155,930,122</b>	<b>1,196,187,825</b>
<b>Un-Secured Borrowings</b>		
Working Capital Demand Loan from Companies / NBFCs	-	69,994,203
Short Term Loan from Companies / NBFC's	-	38,716,509
	-	108,710,712
<b>Total</b>	<b>1,155,930,122</b>	<b>1,304,898,537</b>
20.1 Working Capital Facilities from Banks are secured by way of Charge on Company's Inventories, Book Debts, Charge on Land, Building, Plant & Machinery and all other movable fixed assets of the Company and guaranteed by Directors.		
20.2 Un-Secured Borrowings from Companies / NBFCs are secured by way of charge on personal Assets of Directors and guaranteed by Directors.		
21 TRADE PAYABLES	As at 31st March 2021	As at 31st March 2020
(a) Trade Payables - Total outstanding dues of Micro & Small Enterprises	67,276,962	105,355,191
(b) Trade Payables - Total outstanding dues of Creditors other than Micro & Small Enterprises	455,094,352	478,424,108
<b>Total</b>	<b>522,371,314</b>	<b>583,779,299</b>
21.1 All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.		
21.2 Contractual Terms with Micro & Small Enterprises is 120 days, hence interest not provided.		
22 OTHER CURRENT FINANCIAL LIABILITIES	As at 31st March 2021	As at 31st March 2020
Current Maturities of Long Term Debt	67,878,084	54,118,701
Interest Accrued but not due on Borrowings	1,276,040	1,210,310
Liability of Right to Use Asset - Current Portion	48,663,169	35,115,274
Unclaimed Dividend	2,439,382	2,846,294
<b>Total</b>	<b>120,256,675</b>	<b>93,290,579</b>



**Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

22.1 Current Maturities of Long Term Debt includes amount repayable within one year of :

Sr. No.	Particulars	As at 31st March 2021	As at 31st March 2020
(a)	Secured Term Loans from Banks	43,283,112	26,813,219
(b)	Un-Secured Term Loans from Banks / NBFC's	24,594,972	27,305,482
		<b>67,878,084</b>	<b>54,118,701</b>

22.2 Secured Term Loans from Banks included in Current Maturities of Long Term Debt to the extent of :

Sr. No.	Particulars	As at 31st March 2021	As at 31st March 2020
(a)	Secured by way of Charge on the Company's Motor Vehicles.	1,305,020	1,617,237
(b)	Secured by way of Primary Charge on Office Premises at Vastrapur, Gujarat.	2,204,972	2,013,870
(c)	Secured by way of All existing Stock and Book Debts and Collateral Securities (Land & Building & Plant & Machinery) and personal Guarantee of Directors	39,773,120	23,182,112
		<b>43,283,112</b>	<b>26,813,219</b>

22.3 Un-Secured Term Loans from Banks / NBFC's included in Current Maturities of Long Term Debt to the extent of Rs. 2,45,94,972/- (31st March, 2020, Rs. 2,73,05,482/-) are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

22.4 Unclaimed Dividend does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

23 OTHER CURRENT LIABILITIES	As at 31st March 2021	As at 31st March 2020
Accrued Salaries and Benefits	180,467,530	157,702,170
Advances / Credits from Customers	379,718,847	231,272,661
Dues to Directors	-	2,626,078
Security Deposits	88,923,648	83,370,641
Statutory Dues	15,495,859	10,540,252
Other Payables	132,833,367	100,845,041
<b>Total</b>	<b>797,439,250</b>	<b>586,356,843</b>

23.1 Advances / Credits from Customers includes amount due to Related Party of Rs. 2,40,24,243/- ( Previous Year Rs. 2,47,39,443/-)

23.2 Statutory Dues includes Goods & Service Tax, Tax Deducted at Source, Tax Collected at Source, ESIC, Provident Fund and Profession Tax.

23.2 Other Payables includes mainly Staff Expense Claims and Provision for Expenses.

24 CURRENT PROVISIONS	As at 31st March 2021	As at 31st March 2020
<b>Provision for Employee Benefits (Refer Note No. 30)</b>		
Gratuity	8,662,781	7,779,463
Leave Salary	2,395,857	6,125,398
One Time Incentive	252,323	280,394
<b>Total</b>	<b>11,310,961</b>	<b>14,185,255</b>

25 CURRENT TAX LIABILITY (NET)	As at 31st March 2021	As at 31st March 2020
Provision for Income Tax ( Net of Advance Tax / TDS )	8,572,966	23,987,386
<b>Total</b>	<b>8,572,966</b>	<b>23,987,386</b>

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

26 REVENUE FROM OPERATIONS	Year Ended 31st March 2021	Year Ended 31st March 2020
Sales of Products	4,744,983,031	3,715,008,465
Less:- Discounts / Rebates	930,418,496	753,562,722
<b>Total</b>	<b>3,814,564,535</b>	<b>2,961,445,743</b>
<b>26.1 Particulars of Sale of Products :</b>		
Sr. Particulars No.	Year Ended 31st March 2021	Year Ended 31st March 2020
<b>Manufactured Products</b>		
(a) Agricultural Mirconutrient and Speciality Fertilizers	2,611,533,034	2,545,143,269
(b) Insecticides and Pesticides	485,518,539	289,823,653
(c) Animal Feed and Feed Concentrates	28,730,200	23,746,963
(d) Others	3,714,536	4,304,940
	<b>3,129,496,309</b>	<b>2,863,018,826</b>
<b>Traded Products</b>		
(a) Agricultural Mirconutrient and Speciality Fertilizers	1,612,797,492	851,989,639
(b) Insecticides and Pesticides	2,689,230	-
	<b>1,615,486,722</b>	<b>851,989,639</b>
Less:- Discounts / Rebates	930,418,496	753,562,722
	<b>3,814,564,535</b>	<b>2,961,445,743</b>
<b>27 OTHER INCOME</b>		
	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Interest Income on :</b>		
Bank Fixed Deposits	1,042,168	1,444,529
Others	110,815	92,734
Interest on Loan to Subsidiary	49,672,552	49,208,574
<b>Other Non-Operating Income</b>		
Misc. / Other Income	1,216,667	208,667
Net Gain / (Loss) on Foreign Currency Transaction and Translation	-	70,682,213
Profit on Sale of Fixed Assets	221,628	-
Rent Income	39,672	-
<b>Total</b>	<b>52,303,502</b>	<b>121,636,717</b>
<b>28 COST OF MATERIALS CONSUMED</b>		
	Year Ended 31st March, 2021	Year Ended 31st March, 2020
1) Opening Stock of Raw Materials	440,180,213	393,558,418
Add : Purchases	1,699,965,033	1,171,667,046
	<b>2,140,145,246</b>	<b>1,565,225,464</b>
Less : Closing Stock of Raw Materials	563,147,180	440,180,213
Raw Material Consumed	1,576,998,065	1,125,045,251
2) Opening Stock of Packing Materials	79,501,128	87,891,900
Add : Purchases	205,510,337	159,979,531
	<b>285,011,465</b>	<b>247,871,431</b>
Less : Closing Stock of Packing Materials	97,061,948	79,501,128
Packing Materials Consumed	187,949,518	168,370,303
<b>Consumption of Materials (1+2)</b>	<b>1,764,947,583</b>	<b>1,293,415,555</b>

**Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

29 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Inventories at the beginning of the year</b>		
Finished Goods	860,625,531	816,417,856
	<b>860,625,531</b>	816,417,856
<b>Inventories at the end of the year</b>		
Finished Goods	747,277,665	860,625,531
<b>(Increase) / Decrease in Inventories</b>	<b>113,347,866</b>	(44,207,675)

30 EMPLOYEE BENEFIT EXPENSES	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Salaries, Wages and Allowances	345,665,911	336,180,967
Directors Remuneration	22,556,700	19,398,000
Contribution to Provident & Other Funds	35,379,852	33,582,998
Staff Welfare Expenses	5,567,852	7,343,011
<b>Total</b>	<b>409,170,315</b>	396,504,976

30.1 As per Ind AS 19 "Employee Benefits", the disclosure of employee benefits as defined in the Indian Accounting Standard (Ind AS) are given below :

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Expense recognised for Defined Contribution Plan</b>		
Company's contribution to Provident Fund	26,652,639	25,820,810
	<b>26,652,639</b>	25,820,810

All Permanent Employees having served from the 1st day of their employment are entitled to the benefits of the contribution to Provident Fund.

The Company contributes specified percentage of the salary paid to Employees to the Defined Fund.

**Defined Benefit Plan**

All Employees who have completed five years or more of service are entitled to benefits of Gratuity. The Company has the Employee's Group Gratuity scheme managed by Life Insurance Corporation of India which is a Defined Benefit Plan. The Employees Leave Encashment scheme, which is a Defined Benefit Plan is unfunded.

Below table sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the Standalone Balance Sheet as at 31st March, 2021 and 31st March, 2020, being the respective measurement dates :

**I Reconciliation of opening and closing balances of the Present Value of the Defined Benefit Obligation**

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Present Value of Defined Benefit obligation at the beginning of the year	78,794,224	72,010,616	29,276,297	26,484,347	990,342	961,915
Current Service Cost	7,779,463	6,550,597	4,124,532	3,902,346	59,955	55,860
Interest Cost	4,979,061	4,895,485	1,788,735	1,737,288	57,810	63,035
Actuarial (gain) / loss	4,223,101	5,656,367	(1,415,616)	2,703,863	11,349	78,532
Past Service Cost	-	-	-	-	-	-
Benefits paid	(15,365,524)	(10,318,841)	(4,716,323)	(5,551,547)	(157,000)	(169,000)
Present Value of Defined Benefit obligation at the end of the year	80,410,325	78,794,224	29,057,625	29,276,297	962,456	990,342

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

### II Reconciliation of opening and closing balances of the Fair Value of the Plan Assets

Particulars	Gratuity	
	As at 31st March, 2021	As at 31st March, 2020
Fair Value of Plan Assets at the beginning of the year	66,551,933	68,116,296
Interest Income	4,411,087	4,849,368
Return on plan assets excluding amounts included in Interest Income	366,291	10,790
Contributions	12,342,291	3,894,320
Benefits paid	(15,365,524)	(10,318,841)
Actuarial gain / (loss)	-	-
Fair value of Plan Assets at the end of the year	68,306,078	66,551,933

### III Expenses recognised in Profit and Loss

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Current Service Cost	7,779,463	6,550,597	4,124,532	3,902,346	59,955	55,860
Interest Cost	567,974	46,117	1,788,735	1,737,288	57,810	63,035
Net Cost recognised in Statement of Profit and Loss	8,347,437	6,596,714	5,913,267	5,639,634	117,765	118,895

### IV Expenses recognised in Other Comprehensive Income

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Components of actuarial gain / losses on obligations :						
Due to change in financial assumptions	(401,885)	4,372,671	(135,877)	1,441,334	(2,674)	32,228
Due to change in demographic assumptions	-	(56,982)	-	(8,475)	-	(1,077)
Due to experience adjustments	4,624,986	1,340,678	(1,279,739)	1,271,004	14,023	47,381
Return on Plan Assets excluding amounts included in Interest Income	(366,291)	(10,790)	-	-	-	-
Net Cost recognised in Other Comprehensive Income	3,856,810	5,645,577	(1,415,616)	2,703,863	11,349	78,532

### V Assumptions used to determine the Defined Benefit Obligations :

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Mortality rate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Discount rate (per annum)	6.85%	6.80%	6.85%	6.80%	6.85%	6.80%
Expected rate of Return on Plan Assets (per annum)	6.85%	6.80%				
Expected rate of increase in Salary (per annum)	5.00%	5.00%	5.00%	5.00%	NA	NA
Expected Average remaining working lives of Employees (Years)	23.38	23.62	-	-	-	-

**Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

**VI Sensitivity Analysis :**

Particulars	Change in Assumption	Effect on Gratuity obligation	Change in Assumption	Effect on Leave Salary	Change in Assumption	Effect on One Time Incentive
<b>For the year ended 31st March, 2020</b>						
Discount Rate	+0.5%	75,388,867	+0.5%	28,154,705	+0.5%	965,319
	-0.5%	82,502,019	-0.5%	30,490,519	-0.5%	1,017,011
Salary Growth Rate	+0.5%	82,112,352	+0.5%	30,506,106	+0.5%	1,018,408
	-0.5%	75,602,895	-0.5%	28,131,000	-0.5%	963,873
Withdrawal Rate	+10.0%	79,132,896	+10.0%	29,320,405	-	-
	-10.0%	78,438,528	-10.0%	29,230,606	-	-
<b>For the year ended 31st March, 2021</b>						
Discount Rate	<b>+0.5%</b>	<b>76,573,525</b>	<b>+0.5%</b>	<b>27,755,751</b>	<b>+0.5%</b>	<b>936,762</b>
	<b>-0.5%</b>	<b>84,588,830</b>	<b>-0.5%</b>	<b>30,466,030</b>	<b>-0.5%</b>	<b>989,893</b>
Salary Growth Rate	<b>+0.5%</b>	<b>84,050,699</b>	<b>+0.5%</b>	<b>30,484,797</b>	<b>+0.5%</b>	<b>991,531</b>
	<b>-0.5%</b>	<b>76,819,999</b>	<b>-0.5%</b>	<b>27,727,603</b>	<b>-0.5%</b>	<b>935,090</b>
Withdrawal Rate	<b>WR x 110.0%</b>	<b>80,808,862</b>	<b>WR x 110.0%</b>	<b>29,109,760</b>	-	-
	<b>WR x 90.0%</b>	<b>79,995,183</b>	<b>WR x 90.0%</b>	<b>29,003,705</b>	-	-

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the Projected Unit Credit method has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

**VII History of Experience adjustments is as follows :**

Particulars	Gratuity	Leave Salary	One Time Incentive
<b>For the year ended 31st March, 2020</b>			
Plan Liabilities - (loss) / gain	(1,340,678)	(1,271,004)	(47,381)
Plan Assets - (loss) / gain	-	-	-
<b>For the year ended 31st March, 2021</b>			
Plan Liabilities - (loss) / gain	<b>(4,624,986)</b>	<b>1,279,739</b>	<b>(14,023)</b>
Plan Assets - (loss) / gain	-	-	-

**VIII Estimate of Expected Benefit payments**

Particulars	Gratuity		Leave Salary		One Time Incentive	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
1st April, 2020 to 31st March, 2021	-	11,145,474	-	5,942,737	-	280,394
1st April, 2021 to 31st March, 2022	<b>8,972,923</b>	10,462,716	<b>2,395,857</b>	2,595,986	<b>252,323</b>	131,533
1st April, 2022 to 31st March, 2023	<b>6,287,016</b>	5,845,822	<b>2,599,851</b>	2,203,677	<b>183,261</b>	170,592
1st April, 2023 to 31st March, 2024	<b>6,765,255</b>	6,301,670	<b>2,689,689</b>	2,500,121	<b>57,336</b>	51,074
1st April, 2024 to 31st March, 2025	<b>5,744,676</b>	5,093,405	<b>2,112,997</b>	1,782,400	<b>64,543</b>	58,663
1st April, 2025 to 31st March, 2026	<b>5,195,089</b>	22,517,799	<b>2,027,340</b>	8,799,824	<b>84,114</b>	249,339
1st April, 2026 to 31st March, 2027 and Onwards	<b>25,303,388</b>	-	<b>10,289,670</b>	-	<b>226,491</b>	-

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

### IX Statement of Employee Benefit Provision

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Present Value of Obligation	80,410,325	78,794,224	29,057,625	29,276,297	962,456	990,342
Fair Value of Plan Assets	(68,306,078)	(66,551,933)	-	-	-	-
<b>Net Liability / (Asset)</b>	<b>12,104,247</b>	<b>12,242,291</b>	<b>29,057,625</b>	<b>29,276,297</b>	<b>962,456</b>	<b>990,342</b>

### X Current and Non-Current provision for Gratuity, Leave Salary and One Time Incentive

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Current	8,662,781	7,779,463	2,395,857	6,125,398	252,323	280,394
Non-Current	3,441,466	4,462,828	26,661,768	23,150,899	710,133	709,948
<b>Total</b>	<b>12,104,247</b>	<b>12,242,291</b>	<b>29,057,625</b>	<b>29,276,297</b>	<b>962,456</b>	<b>990,342</b>

### 31 FINANCE COST

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Interest Expense</b>		
On Term Loans	15,818,887	25,629,239
On Bank Borrowings	128,077,602	161,447,500
On Security Deposits	5,819,172	5,585,195
Other Interest	91,912,808	47,487,300
Bank and Finance Charges	17,693,157	15,061,965
<b>Total</b>	<b>259,321,626</b>	<b>255,211,199</b>

### 5 DEPRECIATION & AMORTISATION

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Depreciation	63,040,685	52,936,192
Amortisation	774,498	708,014
<b>Total</b>	<b>63,815,183</b>	<b>53,644,206</b>

### 32 OTHER EXPENSES

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Manufacturing Expenses</b>		
Freight Inward	23,300,638	25,090,007
Miscellaneous Expenses	9,701,594	7,668,503
Power & Fuel	18,191,389	19,848,342
Processing Charges	54,792,732	44,408,777
Rent, Rates & Taxes	2,573,408	2,191,581
Repairs to Building	1,355,034	750,109
Repairs to Machinery	4,312,730	4,480,842
Research & Development Expenses	17,532,648	17,640,382
Security Charges	1,218,330	1,094,542
Stores and Spare Parts consumed	1,772,866	2,086,493
Wages & Allowances	72,148,982	69,489,862
<b>Total</b>	<b>206,900,351</b>	<b>194,749,439</b>

**Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Selling &amp; Distribution Expenses</b>		
Advertisement and Publicity Expenses	235,834,045	210,473,089
Freight & Delivery Expenses	242,510,328	193,647,658
Selling Expenses	7,187,396	12,579,935
Travelling Expenses	109,937,175	118,065,056
	<b>595,468,945</b>	<b>534,765,740</b>
<b>Other Administration Expenses</b>		
Audit Fees	2,300,000	2,000,000
Conveyance & Motor Car Expenses	43,336,988	44,674,549
Corporate Social Responsibility (CSR) Expenses	4,703,393	4,224,404
Electricity	1,313,497	1,279,778
General Expenses	4,835,053	5,566,127
Insurance	24,160,419	23,995,727
Legal & Professional Fees	25,940,815	26,539,445
Loss on Sale of Asset	-	9,691,101
Net (Gain) / Loss on Foreign Currency Transaction and Translation	21,319,802	-
Postage & Telephones	4,224,084	4,122,979
Printing & Stationery	4,922,929	5,139,159
Rent, Rates & Taxes	13,996,722	38,387,639
Repairs & Maintenance	2,023,849	2,498,309
	<b>153,077,552</b>	<b>168,119,217</b>
<b>Total</b>	<b>955,446,847</b>	<b>897,634,396</b>

**32.1 Other Disclosures**
**a) Auditor's Remuneration**

Sr. No.	Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>1</b>	<b>Statutory Auditors</b>		
(i)	Audit Fees	2,300,000	2,000,000
(ii)	Limited Review Report Fees	75,000	75,000
(iii)	Taxation Matters	200,000	-
(iii)	Certification and Consultancy Fees	60,000	95,000
	<b>Total</b>	<b>2,635,000</b>	<b>2,170,000</b>

**b) Expenditure incurred on Corporate Social Responsibility**

Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of the Companies Act, 2013 read with Schedule III are as below :

Sr. No.	Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
(i)	Farmers Call Centre	843,283	877,423
(ii)	Education including Farmers	1,228,546	750,759
(iii)	Health Care	1,598,875	1,687,464
(iv)	Infrastructure Support	1,032,689	908,758
		<b>4,703,393</b>	<b>4,224,404</b>

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

### 33 EARNINGS PER SHARE (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share :

Sr. No	Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
(i)	Issued Equity Shares	13,004,339	13,004,339
	<b>Weighted Average Shares outstanding - Basic and Diluted</b>	<b>13,004,339</b>	<b>13,004,339</b>

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows :

Sr. No	Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
(i)	Profit and Loss after Tax for attributable to Equity Shareholders	226,391,174	156,106,920
(ii)	Basic Earning per Equity Share	17.41	12.00
(iii)	Face Value per Equity Share	10	10

### 34 LEASE COMMITMENTS (Company is a Lessee)

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Company.

Following is the movement in lease liabilities during the year :

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
As at April 01, 2020	77,228,576	-
Addition on account of Adoption of IND AS 116	-	90,440,312
Addition during the year (Net)	35,053,241	-
Interest Expenses	12,549,356	9,044,031
Payments	47,454,261	22,255,767
As at March 31, 2021	77,376,914	77,228,576

Following are the amounts recognised in statement of profit or loss :

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Depreciation expense of right-of-use assets	38,668,623	26,653,252
Interest Expense on lease liabilities	12,549,356	9,044,031
Rent Expense - short-term leases and leases of low value assets	11,435,284	21,492,207
<b>Total amounts recognised in profit or loss</b>	<b>62,653,263</b>	<b>57,189,490</b>



**Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

**35. RELATED PARTY DISCLOSURES**

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

<b>Part - A</b>				
<b>Details of Related Parties</b>				
<b>Sr. No.</b>	<b>Nature of Relationship</b>	<b>Name of the Related Party</b>	<b>Remarks</b>	
1	Key Management Personnel	a) Dr. Rahul Mirchandani b) Mr. Vivek Joshi - w.e.f. 09-12-2019 c) Mr. Qaiser P. Ansari	a) Chairman & Managing Director b) Chief Financial Officer c) Company Secretary & Sr. VP (Legal)	
2	Entities where Control exists - Subsidiaries and Indirect Subsidiaries [ Extent of Holding ]	a) Aries Agro Care Pvt Ltd [100%] b) Aries Agro Equipments Pvt Ltd [100%] c) Mirabelle Agro Manufacturing Pvt Ltd [100%] d) Golden Harvest Middle East FZC [75%]	a) Date of Incorporation 5th January, 2007 b) Date of Incorporation 12th January, 2007 c) Date of Incorporation 26th December, 2019 d) Date of Incorporation 31st October, 2004	
3	Enterprises over which the Key Management Persons has significant Influence of Control	a) Aries Marketing Ltd. b) Blossoms International Ltd. c) Sreeni Agro Chemicals Ltd. d) Aries East West Nutrients Pvt. Ltd.		
4	Relatives of Key Management Personnel	<b>Name of the Key Management Personnel</b> a) Dr. Rahul Mirchandani  b) Mrs. Nitya Mirchandani	<b>Name of the Relative</b> a) Mrs. Nitya Mirchandani b) Master Armaan Mirchandani c) Dr. Jimmy Mirchandani d) Mr. Akshay Mirchandani e) Mr. Amol Mirchandani  a) Dr. Rahul Mirchandani b) Master Armaan Mirchandani	<b>Relationship</b> Spouse Son Brother Nephew Nephew  Spouse Son
5	Associates	a) Amarak Chemicals FZC	Date of Incorporation 9th September, 2007	
<b>Part - B</b>				
<b>Disclosure of Transactions between the Company and Related Parties</b>				
<b>Sr. No.</b>	<b>Category</b>	<b>Nature of Service</b>	<b>Year Ended 31st March, 2021</b>	<b>Year Ended 31st March, 2020</b>
1	Key Management Personnel	Directors Remuneration paid Salary Paid	<b>21,116,700</b> <b>9,055,779</b>	17,658,000 11,750,140
2	Subsidiaries	Loan / Advance given Loan Taken / Refund of Advance Sale of Goods Rent - Income Receipts from Sale of Goods Share Investments Interest Income on Loan	<b>8,452,636</b> <b>2,150,000</b> <b>1,189,500</b> <b>39,672</b> <b>1,280,000</b> - <b>49,672,552</b>	36,425,667 9,390,849 - - - 100,000 49,208,574
3	Relatives of Key Management Personnel	Legal & Professional Fees (Gross) Rent Sitting Fees Salary Paid	<b>8,441,572</b> <b>1,350,000</b> <b>500,000</b> <b>3,134,045</b>	8,425,168 300,000 440,000 3,013,694

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

<b>Part - C</b>				
<b>Balance Outstanding with Related Parties</b>				
<b>Category</b>	<b>Nature of Outstanding</b>	<b>Name of the Related Party</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
Key Management Personnel	Due to Directors	Dr. Rahul Mirchandani	-	2,626,078
	Salary	Mr. Vivek Joshi	-	359,687
		Mr. Qaiser P. Ansari	-	124,736
Subsidiary	Loans & Advances	Golden Harvest Middle East FZC	<b>1,012,062,180</b>	993,593,021
	Trade Payables	Mirabelle Agro Manufacturing Pvt Ltd	<b>6,302,636</b>	
		Golden Harvest Middle East FZC	<b>23,981,745</b>	24,739,443
		Mirabelle Agro Manufacturing Pvt Ltd	<b>42,498</b>	-
	Share Investments	Aries Agro Care Pvt Ltd	<b>100,000</b>	100,000
		Aries Agro Equipments Pvt Ltd	<b>100,000</b>	100,000
		Mirabelle Agro Manufacturing Pvt Ltd	<b>100,000</b>	100,000
Golden Harvest Middle East FZC		<b>202,489,000</b>	202,489,000	
Relatives of Key Management Personnel	Due to Directors (including Professional Fees)	Dr. Jimmy Mirchandani	<b>3,938,831</b>	4,153,696
	Salary	Mr. Akshay Mirchandani	-	68,515
		Mr. Amol Mirchandani	-	48,789
	Rent	Mrs. Nitya Mirchandani	<b>138,750</b>	-
		Mr. Akshay Mirchandani	<b>23,125</b>	22,500
Associates	Sundry Debtors	Amarak Chemicals FZC	<b>12,124,573</b>	12,507,647

### 36. Contingent Liability not provided for in the accounts:

- a) Letters of credit / guarantees given / Bills discounting Rs. 1,107.92 Lakhs..
- b) Claims against company not acknowledged as debts Rs. 4,913.51 Lakhs which includes tax dues disputed as Rs. 36.63 Lakhs towards sales Tax, Rs. 7,17.82 Lakhs towards Income Tax, Rs. 4,152.09 Lakhs towards central excise & customs and Rs. 6.97 Lakhs pertaining to pending suits regarding quality issue.
- c) 1) The Commissioner of CGST & Central Excise, Navi Mumbai, had passed an order confirming demand of Rs. 4.79 Crores and interest on the said amount on account of Central Excise duty on the classification of micronutrient fertilizers products relating to the Mumbai Factory against which the Company filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai and the same is pending before CESTAT Mumbai.
- 2 (a). The Commissioner of Central Excise, Ahmedabad – II, had passed an order confirming demand of Rs. 3.81 Crores on account of Central Excise duty, interest on the said amount and penalty of like amount i.e. Rs.3.81 Crores on the classification of micronutrient fertilizers relating to the Sanand facility against which the Company has filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad and the same is pending before CESTAT, Ahmedabad.
- 2 (b). The Commissioner of Central GST & Central Excise, Ahmedabad, had passed an order confirming demand of Rs. 13.84 Crores on account of Central Excise duty, penalty on the said amount of Rs. 13.84 Crores on the classification nine micronutrient fertilizers products relating to the Chhatral factory against which the Company has filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad.

The Central Board of Excise and Customs vide their Circular No. 1022/10/2016/CX dated 06/04/2016 have clarified that Micronutrients are not classifiable as Plant Growth Regulators and hence are not classifiable under Chapter Heading No. 38.08 of the Central Excise Act.

In view of legal pronouncement and the above referred Circular, the Show Cause-Cum-Demand Notices are liable to be dropped.

- 3(a). The Company has been classifying Sulphur Bentonite under Chapter Heading No. 25030090 as other forms of Sulphur. However, the Customs authorities classified Sulphur Bentonite imported under Chapter Heading No. 25030010 "as recovered byproduct in refining of crude oil". The Additional Commissioner of Customs, Nhava Sheva confirmed the classification under Chapter Heading No. 25030010 and demanded an amount of Rs. 29.91 Lakhs, in addition penalty of like amount i.e. Rs. 29.91 Lakhs along with fine and penalty of Rs. 7.00 Lakhs each on the Chairman & Managing Director and Purchase Manager of the Company.

**Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

The Company preferred an appeal before the Commissioner (Appeals) who vide order dated 19/02/2016 while upholding the Department's contention of classifying the product under Chapter Heading No. 25030010 set aside the fine and penalty imposed upon the Company, the Chairman & Managing Director and the Purchase Manager. The Commissioner Appeals also directed to grant benefit vide Sr. No. 60 under Notification No. 21/2002/CUS. The Company has preferred an appeal against the said order to the Customs, Central Excise and Service Tax Tribunal, Mumbai on 19/05/2016 contesting the classification of Sulphur Bentotonite under Chapter Heading No. 25030010.

3(b). The Company has been classifying Zn-EDTA & Fe-EDTA under Chapter Heading No. 31059090 as other Fertiliser for Mumbai Factory. However, the Customs authorities classified imported under Chapter Heading No. 29224990 "as Organic Chemical. The Commissioner of Customs, Nhava Sheva confirmed the classification under Chapter Heading No. 29224990 and pass order and demanded an amount of Rs. 81.84 Lakhs, on account of Custom Duty with Interest against which the Company has filed an appeal before the Customs, Excise & Service Tax Appellate Tribunal Mumbai.

**37. Segmental Reporting as per Ind AS - 108**

The Company has only One business Segment "Agri Inputs" as its primary segment and hence disclosure of segment-wise information is not required under Ind AS 108 'Operating Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

38. The Company's management has made initial assessment of likely impact from the pandemic COVID-19 on business and financial risks based on internal and external sources of information including economic forecasts, measures being under taken by Government. The management believes while the COVID-19 may adversely impact on the business in the very short-term, it does not anticipate material medium to Long-Term risks to the business prospects owing to nature of business. The Company has also considered the possible effects of COVID-19 on the carrying amounts of property plant and equipment, intangible assets, receivables and debt covenants using reasonably available information, estimates and judgement and has determined that none of these balances require a material adjustment to their carrying values.

39. In F.Y. 2019-20, M/s. Golden Harvest Middle East FZC has reduced its stake from 75% to 49% in M/s Amarak Chemicals FZC. As a result of this, M/s. Amarak Chemicals FZC is now no more a step down subsidiary of M/s. Aries Agro Ltd. Divestment of 26% stake in Step Down Subsidiary M/s Amarak Chemicals FZC was made strategically to mobilize resources to re-start operations at Fujairah facilities. This strategic decision has helped realize old receivables and sourcing of raw material.

**39(a) Events Occurring after Balance Sheet**
**Dividend proposed to be distributed**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Dividend proposed for Equity Shareholders @ Rs. 0.80 per share	1,04,03,471	-
<b>Total</b>	<b>1,04,03,471</b>	-

**40. Supplementary Profit and Loss Data**

	Year Ended 31st March 2021	Year Ended 31st March 2020		
(a) Value of Imports calculated on CIF basis (including Raw Material & Products Traded) (on accrual basis) :	48,41,70,435	39,38,06,440		
(b) Earnings in Foreign Currency (on accrual basis)				
FOB Value of export sales	22,60,651	24,67,931		
Interest on Loans	4,96,72,552	4,92,08,574		
(c) Expenditure in Foreign Currency (on accrual basis)				
Foreign Traveling Expenses	2,25,841	3,49,346		
Legal & Professional Fees	1,25,95,268	84,25,168		
(d) Details of Consumption of Raw Materials :				
<b>Particulars</b>	<b>Year Ended 31st March 2021</b>		<b>Year Ended 31st March 2020</b>	
Imported	21,59,01,257	21.21%	21,95,99,210	33.33%
Indigenous	80,21,31,503	78.79%	43,92,81,825	66.67%
<b>Total</b>	<b>1,01,80,32,760</b>	<b>100.00%</b>	<b>65,88,81,035</b>	<b>100.00%</b>

**Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

41. The Company has preferred Vivad se Vishwas Scheme in respect of Income Tax disputed demand for A Y 2008-09, 2009-10, 2010-11 & 2011-12. The Company has applied for the scheme for the above assessment years and received Form No. 5 in respect of A Y 2008-09, 2009-10 & 2010-11 determining the refund of Rs. 40,86,820/-, Rs. 32,56,635/- and Rs. 9,12,925/- respectively. The Company has received Form No. 3 for AY 2011-12 indicating refund amount of Rs. 5,55,522/- and awaiting for Form No. 5 in respect of A Y 2011-12.
42. Previous Years figures have been regrouped and rearranged wherever necessary so as to make them comparable with the current year.

**As per our report of even date****For Sandeep Sheth & Associates**

Chartered Accountants  
Firm Registration No. 120685W

**Sandeep Sheth**

Proprietor  
Membership No 101903  
UDIN 21101903AAAAE48594

**Place :** Mumbai

**Date :** 29th June, 2021

**For and on behalf of the Board of Directors of Aries Agro Limited****Dr. Rahul Mirchandani**

Chairman & Managing Director  
DIN 00239057

**Dr. Jimmy Mirchandani**

Director  
DIN 00239021

**Mrs. Nitya Mirchandani**

Director  
DIN 06882384

**Prof. R. S. S. Mani**

Director  
DIN 00527270

**Mr. C. B. Chhaya**

Director  
DIN 00968966

**Mr. B.V. Dholakia**

Director  
DIN 01871816

**Mr. Vivek Joshi**

Chief Financial Officer  
Membership No. ACA-101683

**Mr. Qaiser P. Ansari**

Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

**Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

**Statement Pursuant to first proviso to sub-section (3) of section 129 the Companies Act 2013, read with rule 5 of Companies (Account) Rules, 2014 in the prescribed Form AOC - 1 relating to subsidiary companies**

( Rupees in Lakhs )															
Sr. No.	Name of the Subsidiary Company	Reporting Currency	Exchange Rate	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Shareholding	Country
1	Aries Agro Care Pvt. Ltd.	INR	1.00	1.00	(33.21)	33.74	33.74	-	0.46	(0.05)	-	(0.05)	-	100 %	India
2	Aries Agro Equipments Pvt. Ltd.	INR	1.00	1.00	75.54	82.05	82.05	-	0.35	(0.15)	-	(0.15)	-	100 %	India
3	Mirabelle Agro Manufacturing Pvt. Ltd.	INR	1.00	1.00	(0.35)	65.24	65.24	-	13.22	0.09	-	0.09	-	100 %	India
4	Golden Harvesh Middle East FZC	AED	19.94	29.91	989.58	15,030.21	15,030.21	293.12	0.27	(538.00)	-	(538.00)	-	75 %	UAE

**As per our report of even date**
**For Sandeep Sheth & Associates**  
 Chartered Accountants  
 Firm Registration No. 120685W

**Sandeep Sheth**  
 Proprietor  
 Membership No 101903  
 UDIN 21101903AAAAE48594

**Place :** Mumbai  
**Date :** 29th June, 2021

**For and on behalf of the Board of Directors of Aries Agro Limited**
**Dr. Rahul Mirchandani**  
 Chairman & Managing Director  
 DIN 00239057

**Dr. Jimmy Mirchandani**  
 Director  
 DIN 00239021

**Mrs. Nitya Mirchandani**  
 Director  
 DIN 06882384

**Prof. R. S. S. Mani**  
 Director  
 DIN 00527270

**Mr. C. B. Chhaya**  
 Director  
 DIN 00968966

**Mr. B. V. Dholakia**  
 Director  
 DIN 01871816

**Mr. Vivek Joshi**  
 Chief Financial Officer  
 Membership No. ACA-101683

**Mr. Qaiser P. Ansari**  
 Company Secretary &  
 Senior VP (Legal)  
 Membership No. ACS-8979

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF ARIES AGRO LIMITED

#### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Aries Agro Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, and their the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and their consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our

other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### OTHER MATTERS

We did not audit the financial statements of certain Indian subsidiaries which reflect total assets of Rs. 1,81,02,752/- as at 31<sup>st</sup> March 2021 total revenue of Rs. 14,02,637/- and net cash flow amounting to Rs. 1,45,966/- for the year then ended, share of Loss of the group is Rs. (11,765/-) as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

We did not audit the financial statements / consolidated financial statements of one foreign subsidiary whose standalone financial statements reflect total assets of AED 7,53,77,205 as at 31<sup>st</sup> March, 2021 total revenues of AED 1,352 and net cash flow amounting to AED (27,479) for the year ended on that date and consolidated financial statements of the subsidiary in which the share of loss of an associate is AED (3,82,432) and total loss of the Subsidiary including loss of Associate is AED (30,80,516). These financial statements / consolidated financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

Our opinion is not modified in respect of above matters with respect to financial statements certified by the other Auditors.

#### Key Audit Matters

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

Key Audit Matter	Auditor's Response
<p><b>Evaluation of uncertain tax positions</b></p> <p>The Group has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>The Group has disclosed in contingent liabilities (to the extent not provided for) towards direct and indirect tax position.</p> <p>Refer Notes 4 (M) and 38 to the Consolidated Financial Statements</p> <p>The Group undergo assessment proceedings from time to time with direct and indirect tax authorities. There is a high level of judgment required in estimating the level of provisioning and/or disclosure required.</p> <p>The management's assessment is supported by the advice from independent tax consultants and legal consultants, where considered necessary by the management. Accordingly, unexpected adverse outcome, if any, could impact significantly the company's reported profit and balance sheet position.</p>	<p><b>Principal Audit Procedures</b></p> <p>Obtained details of completed tax assessment and demands for the year ended March 31, 2021 from management. We involved group's legal and tax consultants to challenge the management's underlying assumptions in estimating the tax provision, liabilities and the possible outcome of the disputes. Group's legal and tax consultants also considered legal precedence and other ruling evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax position as at April 1, 2020 to evaluate whether any change is required to management's position on these uncertainties.</p> <p>We did not identify any material exception as a result of above procedure relating to management's assessment of provisions.</p>

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of Auditor's Report.

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 and its subsidiary companies which are companies incorporated in India, 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 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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 impact of pending litigations on the consolidated financial position of the Group.
  - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, 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 Company and its subsidiary companies incorporated in India.

For **Sandeep Sheth & Associates**  
Chartered Accountants  
(Firm's Registration No. 120685W)

**Sandeep Sheth**  
Proprietor

Date: 29<sup>th</sup> June, 2021  
Place: Mumbai

(Membership No.101903)  
UDIN : 21101903AAAAEW5879



## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

### ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Aries Agro Limited of even date)

#### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Aries Agro Limited (hereinafter referred to as “Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

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

The Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the

Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

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

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have,

in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Sandeep Sheth & Associates**  
Chartered Accountants  
(Firm's Registration No. 120685W)

**Sandeep Sheth**  
Proprietor  
(Membership No.101903)  
UDIN : 21101903AAAAEW5879

Date: 29<sup>th</sup> June, 2021  
Place: Mumbai

## Consolidated Statement of Assets & Liabilities as on 31st March, 2021

(Amounts in Rupees unless stated otherwise )

PARTICULARS	Note Nos.	As at 31st March, 2021	As at 31st March, 2020
<b>I. ASSETS</b>			
(1) <b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	5	479,609,559	413,566,087
(b) Right of Use Asset	5	67,392,948	63,787,060
(c) Capital Work in Progress		128,353,070	121,148,396
(d) Intangible Assets	5	1,699,703	2,253,901
(e) Financial Assets			
Non-Current Investments	6	568,495,488	594,323,132
		<b>1,245,550,768</b>	<b>1,195,078,576</b>
(2) <b>Current Assets</b>			
(a) Inventories	7	1,407,486,793	1,380,306,872
(b) Financial Assets			
(i) Trade Receivables	8	1,230,783,996	1,162,742,697
(ii) Cash & Cash Equivalents	9	6,873,600	7,713,418
(iii) Other Bank Balances	10	34,118,301	33,006,994
(iv) Current Loans	11	650,968	1,184,035
(v) Other Financial Assets	12	909,781	1,124,062
(c) Other Current Assets	13	1,082,500,632	1,089,923,089
		<b>3,763,324,071</b>	<b>3,676,001,167</b>
<b>TOTAL</b>		<b>5,008,874,838</b>	<b>4,871,079,743</b>
<b>II. EQUITY AND LIABILITIES</b>			
(1) <b>Equity</b>			
(a) Equity Share Capital	14	130,043,390	130,043,390
(a) Other Equity	15	1,975,573,073	1,812,140,138
		<b>2,105,616,463</b>	<b>1,942,183,528</b>
(2) <b>Non-Controlling Interest</b>			
Non-Controlling Interest - Equity	16	49,529,045	51,093,904
Non-Controlling Interest - Non-Equity		20,701,199	37,187,590
		<b>70,230,244</b>	<b>88,281,494</b>
(3) <b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
Non Current Borrowings	17	121,535,474	143,387,662
Other Non-Current Liabilities	18	32,718,973	42,113,302
(b) Non Current Provisions	19	31,590,784	29,061,887
(c) Deferred Tax Liability (Net)	20	52,799,047	42,614,909
		<b>238,644,278</b>	<b>257,177,760</b>
(4) <b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Current Borrowings	21	1,156,633,154	1,305,507,105
(ii) Trade Payables	22		
(a) Trade Payables - Total outstanding dues of Micro & Small Enterprises		67,641,587	105,355,191
(b) Trade Payables - Total outstanding dues of Creditors other than Micro & Small Enterprises		455,660,202	479,134,730
(iii) Other Current Financial Liabilities	23	120,798,531	93,290,579
(b) Other Current Liabilities	24	773,766,452	561,976,715
(c) Current Provisions	25	11,310,961	14,185,255
(d) Current Tax Liability (Net)	26	8,572,966	23,987,386
		<b>2,594,383,853</b>	<b>2,583,436,961</b>
<b>TOTAL</b>		<b>5,008,874,838</b>	<b>4,871,079,743</b>
<b>Summary of Significant Accounting Policies</b>	4		

The Notes referred to above form an integral part of the Consolidated Financial Statements

As per our report of even date

For and on behalf of the Board of Directors of Aries Agro Limited

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm Registration No. 120685W

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN 00239057

**Prof. R. S. S. Mani**  
Director  
DIN 00527270

**Mr. Vivek Joshi**  
Chief Financial Officer  
Membership No. ACA-101683

**Sandeep Sheth**  
Proprietor  
Membership No 101903  
UDIN : 21101903AAAEEW5879

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Mr. C. B. Chhaya**  
Director  
DIN 00968966

**Mr. Kaiser P. Ansari**  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

Place: Mumbai  
Date : 29th June, 2021

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Mr. B.V. Dholakia**  
Director  
DIN 01871816

## Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

PARTICULARS	Note Nos.	Year Ended	Year Ended
		31st March, 2021	31st March, 2020
I. Revenue from Operations	27	4,745,115,197	3,715,008,465
Less :- Discounts / Rebates		930,418,496	753,562,722
II. Other Income	28	3,814,696,701	2,961,445,743
III. Total Revenue ( I + II )		2,699,644	72,428,150
IV. Expenses :		3,817,396,345	3,033,873,893
(a) Cost of Materials Consumed	29	1,764,947,583	1,293,415,555
(b) (Increase) / Decrease in Inventories of Finished Goods	30	113,347,866	(44,207,675)
(c) Employee Benefits Expense	31	410,688,868	397,946,843
(d) Finance Costs	32	259,635,373	255,338,376
(e) Depreciation and Amortization	5	64,436,274	53,644,206
(f) Other Expenses	33	958,196,714	916,551,298
Total Expenses		3,571,252,678	2,872,688,603
V. Profit Before Tax ( PBT ) - ( III - IV )		246,143,667	161,185,290
VI. Tax Expense			
(a) Current Tax		64,000,000	64,700,000
(b) Adjustment of Tax relating to earlier periods		644,925	3,949,338
(c) Deferred Tax		9,782,518	6,123,546
Income Tax Expense		74,427,443	74,772,884
VII. Profit / (Loss) after Tax ( V - VI )		171,716,224	86,412,406
VIII. Add / (Less) :- Share of Profit / (Loss ) of Associates		(7,748,072)	(8,426,686)
IX. Profit / (Loss) for the Period		163,968,152	77,985,720
XIII. Profit / (Loss) for the year attributable to :			
Owners of the Parent		179,570,966	97,424,470
Non-Controlling Interest		(15,602,814)	(19,438,750)
		163,968,152	77,985,720
IX. Other Comprehensive Income			
(A) Items that will not be reclassified to Profit or Loss			
(i) Changes in Revaluation Surplus		-	-
(ii) Remeasurements of Defined Benefit Plans		(2,452,543)	(8,427,972)
(iii) Equity Instruments through OCI		-	-
		(2,452,543)	(8,427,972)
(ii) Less :- Income Tax relating to Items that will not be reclassified to Profit or Loss		401,620	(2,121,321)
		(2,854,163)	(6,306,651)
(B) Items that will be reclassified to Profit or Loss			
(i) Exchange Differences in translating the Financial Statements of Foreign Operation		985,765	(3,413,249)
(ii) Debt Instruments through OCI		-	-
(iii) The effective portion of gains and loss on hedging instruments in a cash flow hedge		-	-
		985,765	(3,413,249)
(ii) Less :- Income Tax relating to Items that will be reclassified to Profit or Loss		-	-
		985,765	(3,413,249)
		(1,868,398)	(9,719,900)
X. Total Comprehensive Income for the year (VII + IX)		162,099,754	68,265,820
XI. Other Comprehensive Income for the year attributable to :			
Owners of the Parent		(2,114,839)	(8,866,587)
Non-Controlling Interest		246,441	(853,313)
		(1,868,398)	(9,719,900)
XII. Total Comprehensive Income for the year attributable to :			
Owners of the Parent		177,456,127	88,557,883
Non-Controlling Interest		(15,356,373)	(20,292,063)
		162,099,754	68,265,820
XIII. Earnings per Equity Share	34		
(1) Basic & Diluted		13.81	7.49
Summary of Significant Accounting Policies	5		

The Notes referred to above form an integral part of the Consolidated Financial Statements

As per our report of even date

For and on behalf of the Board of Directors of Aries Agro Limited

For Sandeep Sheth & Associates  
Chartered Accountants  
Firm Registration No. 120685W

Dr. Rahul Mirchandani  
Chairman & Managing Director  
DIN 00239057

Prof. R. S. S. Mani  
Director  
DIN 00527270

Mr. Vivek Joshi  
Chief Financial Officer  
Membership No. ACA-101683

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Mr. C. B. Chhaya  
Director  
DIN 00968966

Mr. Kaiser P. Ansari  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

Place: Mumbai  
Date : 29th June, 2021

Mrs. Nitya Mirchandani  
Director  
DIN 06882384

Mr. B.V. Dholakia  
Director  
DIN 01871816

## Statement of Changes in Equity for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

### Note No. 14

	Balance as at 31st March, 2020	Changes in Equity Capital during the year	Balance as at 31st March, 2021
<b>A Equity Share Capital</b>	130,043,390	-	130,043,390
			<b>49,529,045</b>

### Note No. 15

B Other Equity	Attributable to the Equity Holders of the Parent						Non-Controlling Interest - Non Equity	
	Reserves & Surplus			Retained Earnings	TOTAL	Items of Other Comprehensive Income		Balance as at 31st March, 2021
	Securities Premium Reserve	Legal Reserve	Foreign Currency Translation Reserve					
<b>Balance as at 1st April, 2020</b>	490,037,050	1,157,062	144,691,460	1,095,877,516	1,834,719,397	(22,579,259)	1,812,140,138	
Add / (Less) :- Profit / (Loss) for the year	-	-	-	171,716,224	171,716,224	-	171,716,224	
Add / (Less) :- Share of Profit / (Loss) of Associates	-	-	-	(7,748,072)	(7,748,072)	-	(7,748,072)	
Add / (Less) :- Share of Non-Controlling Interest in Profit & Loss	-	-	-	15,602,814	15,602,814	-	15,602,814	
Add / (Less) :- Remeasurements of Defined Benefits Plan	-	-	-	-	-	(2,854,163)	(2,854,163)	
Add / (Less) :- Exchange Rate Difference on Translating Financial Statements of Foreign Operations	-	-	-	-	-	985,765	985,765	
Add / (Less) :- Share of Non-Controlling Interest in OCI	-	-	-	-	-	(246,441)	(246,441)	
Add / (Less) :- Adjustment on adoption of IFRS 16	-	(35,438)	(10,633,140)	26,795	26,795	-	26,795	
Add / (Less) :- Foreign Currency Translation Reserve	-	(35,438)	(10,633,140)	(5,941,345)	(16,609,923)	2,559,936	(14,049,986)	
<b>Balance as at 31st March, 2021</b>	490,037,050	1,121,625	134,058,320	1,269,533,931	1,997,707,235	(22,134,162)	1,975,573,073	
<b>Balance as at 1st April, 2019</b>	490,037,050	17,320,504	131,950,169	1,034,022,420	1,776,286,454	(15,294,699)	1,760,991,754	
Add / (Less) :- Profit / (Loss) for the year	-	-	-	86,412,406	86,412,406	-	86,412,406	
Add / (Less) :- Share of Profit / (Loss) of Associates	-	-	-	(8,426,686)	(8,426,686)	-	(8,426,686)	
Add / (Less) :- Share of Non-Controlling Interest in Profit & Loss	-	-	-	19,438,750	19,438,750	-	19,438,750	
Add / (Less) :- Share of Non-Controlling Interest in Legal Reserve	-	(385,688)	-	-	(385,688)	-	(385,688)	
Add / (Less) :- Remeasurements of Defined Benefits Plan	-	-	-	-	-	(6,306,651)	(6,306,651)	
Add / (Less) :- Exchange Rate Difference on Translating Financial Statements of Foreign Operations	-	-	-	-	-	(3,413,249)	(3,413,249)	
Add / (Less) :- Share of Non-Controlling Interest in OCI	-	-	-	-	-	853,313	853,313	
Add / (Less) :- Dividend Paid for F Y 2018-19	-	-	-	(23,408,027)	(23,408,027)	-	(23,408,027)	
Add / (Less) :- Dividend Distribution Tax Paid for F Y 2018-19	-	-	-	(4,811,544)	(4,811,544)	-	(4,811,544)	
Add / (Less) :- Dividend Paid for F Y 2019-20	-	-	-	(6,503,756)	(6,503,756)	-	(6,503,756)	
Add / (Less) :- Dividend Distribution Tax Paid for F Y 2019-20	-	-	-	(1,336,866)	(1,336,866)	-	(1,336,866)	
Add / (Less) :- Foreign Currency Translation Reserve	-	-	12,741,291	-	12,741,291	-	12,741,291	
Add / (Less) :- On Account of Divestment of Step Down Subsidiary	-	(15,777,794)	-	490,818	(15,286,976)	1,582,027	(13,704,958)	
<b>Balance as at 31st March, 2020</b>	490,037,050	1,157,062	144,691,460	1,095,877,516	1,834,719,397	(22,579,259)	1,812,140,138	
		(16,163,442)	12,741,291	61,855,095	58,432,944	(7,284,560)	51,148,384	
			144,691,460	1,095,877,516	1,834,719,397	(22,579,259)	1,812,140,138	
							<b>37,187,590</b>	
							<b>87,685,004</b>	
							<b>19,438,750</b>	
							<b>385,688</b>	
							<b>(853,313)</b>	
							<b>(30,591,039)</b>	
							<b>(50,497,414)</b>	
							<b>37,187,590</b>	

## CONSOLIDATED Statement of Cash Flows for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

Sr. No.	Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>A)</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax as per Statement of Profit and Loss	246,143,667	161,185,290
	<b>Adjusted for :</b>		
	Depreciation and Amortisation Expense	64,436,274	53,644,206
	Loss / (Profit) on Sale of Assets (net)	(221,628)	25,628,737
	Effect of Exchange Rate change	2,311,543	(3,043,341)
	Interest Income	(1,180,377)	(1,537,263)
	Provision for Employees Terminal Benefits	-	63,952
	Adjustment on Adoption of IFRS 16	35,726	-
	Share of Loss in Associate	7,748,072	8,796,596
	Remeasurements of Defined Benefit Plans	(2,452,543)	(8,427,972)
	Finance Costs	259,635,373	255,211,199
	Operating Profit before Working Capital Changes	576,456,107	491,521,404
	<b>Adjusted for :</b>		
	(Increase) / Decrease in Trade Receivables	(68,041,299)	(7,081,493)
	(Increase) / Decrease in Inventories	(27,179,921)	(82,438,697)
	Increase / (Decrease) in Trade Payables	(61,188,133)	69,906,185
	Increase / (Decrease) in Provisions & Other Current Liabilities	223,537,873	185,169,800
	Cash Generated from Operations	643,584,627	657,077,199
	Income Taxes (paid) / received (Net)	(64,644,925)	(68,649,338)
	<b>Net Cash Flow from Operating Activities (A)</b>	578,939,702	588,427,861
<b>B)</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	Purchase of Fixed Assets ( Property, Plant & Equipment, Intangible Assets, Capital work in progress (WIP)	(144,679,745)	(135,120,373)
	Proceeds from Sale of Fixed Assets	1,665,264	2,396,122
	Capital Subsidy received	2,500,000	-
	Investments in Long Term Investments	(7,748,072)	(8,796,596)
	Movement in Short Term Loans and Advances & Other Assets	7,058,498	(271,296,013)
	Interest Income	1,180,377	1,537,263
	<b>Net Cash Flow from / ( used in) Investing Activities (B)</b>	(140,023,678)	(411,279,597)
<b>C)</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
	Dividend Paid	-	(29,911,783)
	Tax on Dividend paid	-	(6,148,410)
	Non Current Borrowings ( Net )	(21,852,188)	10,693,525
	Current Borrowings ( Net )	(148,873,951)	24,245,543
	Finance Costs	(259,635,373)	(255,211,199)
	Increase / (Decrease) in Lease Liabilities	(9,394,329)	42,113,303
	<b>Net Cash ( used in ) / from financing activities (C)</b>	(439,755,841)	(214,219,021)
	Net Increase in Cash and Cash Equivalents	(839,818)	(37,070,758)
	Opening Balance of Cash and Cash Equivalents	7,713,418	44,784,177
	Closing Balance of Cash and Cash Equivalents	6,873,600	7,713,418

**NOTE :** 1 The above statement has been prepared under the indirect method set out in Ind AS-7 "Statement of Cash Flows".  
2 Figures in the bracket indicate cash out flow.

**As per our report of even date**

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm Registration No. 120685W

**Sandeep Sheth**  
Proprietor  
Membership No 101903  
UDIN : 21101903AAAAEW5879

**Place:** Mumbai  
**Date :** 29th June, 2021

For and on behalf of the Board of Directors of Aries Agro Limited

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN 00239057

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Prof. R. S. S. Mani**  
Director  
DIN 00527270

**Mr. C. B. Chhaya**  
Director  
DIN 00968966

**Mr. B.V. Dholakia**  
Director  
DIN 01871816

**Mr. Vivek Joshi**  
Chief Financial Officer  
Membership No. ACA-101683

**Mr. Kaiser P. Ansari**  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021

### 1. Corporate Information

Aries Agro Limited ('Aries' or the 'Company') was incorporated at Mumbai in 1969 for manufacturing of small range of mineral feed additives for animals & birds and then diversified into mineral additives for the agriculture use and currently is into business of manufacturing micronutrients and other nutritional products for plants and animals.

In January, 2007 the Company incorporated Aries Agro Care Private Limited as a Wholly Owned Subsidiary for carrying business in the Branch of agro protection, seeds, etc.

In January, 2007 the Company incorporated Aries Agro Equipment Private Limited as a Wholly Owned Subsidiary for carrying business in all type of farm equipment, machinery, etc.

In December, 2019 the Company incorporated Mirabelle Agro Manufacturing Private Limited as a Wholly Owned Subsidiary for carrying business in Mineral Feed Supplements.

In 2008 the Company acquired 75% Shares in Golden Harvest Middle East FZC, Sharjah, UAE, by virtue of which the said Golden Harvest Middle East FZC has become a Subsidiary of the Company. Golden Harvest Middle East FZC is in the business of trading of plant nutrients.

In the year 2010 the Company's Overseas Subsidiary viz M/S Golden Harvest Middle East FZC acquired 75% Shares of M/S Amarak Chemicals FZC based in Fujairah Free Zone, UAE by virtue of which M/S Amarak Chemicals FZC has become a Step Down Subsidiary of Aries Agro Limited. In F.Y. 2019-20, M/s. Golden Harvest Middle East FZC has reduced its stake from 75% to 49% in M/s Amarak Chemicals FZC. As a result of this, M/s. Amarak Chemicals FZC is now no more a step down subsidiary of M/s. Aries Agro Ltd.

Aries Agro Limited is an Indian Multinational Company that offers the widest range of products in the primary, secondary and micro-fertilizer sector, ranging from individual elements to mixed specialty plant nutrient fertilizers. Since 1969, Aries has pioneered several innovative concepts of farming to Indian agriculturists, including the wonder of Chelation Technology, bio-degradable complexes of plant nutrients, water soluble NPK fertilizers, value added secondary nutrients, natural and biological products and water treatment formulations.

### 2. Basis of Preparation

The financial statements are prepared in accordance with and in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read along with Companies (Indian Accounting Standards) Rules, as amended and other provisions of the Act. The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

### 3. Basis of Measurement - Historic Cost Convention

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and non-current generally based on the nature of product/activities of the Company and the normal time between acquisition of assets/ liabilities and their realization /settlement in cash or cash equivalent. 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.

### 4. Significant Accounting Policies

The principal accounting policies applied in the preparation of financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### A) Plant, Property & Equipment :

All the Property, Plant and Equipment have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognized in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021

& Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

### **B) Depreciation & Amortization :**

- a) Depreciation on property, plant & equipment is provided on a straight-line basis over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight-line basis over their remaining useful life of such assets.

- b) Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

### **C) Intangible Assets :**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

### **D) Impairment of Non-Current Assets :**

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

In determining fair value less cost disposal, recent market transaction are taken in to account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

### **E) Cash and Cash Equivalents :**

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### **F) Inventories and WIP:**

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:



## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021

### a) Raw materials and packing materials :

Lower of cost and net realizable value. However, 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. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

### b) Work-in-progress and finished goods :

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

### c) Traded goods :

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### d) Waste and scrap are not separately valued being insignificant in value.

### e) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### G) Retirement benefits :

#### a) Short Term Employee Benefits:

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Short - term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### b) Post-Employment Benefits :

##### i) Defined Contribution Plans :

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

##### ii) Defined Contribution Plans :

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Re-measurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Re-measurements are not re-classified to the statement of profit and loss in subsequent periods.

Past service cost is recognized in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

##### c) Other Long Term Employee Benefits :

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

### H) Non-current assets held for sale :

Non-current assets held for sale are presented separately in the Balance Sheet when the following criteria are met: - the Company is committed to selling the asset; - the assets are available for sale immediately; - an active plan of sale has commenced; and - sale is expected to be completed within 12 months. Assets held for sale and disposal groups are measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortised or depreciated.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021

### I) Foreign Currency :

#### Functional and Presentation Currency

Consolidated financial statements have been presented in Indian Rupees (₹), which is the Group's functional currency and Group's presentation currency. Each entity in the Group determines its own functional currency (the currency of the primary economic environment in which the entity operates) and items included in the financial statements of each entity are measured using that functional Currency.

#### Transactions and Balances :

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to the Statement of profit and loss.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

### J) Financial Instruments :

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### 1) Financial Assets :

##### (i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

##### (ii) Initial recognition measurement :

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

##### (iii) Subsequent Recognition

#### a) Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

#### Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method, less provision for impairment. For some trade receivables the Group may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counter party is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the shortfalls over the expected life of financial assets. The estimated impairment losses are recognized in a separate provision account and the impairment losses are recognized in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Subsequent changes in assessment of impairment are recognized in provision for impairment and changes in impairment losses are recognized in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021

### b) Financial Assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

### c) Financial Assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

### d) Investment in Subsidiary and Associates

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

### e) Investment in Debt Instruments

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

### (iv) De-recognition of Financial Assets:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

## 2) Financial Liabilities:

### (i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

### (ii) Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss.

### (iii) Loans and Borrowings :

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

### (iv) Trade and Other Payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent unpaid liabilities for goods and services provided to the Group till the end of financial year. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade payables are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest rate method.

### (v) Derecognition of Financial Liabilities :

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021

### K) Borrowing Costs :

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalized as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

### L) Leases :

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right-of-Use Assets

The Company recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

#### ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company has used 10% uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities has been presented under the head "Other Financial Liabilities".

#### iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### M) Taxes :

#### (a) Current Income Tax :

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Company operates. Accordingly, the Company has recognised Provision for Income Tax for the Financial Year ended 31<sup>st</sup> March, 2021 and remeasured its Deferred Tax Assets / Liabilities based on the rates prescribed in the aforesaid section. The impact of this change has been recognised in the Statement of Profit and Loss for the Financial Year ended 31<sup>st</sup> March, 2021.

#### (b) Deferred Tax :

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021

- (ii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

**(c) Goods & Service Tax:**

Expenses and assets are recognized net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**(d) Minimum Alternate Tax :**

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**N) Revenue Recognition :**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

**(a) Sale of products :**

As stated in Ind AS 115, Revenue from sale of products is recognized when the entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied net of discounts, returns etc. Ind As 115 is based on a five step model as mentioned below.

1. Identify the contract with customer
2. Identify the performance obligation
3. Determine the transactions price
4. Allocate transaction price
5. Recognize Revenue when (or as) performance obligations are satisfied.

**(b) Other Income :**

**Interest Income**

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

**Dividend Income**

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021

### O) Dividend / Distribution :

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

### P) Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

### Q) Segment Reporting :

#### Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

### R) Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised till the realisation of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefit is possible.

### S) Government Grants:

Government grants including any non-monetary grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, are recognised as expenses. Government grants related to property, plant and equipment are presented at fair value and grants are recognised as deferred income.

### T) Research & Development Expenditure:

Revenue expenditure pertaining to research is charged to statement of profit and loss. Development costs of products are charged to the statement of Profit and loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalized.

## Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2021

### Note No. 5 - Property, Plant and Equipment and Intangible Assets as at 31st March, 2021

Particulars	PROPERTY, PLANT AND EQUIPMENT													Right to Use Intangible Assets		Total
	Land	Buildings	Office Premises	Cylinders	Plant & Machinery	Electrical Installations	Laboratory Equipments	Office Equipments	Furniture & Fixtures	Air Conditioners	Computer	Vehicles	Commercial Vehicles	Total	Computer Software	
<b>Gross Block</b>																
As at 1st April, 2020	44,964,403	362,862,421	19,881,599	2,195,021	237,001,443	17,576,378	3,745,391	9,033,938	25,328,996	4,382,813	9,344,473	14,243,363	1,492,155	752,151,993	20,666,089	863,258,393
Add :- Addition during the year	-	41,983,028	-	970,782	44,577,554	40,000	1,054,700	1,402,986	1,166,440	666,937	1,171,399	3,243,073	820,796	97,097,706	220,300	97,318,006
Add :- Reclassified on account of adoption of Ind AS 116	-	-	-	-	-	-	-	-	-	-	-	-	-	41,166,050	-	41,166,050
Less :- Disposals / Impaired during the year	-	-	-	-	2,500,000	-	-	-	-	48,150	66,990	3,126,721	951,802	6,695,663	-	6,695,663
As at 31st March, 2021	44,964,403	404,845,449	19,881,599	3,165,803	279,078,997	17,616,378	4,800,091	10,436,934	26,495,036	5,001,600	10,446,882	14,359,715	1,361,149	842,554,036	20,886,389	995,046,786
<b>Accumulated Depreciation</b>																
As at 1st April, 2020	-	213,742,323	1,506,346	105,337	65,376,051	11,242,833	2,039,241	6,587,406	18,308,201	3,518,375	8,097,575	6,754,587	1,307,631	338,585,906	18,412,188	384,660,330
Add :- Addition during the year	-	6,209,922	632,751	198,133	14,639,096	1,299,184	247,365	722,080	968,405	312,982	650,680	1,127,536	102,445	27,110,599	774,498	27,885,097
Add :- Reclassified on account of adoption of Ind AS 116	-	-	-	-	-	-	-	-	-	-	-	-	-	36,551,177	-	36,551,177
Less :- Disposals / Impaired during the year	-	-	-	-	-	-	-	-	-	47,018	32,980	1,822,021	850,009	2,752,027	-	2,752,027
As at 31st March, 2021	-	219,952,245	2,139,097	303,470	80,015,147	12,542,017	2,286,626	7,309,486	19,276,006	3,784,339	8,715,275	6,060,103	560,067	362,944,478	19,186,686	446,344,877
<b>Net carrying amount</b>																
As at 31st March, 2021	44,964,403	184,893,204	17,842,502	2,862,333	199,063,850	5,074,361	2,513,465	3,127,448	7,218,430	1,217,261	1,731,607	8,299,612	801,082	479,609,559	1,699,703	548,702,210
As at 31st March, 2020	44,964,403	149,120,088	18,475,253	2,089,684	171,625,392	6,333,545	1,706,150	2,446,532	7,020,395	864,438	1,246,898	7,488,776	184,524	413,566,087	2,253,901	478,598,063
<b>Gross Block</b>																
As at 1st April, 2019	37,766,473	336,209,205	19,881,599	352,534	220,088,035	17,576,378	2,397,774	7,841,442	25,229,941	4,260,086	8,796,128	19,975,421	1,667,155	702,112,070	20,456,586	722,568,655
Add :- Addition during the year	7,197,930	26,653,216	-	1,842,487	29,412,908	-	1,347,617	1,198,096	98,755	185,528	548,345	53,592	-	66,538,474	209,503	68,747,977
Add :- Reclassified on account of adoption of Ind AS 116	-	-	-	-	-	-	-	-	-	-	-	-	-	90,440,312	-	90,440,312
Less :- Disposals / Impaired during the year	-	-	-	-	12,469,500	-	-	5,600	0	62,800	-	5,785,650	175,000	18,498,551	-	18,498,551
As at 31st March, 2020	44,964,403	362,862,421	19,881,599	2,195,021	237,001,443	17,576,378	3,745,391	9,033,938	25,328,996	4,382,813	9,344,473	14,243,363	1,492,155	752,151,993	20,666,089	863,258,393
<b>Accumulated Depreciation</b>																
As at 1st April, 2019	-	208,334,407	873,595	13,361	54,201,469	9,919,411	1,879,921	5,910,820	17,242,222	3,221,664	7,716,826	8,487,924	1,019,436	318,821,256	17,704,174	336,525,430
Add :- Addition during the year	-	5,407,916	632,751	91,776	14,288,085	1,323,422	159,320	681,905	1,065,979	358,710	380,749	1,562,569	329,757	26,282,940	708,014	26,990,964
Add :- Reclassified on account of adoption of Ind AS 116	-	-	-	-	-	-	-	-	-	-	-	-	-	26,653,252	-	26,653,252
Less :- Disposals / Impaired during the year	-	-	-	-	3,113,503	-	-	5,320	-	62,000	-	3,295,906	41,562	6,518,291	-	6,518,291
As at 31st March, 2020	-	213,742,323	1,506,346	105,337	65,376,051	11,242,833	2,039,241	6,587,406	18,308,201	3,518,374	8,097,575	6,754,587	1,307,631	338,585,906	18,412,188	383,651,346
<b>Net carrying amount</b>																
As at 31st March, 2020	44,964,403	149,120,088	18,475,253	2,089,684	171,625,392	6,333,545	1,706,150	2,446,532	7,020,395	864,438	1,246,898	7,488,776	184,524	413,566,087	2,253,901	479,607,048
As at 31st March, 2019	37,766,473	127,874,798	19,108,004	338,973	165,866,567	7,666,967	517,853	1,930,622	7,987,620	1,038,421	1,079,301	11,487,496	647,719	383,290,814	-	386,043,226

Note :- Capital Investment Subsidy received during the year Rs. 25,00,000/- has been adjusted against Cost of Plant & Machinery.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

6	NON-CURRENT INVESTMENTS	No. of Shares	Face Value	As at 31st March, 2021	No. of Shares	Face Value	As at 31st March, 2020
	(Unquoted and fully paid up)						
	<b>A) Equity Shares</b>						
	(i) <b>Associates (Investments accounted using Equity Method)</b>						
	a) Amarak Chemicals FZC	9,800	AED 150	20,784,620	9,800	AED 150	30,237,901
	Add / (Less) :- Share of Profit / (Loss) in Associates			(7,625,694)			(8,796,596)
				13,158,926			21,441,305
	(ii) <b>Other Investment (at Cost)</b>						
	a) Aries Agro Produce Pvt Ltd	1,500	10	15,000	1,500	10	15,000
				15,000			15,000
				13,173,926			21,456,305
	<b>B) Share Application Money</b>						
	(a) Amarak Chemicals FZC			555,321,562			572,866,827
				555,321,562			572,866,827
	<b>Total</b>			568,495,488			594,323,132

7	INVENTORIES	As at 31st March, 2021	As at 31st March, 2020
	(At lower of cost or Net Realisable Value)		
	(As Certified and valued by the Management)		
	Raw Materials	563,147,180	440,180,213
	Finished Goods	747,277,665	860,625,531
	Packing Materials	97,061,948	79,501,128
	<b>Total</b>	1,407,486,793	1,380,306,872

8	TRADE RECEIVABLES	As at 31st March, 2021	As at 31st March, 2020
	<b>Unsecured</b>		
	Considered Good	1,230,783,996	1,162,742,697
	<b>Total</b>	1,230,783,996	1,162,742,697

### 8.1 Ageing of Trade Receivables

Particulars	Ageing		Total
	More than 6 months	Less than 6 months	
<b>As at 31st March, 2021</b>			
Unsecured			
Considered Good	211,052,185	1,019,731,811	1,230,783,996
<b>Gross Total</b>	211,052,185	1,019,731,811	1,230,783,996
As at 31st March, 2020	184,831,433	977,911,264	1,162,742,697



**Notes to the Consolidated Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

**8.2 Trade Receivables includes Amount due from Related Parties**

Particulars	Maximum balance during the year	As at 31st March 2021	Maximum balance during the year	As at 31st March 2020
Amarak Chemicals FZC	12,507,647	12,124,573	12,507,647	12,507,647
(Associate of Golden Harvest Middle East FZC )		12,124,573		12,507,647

8.3 The above Trade Receivables are outstanding for more than 6 months

8.4 Trade Receivables are non-interest bearing and receivable in normal operating cycle

9 CASH AND CASH EQUIVALENTS	As at 31st March, 2021	As at 31st March, 2020
Balance with Banks in Current Accounts	6,114,171	7,452,037
Cash on hand	759,429	261,381
<b>Total</b>	<b>6,873,600</b>	<b>7,713,418</b>

10 OTHER BANK BALANCES	As at 31st March, 2021	As at 31st March, 2020
Fixed Deposits with Banks held as Margin Money (Maturity less than One Year)	31,678,919	30,160,700
Unclaimed Dividend Accounts	2,439,382	2,846,294
<b>Total</b>	<b>34,118,301</b>	<b>33,006,994</b>

10.1 Fixed Deposits are kept as Margin against various Credit Limits / Guarantees

11 CURRENT LOANS	As at 31st March, 2021	As at 31st March, 2020
<b>(Unsecured and Considered Good)</b>		
Loans to Employees	650,968	1,184,035
	<b>650,968</b>	<b>1,184,035</b>

12 OTHER CURRENT FINANCIAL ASSETS	As at 31st March, 2021	As at 31st March, 2020
Interest Accrued but not due	909,781	1,124,062
	<b>909,781</b>	<b>1,124,062</b>

12.1 Interest Accrued but not due includes Interest accrued on various Fixed Deposits with Banks

13 OTHER CURRENT ASSETS	As at 31st March, 2021	As at 31st March, 2020
<b>(Unsecured and Considered Good)</b>		
Advances to Related Parties	732,806,937	759,112,899
Other Advances	340,933,169	322,311,315
Security Deposits	8,760,526	8,498,875
<b>Total</b>	<b>1,082,500,632</b>	<b>1,089,923,089</b>

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

### 13.1 Other Advances includes :

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Balances with Taxation Authorities	89,501,670	52,928,460
(b) Advance to Suppliers	246,072,361	255,176,185
(c) Advance to Staff against expenses	1,391,114	10,574,887
(d) Imprest Advance for Vehicle Expenses	104,975	109,975
(e) Prepaid Expenses	3,863,049	3,521,807
	<b>340,933,169</b>	<b>322,311,315</b>

- a) All the above Advances are interest free  
b) Other terms and conditions on which such advances are given to the Companies are not prejudicial to the interest of the Company.

14 EQUITY SHARE CAPITAL	As at 31st March, 2021	As at 31st March, 2020
<b>Authorised</b>		
1,50,00,000 Equity Shares of Rs. 10/- each	150,000,000	150,000,000
	<b>150,000,000</b>	<b>150,000,000</b>
<b>Issued, Subscribed and Fully Paidup</b>		
1,30,04,339 (31st March, 2020 1,30,04,339) Equity Shares of Rs. 10/- each.	130,043,390	130,043,390
	<b>130,043,390</b>	<b>130,043,390</b>

### 14.1 Reconciliation of the number of Equity Shares :

Particulars	As at 31st March, 2021	As at 31st March, 2020
Shares outstanding at the beginning of the year	13,004,339	13,004,339
Add : - Issued during the year	-	-
Less :- Shares cancelled during the year	-	-
Shares outstanding at the end of the year	<b>13,004,339</b>	<b>13,004,339</b>

### 14.2 List of Shareholder's holding more than 5 % Shares in the Company :

Name of the Shareholders	As at 31st March, 2021		As at 31st March, 2020	
	No of Shares	% of Holding	No of Shares	% of Holding
(i) Dr. Jimmy Mirchandani	3,164,830	24.34%	3,254,830	25.03%
(ii) Dr. Rahul Mirchandani	3,023,021	23.25%	2,893,221	22.25%
<b>Total</b>	<b>6,187,851</b>	<b>47.58%</b>	<b>6,148,051</b>	<b>47.28%</b>

## 15 Nature of Reserves

- 15.1 **Securities Premium Reserve** : represents the amount received in excess of par value of securities i.e equity shares. Premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.
- 15.2 **Legal Reserve** : represents reserve created out of profit of the Company in accordance with the provisions of Memorandum and Articles of Association of the Company.
- 15.3 **Foreign Currency Translation Reserve** : represents difference in valuation of Investment in Overseas Subsidiary
- 15.4 **General Reserve** : represents the statutory reserve, this is in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

**Notes to the Consolidated Financial Statements for the year ended 31st March, 2021**
**(Amounts in Rupees unless stated otherwise)**

15.5 **Retained Earnings** : represent the undistributed profits of the Company

15.6 **Other Comprehensive Income Reserve** : represent the balance in equity for items to be accounted in Other Comprehensive Income. Other Comprehensive Income is classified into i) items that will not be reclassified to profit and loss, ii) items that will be reclassified to profit and loss.

<b>16 NON-CONTROLLING INTEREST</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
Non-Controlling Interest - Equity	<b>49,529,045</b>	51,093,904
Non-Controlling Interest - Non-Equity	<b>20,701,199</b>	37,187,590
	<b>70,230,244</b>	88,281,494

16.1 Non-Controlling Interest as at 31st March, 2021, represents that part of the profit / (Loss) and net assets of Golden Harvest Middle East FZC to the extent of 375 Shares (25%) held by other parties.

<b>17 NON - CURRENT BORROWINGS</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
<b>Secured Term Loans</b>		
Term Loans from Banks	<b>21,106,005</b>	18,363,221
	<b>21,106,005</b>	18,363,221
<b>Un-Secured Term Loans</b>		
Term Loans from Banks	<b>100,429,469</b>	125,024,441
	<b>100,429,469</b>	125,024,441
<b>Total</b>	<b>121,535,474</b>	143,387,662

17.1 Secured Term Loans from Banks referred above to the extent of :

<b>Sr. No.</b>	<b>Particulars</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
(a)	Secured by way of Charge on the Company's Motor Vehicles.	<b>2,442,908</b>	3,747,928
(b)	Secured by way of Primary Charge on Office Premises at Vastrapur, Gujarat.	<b>1,996,433</b>	4,201,405
(c)	Secured by way of All existing Stock and Book Debts and Collateral Securities (Land & Building & Plant & Machinery) and personal Guarantee of Directors	<b>16,666,664</b>	10,413,888
		<b>21,106,005</b>	18,363,221

17.2 Un-Secured Term Loans from Banks / NBFC's are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

17.3 Maturity Profile of Term Loans are as set out below :

<b>Sr. No.</b>	<b>Financial Years</b>	<b>Secured Term Loans from Banks</b>	<b>Un-Secured Term Loans from Banks</b>	<b>Total</b>
(a)	2021-22	<b>43,283,112</b>	<b>24,594,972</b>	<b>67,878,084</b>
	<b>Sub-Total</b>	<b>43,283,112</b>	<b>24,594,972</b>	<b>67,878,084</b>
(b)	2022-23	20,086,295	24,594,972	44,681,267
(c)	2023-24	1,019,711	24,594,972	25,614,683
(d)	2024-25 & Above	-	51,239,525	51,239,525
	<b>Sub-Total</b>	<b>21,106,005</b>	<b>100,429,469</b>	<b>121,535,474</b>
	<b>Grand-Total</b>	<b>64,389,117</b>	<b>125,024,441</b>	<b>189,413,558</b>

17.4 Rs. 6,78,78,084/- is shown in Current Maturities (On 31st March, 2020 Rs. 5,41,18,701/-)

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

18 OTHER NON - CURRENT LIABILITIES	As at 31st March, 2021	As at 31st March, 2020
<b>Lease Liabilities</b>		
Liability of Right to use Asset	32,718,973	42,113,302
	<b>32,718,973</b>	<b>42,113,302</b>
19 NON CURRENT PROVISIONS	As at 31st March, 2021	As at 31st March, 2020
<b>Provision for Employee Benefits (Refer Note No. 31)</b>		
Gratuity	4,218,883	5,201,040
Leave Salary	26,661,768	23,150,899
One Time Incentive	710,133	709,948
<b>Total</b>	<b>31,590,784</b>	<b>29,061,887</b>
20 DEFERRED TAX LIABILITY	As at 31st March, 2021	As at 31st March, 2020
<b>A Deferred Tax Liability</b>		
Related to Fixed Assets : Difference between Depreciation charged for Financial Reporting and Depreciation as per Income Tax	65,522,266	52,354,343
Other Comprehensive Income	401,620	(2,121,321)
Related to Right of Use Asset	17,992,322	-
<b>B Gross Deferred Tax Liability</b>	<b>83,916,208</b>	<b>50,233,022</b>
<b>Gross Deferred Tax Asset</b>		
Disallowance under the Income Tax Act, 1961 U/s 43B	8,987,364	7,618,113
Realted to Lease Liability	22,129,797	-
	<b>31,117,161</b>	<b>7,618,113</b>
<b>C Net Deferred Tax Liability (A-B)</b>	<b>52,799,047</b>	<b>42,614,909</b>
21 CURRENT BORROWINGS	As at 31st March, 2021	As at 31st March, 2020
<b>Secured Borrowings</b>		
<b>Working Capital Facilities from Banks</b>		
Cash Credits	1,155,930,122	1,196,187,825
	<b>1,155,930,122</b>	<b>1,196,187,825</b>
<b>Un-Secured Borrowings</b>		
Working Capital Demand Loan from Companies / NBFCs	-	69,994,203
From Related Parties	703,032	608,568
Short Term Loan from Companies / NBFC's	-	38,716,509
	<b>703,032</b>	<b>109,319,280</b>
<b>Total</b>	<b>1,156,633,154</b>	<b>1,305,507,105</b>

21.1 Working Capital Facilities from Banks are secured by way of Charge on Company's Inventory, Book Debts, Charge on Land, Building, Plant & Machinery and all other movable fixed assets of the Company and guaranteed by Directors.

21.2 Un-Secured Borrowings from Companies / NBFCs are secured by way of personal Assets of Directors and guaranteed by Directors.

**Notes to the Consolidated Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

22 TRADE PAYABLES	As at 31st March, 2021	As at 31st March, 2020
(a) Trade Payables - Total outstanding dues of Micro & Small Enterprises	67,641,587	105,355,191
(b) Trade Payables - Total outstanding dues of Creditors other than Micro & Small Enterprises	455,660,202	479,134,730
<b>Total</b>	<b>523,301,789</b>	<b>584,489,922</b>

22.1 All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.

22.2 Contractual Terms with Micro &amp; Small Enterprises is 120 days, hence interest not provided.

23 OTHER CURRENT FINANCIAL LIABILITIES	As at 31st March, 2021	As at 31st March, 2020
Current Maturities of Long Term Debt	67,878,084	54,118,701
Interest Accrued but not due on Borrowings	1,276,040	1,210,310
Liability of Right to use Asset - Current Portion	49,205,025	35,115,274
Unclaimed Dividend	2,439,382	2,846,294
<b>Total</b>	<b>120,798,531</b>	<b>93,290,579</b>

23.1 Current Maturities of Long Term Debt includes amount repayable within one year of :

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
(a)	Secured Term Loans from Banks	43,283,112	26,813,219
(b)	Un-Secured Term Loans from Banks / NBFC's	24,594,972	27,305,482
		<b>67,878,084</b>	<b>54,118,701</b>

23.2 Secured Term Loans from Banks included in Current Maturities of Long Term Debt to the extent of :

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
(a)	Secured by way of Charge on the Company's Motor Vehicles.	1,305,020	1,617,237
(b)	Secured by way of Primary Charge on Office Premises at Vastrapur, Gujarat.	2,204,972	2,013,870
(c)	Secured by way of All existing Stock and Book Debts and Collateral Securities (Land & Building & Plant & Machinery) and personal Guarantee of Directors	39,773,120	23,182,112
		<b>43,283,112</b>	<b>26,813,219</b>

23.3 Un-Secured Term Loans from Banks / NBFC's included in Current Maturities of Long Term Debt to the extent of Rs. 2,45,94,972/- (31st March, 2020, Rs. 2,73,05,482/-) are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

23.4 Unclaimed Dividend does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

24 OTHER CURRENT LIABILITIES	As at 31st March, 2021	As at 31st March, 2020
Accrued Salaries and Benefits	180,618,132	157,857,534
Advances / Credits from Customers	355,694,604	206,533,218
Dues to Directors	-	2,626,078
Security Deposits	88,943,648	83,390,641
Statutory Dues	15,497,937	10,540,252
Other Payables	133,012,132	101,028,992
<b>Total</b>	<b>773,766,452</b>	<b>561,976,715</b>

24.1 Statutory Dues includes Goods &amp; Service Tax, Tax Deducted at Source, Tax Collected at Source, ESIC, Provident Fund and Profession Tax.

24.2 Other Payables includes mainly Staff Expense Claims and Provision for Expenses.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

25 CURRENT PROVISIONS	As at 31st March, 2021	As at 31st March, 2020
<b>Provision for Employee Benefits (Refer Note No. 31)</b>		
Gratuity	8,662,781	7,779,463
Leave Salary	2,395,857	6,125,398
One Time Incentive	252,323	280,394
<b>Total</b>	<b>11,310,961</b>	<b>14,185,255</b>

26 CURRENT TAX LIABILITY (NET)	As at 31st March, 2021	As at 31st March, 2020
Provision for Income Tax ( Net of Advance Tax / TDS )	8,572,966	23,987,386
<b>Total</b>	<b>8,572,966</b>	<b>23,987,386</b>

27 REVENUE FROM OPERATIONS	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Sales of Products	4,745,115,197	3,715,008,465
Less:- Discounts / Rebates	930,418,496	753,562,722
<b>Total</b>	<b>3,814,696,701</b>	<b>2,961,445,743</b>

### 27.1 Particulars of Sale of Products :

Sr. No.	Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Manufactured Products</b>			
(a)	Agricultural Mirconutrient and Speciality Fertilizers	2,611,533,034	2,545,143,269
(b)	Insecticides and Pesticides	485,518,539	289,823,653
(c)	Animal Feed and Feed Concentrates	28,730,200	23,746,963
(d)	Others	3,714,536	4,304,940
		<b>3,129,496,309</b>	<b>2,863,018,826</b>
<b>Traded Products</b>			
(a)	Agricultural Mirconutrient and Speciality Fertilizers	1,612,797,492	851,989,639
(b)	Insecticides and Pesticides	2,689,230	-
(c)	Others	132,166	-
		<b>1,615,618,888</b>	<b>851,989,639</b>
	Less:- Discounts / Rebates	930,418,496	753,562,722
		<b>3,814,696,701</b>	<b>2,961,445,743</b>

28 OTHER INCOME	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Interest Income on :</b>		
Bank Fixed Deposits	1,042,168	1,444,529
Others	138,209	92,734
<b>Other Non-Operating Income</b>		
Sundry Balances Written Back	80,972	-
Misc. / Other Income	1,216,667	208,667
Net Gain / Loss on Foreign Currency Translation	-	70,682,220
Profit on Sale of Fixed Assets	221,628	-
<b>Total</b>	<b>2,699,644</b>	<b>72,428,150</b>

**Notes to the Consolidated Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

29 COST OF MATERIALS CONSUMED	Year Ended 31st March, 2021	Year Ended 31st March, 2020
1) Opening Stock of Raw Materials	440,180,213	393,558,418
Add : Purchases	1,699,965,033	1,171,667,046
	<b>2,140,145,246</b>	1,565,225,464
Less : Closing Stock of Raw Materials	563,147,180	440,180,213
Raw Material Consumed	<b>1,576,998,065</b>	1,125,045,252
2) Opening Stock of Packing Materials	79,501,128	87,891,900
Add : Purchases	205,510,337	159,979,531
	<b>285,011,465</b>	247,871,431
Less : Closing Stock of Packing Materials	97,061,948	79,501,128
Packing Materials Consumed	<b>187,949,518</b>	168,370,303
<b>Consumption of Materials (1+2)</b>	<b>1,764,947,583</b>	1,293,415,555
<b>30 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE</b>	<b>Year Ended 31st March, 2021</b>	<b>Year Ended 31st March, 2020</b>
<b>Inventories at the beginning of the year</b>		
Finished Goods	860,625,531	816,417,856
	<b>860,625,531</b>	816,417,856
<b>Inventories at the end of the year</b>		
Finished Goods	747,277,665	860,625,531
	<b>747,277,665</b>	860,625,531
<b>(Increase) / Decrease in Inventories</b>	<b>113,347,866</b>	<b>(44,207,675)</b>
<b>31 EMPLOYEE BENEFIT EXPENSES</b>	<b>Year Ended 31st March, 2021</b>	<b>Year Ended 31st March, 2020</b>
Salaries, Wages and Allowances	347,074,994	337,508,605
Directors Remuneration	22,556,700	19,398,000
Contribution to Provident & Other Funds	35,442,658	33,644,251
Staff Welfare Expenses	5,614,516	7,395,987
<b>Total</b>	<b>410,688,868</b>	<b>397,946,843</b>

**31.1 As per Ind AS 19 "Employee Benefits", the disclosure of employee benefits as defined in the Indian Accounting Standard (Ind AS) are given below :**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Expense recognised for Defined Contribution Plan</b>		
Company's contribution to Provident Fund	26,652,639	25,820,810
	<b>26,652,639</b>	25,820,810

All Permanent Employees having served from the 1st day of their employment are entitled to the benefits of the contribution to Provident Fund.

The Company contributes specified percentage of the salary paid to Employees to the Defined Fund.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

### Defined Benefit Plan

All Employees who have completed five years or more of service are entitled to benefits of Gratuity. The Company has the Employee's Group Gratuity scheme managed by Life Insurance Corporation of India which is a Defined Benefit Plan. The Employees Leave Encashment scheme, which is a Defined Benefit Plan is unfunded.

Below table sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the Standalone Balance Sheet as at 31st March, 2021 and 31st March, 2020, being the respective measurement dates :

#### I Reconciliation of opening and closing balances of the Present Value of the Defined Benefit Obligation

Particulars	Gratuity		Leave Encashment		OneTime Incentive	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Present Value of Defined Benefit obligation at the beginning of the year	78,794,224	72,010,616	29,276,297	26,484,347	990,342	961,915
Current Service Cost	7,779,463	6,550,597	4,124,532	3,902,346	59,955	55,860
Interest Cost	4,979,061	4,895,485	1,788,735	1,737,288	57,810	63,035
Actuarial (gain) / loss	4,223,101	5,656,367	(1,415,616)	2,703,863	11,349	78,532
Past Service Cost	-	-	-	-	-	-
Benefits paid	(15,365,524)	(10,318,841)	(4,716,323)	(5,551,547)	(157,000)	(169,000)
Present Value of Defined Benefit obligation at the end of the year	80,410,325	78,794,224	29,057,625	29,276,297	962,456	990,342

#### II Reconciliation of opening and closing balances of the Fair Value of the Plan Assets

Particulars	Gratuity	
	As at 31st March, 2021	As at 31st March, 2020
Fair Value of Plan Assets at the beginning of the year	66,551,933	68,116,296
Interest Income	4,411,087	4,849,368
Return on plan assets excluding amounts included in Interest Income	366,291	10,790
Contributions	12,342,291	3,894,320
Benefits paid	(15,365,524)	(10,318,841)
Actuarial gain / (loss)	-	-
Fair value of Plan Assets at the end of the year	68,306,078	66,551,933

#### III Expenses recognised in Profit and Loss

Particulars	Gratuity		Leave Encashment		OneTime Incentive	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Current Service Cost	7,779,463	6,550,597	4,124,532	3,902,346	59,955	55,860
Interest Cost	567,974	46,117	1,788,735	1,737,288	57,810	63,035
Net Cost recognised in Statement of Profit and Loss	8,347,437	6,596,714	5,913,267	5,639,634	117,765	118,895



**Notes to the Consolidated Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

**IV Expenses recognised in Other Comprehensive Income**

Particulars	Gratuity		Leave Encashment		OneTime Incentive	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Components of actuarial gain / losses on obligations :						
Due to change in financial assumptions	<b>(401,885)</b>	4,372,671	<b>(135,877)</b>	1,441,334	<b>(2,674)</b>	32,228
Due to change in demographic assumptions	-	(56,982)	-	(8,475)	-	(1,077)
Due to experience adjustments	<b>4,624,986</b>	1,340,678	<b>(1,279,739)</b>	1,271,004	<b>14,023</b>	47,381
Return on Plan Assets excluding amounts included in Interest Income	<b>(366,291)</b>	(10,790)	-	-	-	-
Net Cost recognised in Other Comprehensive Income	<b>3,856,810</b>	5,645,577	<b>(1,415,616)</b>	2,703,863	<b>11,349</b>	78,532

**V Assumptions used to determine the Defined Benefit Obligations :**

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Mortality rate	<b>IALM 2006-08 Ultimate</b>	IALM 2006-08 Ultimate	<b>IALM 2006-08 Ultimate</b>	IALM 2006-08 Ultimate	<b>IALM 2006-08 Ultimate</b>	IALM 2006-08 Ultimate
Discount rate (per annum)	<b>6.85%</b>	6.80%	<b>6.85%</b>	6.80%	<b>6.85%</b>	6.80%
Expected rate of Return on Plan Assets (per annum)	<b>6.85%</b>	6.80%				
Expected rate of increase in Salary (per annum)	<b>5.00%</b>	5.00%	<b>5.00%</b>	5.00%	<b>NA</b>	NA
Expected Average remaining working lives of Employees (Years)	<b>23.38</b>	23.62	-	-	-	-

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

**VI Sensitivity Analysis :**

Particulars	Change in Assumption	Effect on Gratuity obligation	Change in Assumption	Effect on Leave Salary	Change in Assumption	Effect on One Time Incentive
<b>For the year ended 31st March, 2020</b>						
Discount Rate	+0.5%	75,388,867	+0.5%	28,154,705	+0.5%	965,319
	-0.5%	82,502,019	-0.5%	30,490,519	-0.5%	1,017,011
Salary Growth Rate	+0.5%	82,112,352	+0.5%	30,506,106	+0.5%	1,018,408
	-0.5%	75,602,895	-0.5%	28,131,000	-0.5%	963,873
Withdrawal Rate	+10.0%	79,132,896	+10.0%	29,320,405	-	-
	-10.0%	78,438,528	-10.0%	29,230,606	-	-
<b>For the year ended 31st March, 2021</b>						
Discount Rate	<b>+0.5%</b>	<b>76,573,525</b>	<b>+0.5%</b>	<b>27,755,751</b>	<b>+0.5%</b>	<b>936,762</b>
	<b>-0.5%</b>	<b>84,588,830</b>	<b>-0.5%</b>	<b>30,466,030</b>	<b>-0.5%</b>	<b>989,893</b>
Salary Growth Rate	<b>+0.5%</b>	<b>84,050,699</b>	<b>+0.5%</b>	<b>30,484,797</b>	<b>+0.5%</b>	<b>991,531</b>
	<b>-0.5%</b>	<b>76,819,999</b>	<b>-0.5%</b>	<b>27,727,603</b>	<b>-0.5%</b>	<b>935,090</b>
Withdrawal Rate	<b>WR x 110.0%</b>	<b>80,808,862</b>	<b>WR x 110.0%</b>	<b>29,109,760</b>	-	-
	<b>WR x 90.0%</b>	<b>79,995,183</b>	<b>WR x 90.0%</b>	<b>29,003,705</b>	-	-

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the Projected Unit Credit method has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

### VII History of Experience adjustments is as follows :

Particulars	Gratuity	Leave Salary	One Time Incentive
<b>For the year ended 31st March, 2020</b>			
Plan Liabilities - (loss) / gain	(1,340,678)	(1,271,004)	(47,381)
Plan Assets - (loss) / gain	-	-	-
<b>For the year ended 31st March, 2021</b>			
Plan Liabilities - (loss) / gain	<b>(4,624,986)</b>	<b>1,279,739</b>	<b>(14,023)</b>
Plan Assets - (loss) / gain	-	-	-

### VIII Estimate of Expected Benefit payments

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
1st April, 2020 to 31st March, 2021	-	11,145,474	-	5,942,737	-	280,394
1st April, 2021 to 31st March, 2022	<b>8,972,923</b>	10,462,716	<b>2,395,857</b>	2,595,986	<b>252,323</b>	131,533
1st April, 2022 to 31st March, 2023	<b>6,287,016</b>	5,845,822	<b>2,599,851</b>	2,203,677	<b>183,261</b>	170,592
1st April, 2023 to 31st March, 2024	<b>6,765,255</b>	6,301,670	<b>2,689,689</b>	2,500,121	<b>57,336</b>	51,074
1st April, 2024 to 31st March, 2025	<b>5,744,676</b>	5,093,405	<b>2,112,997</b>	1,782,400	<b>64,543</b>	58,663
1st April, 2025 to 31st March, 2026	<b>5,195,089</b>	22,517,799	<b>2,027,340</b>	8,799,824	<b>84,114</b>	249,339
1st April, 2026 to 31st March, 2027 and Onwards	<b>25,303,388</b>	-	<b>10,289,670</b>	-	<b>226,491</b>	-

### IX Statement of Employee Benefit Provision

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Present Value of Obligation	<b>80,410,325</b>	78,794,224	<b>29,057,625</b>	29,276,297	<b>962,456</b>	990,342
Fair Value of Plan Assets	<b>(68,306,078)</b>	(66,551,933)	-	-	-	-
Amount recognised in Balance Sheet	<b>12,104,247</b>	12,242,291	<b>29,057,625</b>	29,276,297	<b>962,456</b>	990,342

### X Current and Non-Current provision for Gratuity, Leave Salary and One Time Incentive

Particulars	Gratuity		Leave Encashment		One Time Incentive	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Current	<b>8,662,781</b>	7,779,463	<b>2,395,857</b>	6,125,398	<b>252,323</b>	280,394
Non-Current	<b>3,441,466</b>	4,462,828	<b>26,661,768</b>	23,150,899	<b>710,133</b>	709,948
<b>Total</b>	<b>12,104,247</b>	12,242,291	<b>29,057,625</b>	29,276,297	<b>962,456</b>	990,342

31.2 The above charts do not include the provisions made by Foreign Subsidiaries

### 32 FINANCE COSTS

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Interest Expense</b>		
On Term Loans	<b>15,818,887</b>	25,629,239
On Bank Borrowings	<b>128,077,602</b>	161,447,500
On Security Deposits	<b>5,819,172</b>	5,585,195
Other Interest	<b>92,189,618</b>	47,487,300
Bank and Finance Charges	<b>17,730,094</b>	15,189,142
<b>Total</b>	<b>259,635,373</b>	255,338,376

**Notes to the Consolidated Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

5 DEPRECIATION & AMORTISATION	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Depreciation	63,661,776	52,936,192
Amortisation	774,498	708,014
<b>Total</b>	<b>64,436,274</b>	<b>53,644,206</b>
33 OTHER EXPENSES	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Manufacturing Expenses</b>		
Freight Inward	23,300,638	25,090,007
Miscellaneous Expenses	9,701,594	7,668,503
Power & Fuel	18,191,389	19,848,342
Processing Charges	54,792,732	44,408,777
Rent, Rates & Taxes	2,573,408	2,191,581
Repairs to Building	1,355,034	750,109
Repairs to Machinery	4,312,730	4,480,842
Research & Development Expenses	17,532,648	17,640,382
Security Charges	1,218,330	1,094,542
Stores & Spare Parts Consumed	1,772,866	2,086,493
Wages & Allowances	72,148,982	69,489,862
	<b>206,900,351</b>	<b>194,749,439</b>
<b>Selling &amp; Distribution Expenses</b>		
Advertisement and Publicity Expenses	235,834,045	210,473,089
Freight & Delivery Expenses	242,510,328	193,647,658
Selling Expenses	7,187,396	12,579,935
Travelling Expenses	110,039,894	118,090,279
	<b>595,571,663</b>	<b>534,790,962</b>
<b>Other Administration Expenses</b>		
Audit Fees	2,608,748	2,237,487
Bank Charges	46,047	57,562
Conveyance & Motor Car Expenses	43,484,051	45,083,218
Corporate Social Responsibility (CSR) Expenses	4,703,393	4,224,404
Electricity	1,313,497	1,279,778
General Expenses	5,339,118	7,206,360
Insurance	24,179,897	24,021,226
Legal & Professional Fees	25,972,915	26,778,400
Loss on Sale of Asset	-	24,958,535
Net Gain / Loss on Foreign Currency Transaction and Translation	21,332,064	-
Postage & Telephones	4,554,779	4,422,594
Printing & Stationery	4,939,426	5,158,778
Rent, Rates & Taxes	14,193,658	39,084,245
Repairs & Maintenance	2,023,849	2,498,309
Bad Debts Written Off	1,033,260	-
	<b>155,724,701</b>	<b>187,010,897</b>
<b>Total</b>	<b>958,196,714</b>	<b>916,551,298</b>

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

### 33.1 Other Disclosures

#### a) Auditors Remuneration

Sr. No.	Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>1</b>	<b>Statutory Auditors</b>		
(i)	Audit Fees	2,608,748	2,237,487
(ii)	Limited Review Report Fees	75,000	75,000
(iii)	Taxation Matters	200,000	-
(iii)	Certification and Consultancy Fees	60,000	150,000
	<b>Total</b>	<b>2,943,748</b>	<b>2,462,487</b>

#### b) Expenditure incurred on Corporate Social Responsibility

Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of the Companies Act, 2013 read with Schedule III are as below :

Sr. No.	Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
(i)	Farmers Call Centre	843,283	877,423
(ii)	Education including Farmers	1,228,546	750,759
(iii)	Health Care	1,598,875	1,687,464
(iv)	Infrastructure Support	1,032,689	908,758
		<b>4,703,393</b>	<b>4,224,404</b>

### 34 EARNINGS PER SHARE (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share :

Sr. No.	Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
(i)	Issued Equity Shares	13,004,339	13,004,339
	<b>Weighted Average Shares outstanding - Basic and Diluted</b>	<b>13,004,339</b>	<b>13,004,339</b>

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows :

Sr. No.	Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
(i)	Profit and Loss after Tax attributable to Equity Shareholders	179,570,966	97,424,470
(ii)	Basic Earning per Equity Share	13.81	7.49
(iii)	Face Value per Equity Share	10	10

### 35 LEASE COMMITMENTS (Company is a Lessee)

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Company.

Following is the movement in lease liabilities during the year :

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
As at April 01, 2020	77,228,576	-
Addition on account of Adoption of IND AS 116	-	90,440,312
Addition during the year	40,111,530	-
Interest Expenses	12,821,794	9,044,031
Payments	48,237,903	22,255,767
As at March 31, 2021	<b>81,923,998</b>	<b>77,228,576</b>

**Notes to the Consolidated Financial Statements for the year ended 31st March, 2021**

(Amounts in Rupees unless stated otherwise)

Following are the amounts recognised in statement of profit or loss :

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Depreciation expense of right-of-use assets	39,289,714	26,653,252
Interest Expense on lease liabilities	12,826,166	9,044,031
Rent Expense - short-term leases and leases of low value assets	11,435,284	21,492,207
<b>Total amounts recognised in profit or loss</b>	<b>63,551,164</b>	<b>57,189,490</b>

**36. RELATED PARTY DISCLOSURES**

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

Part - A Details of Related Parties			
Sr. No.	Nature of Relationship	Name of the Related Party	Remarks
1	Key Management Personnel	a) Dr. Rahul Mirchandani b) Mr. Vivek Joshi - w.e.f. 09-12-2019 c) Mr. Qaiser P. Ansari	a) Chairman & Managing Director b) Chief Financial Officer c) Company Secretary & Sr. VP (Legal)
2	Enterprises over which the Key Management Persons has significant Influence of Control	a) Aries Marketing Ltd. b) Blossoms International Ltd. c) Sreeni Agro Chemicals Ltd. d) Aries East West Nutrients Pvt. Ltd.	
3	Relatives of Key Management Personnel	<b>Name of the Key Management Personnel</b>	<b>Name of the Relative</b> <b>Relationship</b>
		a) Dr. Rahul Mirchandani	a) Mrs. Nitya Mirchandani      Spouse b) Master Armaan Mirchandani      Son c) Dr. Jimmy Mirchandani      Brother d) Mr. Akshay Mirchandani      Nephew e) Mr. Amol Mirchandani      Nephew
		b) Mrs. Nitya Mirchandani	a) Dr. Rahul Mirchandani      Spouse b) Master Armaan Mirchandani      Son
4	Associates	a) Amarak Chemicals FZC	Date of Incorporation 9th September, 2007

Part - B Disclosure of Transactions between the Company and Related Parties				
Sr. No.	Category	Nature of Service	Year Ended 31st March, 2021	Year Ended 31st March, 2020
1	Key Management Personnel	Directors Remuneration paid	21,116,700	17,658,000
		Salary Paid	9,055,779	11,750,140
3	Relatives of Key Management Personnel	Legal & Professional Fees (Gross)	8,441,572	8,425,168
		Rent	1,350,000	300,000
		Sitting Fees	500,000	440,000
		Salary Paid	3,134,045	3,013,694

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

Part - C				
Balance Outstanding with Related Parties				
Category	Nature of Outstanding	Name of the Related Party	As at 31st March, 2021	As at 31st March, 2020
Key Management Personnel	Due to Directors	Dr. Rahul Mirchandani	-	2,626,078
	Salary	Mr. Vivek Joshi	-	359,687
		Mr. Qaiser P. Ansari	-	124,736
Relatives of Key Management Personnel	Due to Directors (including Professional Fees)	Dr. Jimmy Mirchandani	<b>3,938,831</b>	4,153,696
	Salary	Mr. Akshay Mirchandani	-	68,515
		Mr. Amol Mirchandani	-	48,789
	Rent	Mrs. Nitya Mirchandani	<b>138,750</b>	-
		Mr. Akshay Mirchandani	<b>23,125</b>	22,500
Associates	Sundry Debtors	Amarak Chemicals FZC	<b>12,124,573</b>	12,507,647

### 37. Gratuity

#### UAE Operations

The Liability for Employees is fully provided for in the accounts.

### 38. Contingent Liability not provided for in the accounts:

- a) Letters of credit / guarantees given / Bills discounting Rs. 1,107.92 Lakhs.
  - b) Claims against company not acknowledged as debts Rs. 4,913.51 Lakhs which includes tax dues disputed as Rs. 36.63 Lakhs towards sales Tax, Rs. 7,17.82 Lakhs towards Income Tax, Rs. 4,152.09 Lakhs towards central excise & customs and Rs. 6.97 Lakhs pertaining to pending suits regarding quality issue.
  - c) 1) The Commissioner of CGST & Central Excise, Navi Mumbai, had passed an order confirming demand of Rs. 4.79 Crores and interest on the said amount on account of Central Excise duty on the classification of sixteen micronutrient fertilizers products relating to the Mumbai Factory against which the Company filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai and the same is pending before CESTAT Mumbai
- 2 (a). The Commissioner of Central Excise, Ahmedabad – II, had passed an order confirming demand of Rs. 3.81 Crores on account of Central Excise duty, interest on the said amount and penalty of like amount i.e. Rs.3.81 Crores on the classification of micronutrient fertilizers relating to the Sanand facility against which the Company has filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad and the same is pending before CESTAT, Ahmedabad..
- (b). The Commissioner of Central GST & Central Excise, Ahmedabad, had passed an order confirming demand of Rs. 13.84 Crores on account of Central Excise duty, penalty on the said amount of Rs. 13.84 Crores on the classification nine micronutrient fertilizers products relating to the Chhatral factory against which the Company has filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad.
- The Central Board of Excise and Customs vide their Circular No. 1022/10/2016/CX dated 06/04/2016 have clarified that Micronutrients are not classifiable as Plant Growth Regulators and hence are not classifiable under Chapter Heading No. 38.08 of the Central Excise Act.
- In view of legal pronouncement and the above referred Circular, the Show Cause-Cum-Demand Notices are liable to be dropped.
- 3 (a). The Company has been classifying Sulphur Bentonite under Chapter Heading No. 25030090 as other forms of Sulphur. However, the Customs authorities classified Sulphur Bentonite imported under Chapter Heading No. 25030010 "as recovered byproduct in refining of crude oil". The Additional Commissioner of Customs, Nhava Sheva confirmed the classification under Chapter Heading No. 25030010 and demanded an amount of Rs. 29.91 Lakhs, in addition penalty of like amount i.e. Rs. 29.91 Lakhs along with fine and penalty of Rs. 7.00 Lakhs each on the Chairman & Managing Director and Purchase Manager of the Company.
- The Company preferred an appeal before the Commissioner (Appeals) who vide order dated 19/02/2016 while upholding the Department's contention of classifying the product under Chapter Heading No. 25030010 set aside the fine and penalty imposed upon the Company, the Chairman & Managing Director and the Purchase Manager. The Commissioner Appeals also directed to grant benefit vide Sr. No. 60 under Notification No. 21/2002/CUS. The Company has preferred an appeal against the said order to the Customs, Central Excise and Service Tax Tribunal, Mumbai on 19/05/2016 contesting the classification of Sulphur Bentonite under Chapter Heading No. 25030010.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2021

(Amounts in Rupees unless stated otherwise)

(b). The Company has been classifying Zn-EDTA & Fe-EDTA under Chapter Heading No. 31059090 as other Fertiliser for Mumbai Factory. However, the Customs authorities classified imported under Chapter Heading No. 29224990 "as Organic Chemical. The Commissioner of Customs, Nhava Sheva confirmed the classification under Chapter Heading No. 29224990 and pass order and demanded an amount of Rs. 81.84 Lakhs, on account of Custom Duty with Interest against which the Company has filed an appeal before the Customs, Excise & Service Tax Appellate Tribunal Mumbai.

### 39. Segmental Reporting as per Ind AS - 108

The Company has only One business Segment "Agri Inputs" as its primary segment and hence disclosure of segment-wise information is not required under Ind AS 108 'Operating Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

40. In F Y 2019-20 M/s Amarak Chemicals FZC was Step Down Subsidiary of Aries Agro Limited. In previous year's figures M/s Amarak Chemicals FZC are included, however in current year M/s Amarak Chemicals FZC has become Associate Company and the result of M/s Amarak Chemicals FZC has been included only by way of Equity Method since it ceased to be a Subsidiary. Hence, the previous years figures are not strictly comparable with that of current year's figures.

41. The Company's management has made initial assessment of likely impact from the pandemic COVID-19 on business and financial risks based on internal and external sources of information including economic forecasts, measures being under taken by Government. The management believes while the COVID-19 may adversely impact on the business in the very short-term, it does not anticipate material medium to Long-Term risks to the business prospects owing to nature of business. The Company has also considered the possible effects of COVID-19 on the carrying amounts of property plant and equipment, intangible assets, receivables and debt covenants using reasonably available information, estimates and judgement and has determined that none of these balances require a material adjustment to their carrying values.

### 41. (a) Events Occurring after Balance Sheet

#### Dividend proposed to be distributed

(Amount in Rupees unless stated otherwise)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Dividend proposed for Equity Shareholders @ Rs. 0.80 per share	1,04,03,471	-
<b>Total</b>	<b>1,04,03,471</b>	<b>-</b>

42. In F.Y. 2019-20, M/s. Golden Harvest Middle East FZC has reduced its stake from 75% to 49%. As a result of this, M/s. Amarak Chemicals FZC is now no more a step down subsidiary of M/s. Aries Agro Ltd. Divestment of 26% stake in Step Down Subsidiary M/s Amarak Chemicals FZC was made strategically to mobilize resources to re-start operations at Fujairah facilities. This strategic decision has helped realize old receivables and sourcing of raw material.

43. The Company has preferred Vivad se Vishwas Scheme in respect of Income Tax disputed demand for A Y 2008-09, 2009-10, 2010-11 & 2011-12. The Company has applied for the scheme for the above assessment years and received Form No. 5 in respect of A Y 2008-09, 2009-10 & 2010-11 determining the refund of Rs. 40,86,820/-, Rs. 32,56,635/- and Rs. 9,12,925/- respectively. The Company has received Form No. 3 for AY 2011-12 indicating refund amount of Rs. 5,55,522/- and awaiting for Form No. 5 in respect of A Y 2011-12.

44. Previous Years figures have been regrouped, restated and rearranged wherever necessary so as to make them comparable with the current year.

#### As per our report of even date

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm Registration No. 120685W

**Sandeep Sheth**  
Proprietor  
Membership No 101903  
UDIN : 21101903AAAAEW5879

**Place:** Mumbai  
**Date :** 29th June, 2021

#### For and on behalf of the Board of Directors of Aries Agro Limited

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN 00239057

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Prof. R. S. S. Mani**  
Director  
DIN 00527270

**Mr. C. B. Chhaya**  
Director  
DIN 00968966

**Mr. B.V. Dholakia**  
Director  
DIN 01871816

**Mr. Vivek Joshi**  
Chief Financial Officer  
Membership No. ACA-101683

**Mr. Kaiser P. Ansari**  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

## INDEPENDENT AUDITOR'S REPORT

**The Shareholders'**  
**Golden Harvest Middle East FZC**  
**Sharjah Airport International Free Zone**  
**Sharjah – United Arab Emirates**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **Golden Harvest Middle East FZC, Sharjah Airport International Free Zone, Sharjah, United Arab Emirates** (the Company), which comprise the statement of financial position as at 31 March 2021, the statement of profit or loss and other comprehensive income, statement of changes in shareholders' funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2021 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board For Accountants Code of Ethics for Professional Accountants (IESBA code) together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS). The management is also responsible for such internal controls as it determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

The Management is responsible for overseeing the Company's financial reporting process.

#### Auditors' responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the management 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.

**For Prasad Associates**  
**Chartered Accountants**

Beauty Prasad  
 Registration No. 1278

Date: 10 May 2021  
 Place: Sharjah



## STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2021

	Notes	2021 AED	2020 AED
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment in associates	5	1,470,000	1,470,000
Right-of-use assets	6	224,811	-
		1,694,811	1,470,000
<b>Current assets</b>			
Trade receivables	7	7,089,301	7,140,301
Deposits, advances and prepayments	8	781,572	787,381
Amount due from related parties	9	37,953,294	38,106,579
Advance towards share application money	10	27,849,627	27,849,627
Bank balances	11	8,600	36,079
Total current assets		73,682,394	73,919,967
<b>TOTAL ASSETS</b>		<b>75,377,205</b>	<b>75,389,967</b>
<b>SHAREHOLDERS' FUNDS AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	12	150,000	150,000
Shareholders' current accounts	13	19,211,904	19,211,904
Retained earnings		4,887,772	7,584,064
Reserve fund	14	75,000	75,000
Total shareholders' funds		24,324,676	27,020,968
<b>Non current liabilities</b>			
Provision for employees' terminal benefits	15	38,988	35,888
Lease liability - non current portion	6	200,864	-
Total non - current liabilities		239,852	35,888
<b>Current liabilities</b>			
Trade payables and accruals	16	30,128	30,096
Lease liability - current portion	6	27,174	-
Amount due to related parties	9	50,755,375	48,303,015
Total current liabilities		50,812,677	48,333,111
Total liabilities		51,052,529	48,368,999
<b>TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES</b>		<b>75,377,205</b>	<b>75,389,967</b>

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making judgements underlying them.

For Golden Harvest Middle East FZC

Place: Sharjah  
Date : 10 May 2021

Director

The notes form part of these financial statements.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 AED	2020 AED
<b>INCOME</b>			
Other income		1,352	-
<b>Total income</b>		<b>1,352</b>	<b>-</b>
<b>EXPENSES</b>			
Administration, selling and general expenses	17	200,934	239,794
Finance charges	18	2,467,846	2,503,717
Depreciation on right-of-use assets	6	30,656	-
Loss on sale of investment		-	774,800
<b>Total expenses</b>		<b>2,699,436</b>	<b>3,518,311</b>
<b>Net (loss) for the year</b>		<b>(2,698,084)</b>	<b>(3,518,311)</b>

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making judgements underlying them.

For Golden Harvest Middle East FZC

Place: Sharjah  
Date : 10 May 2021

Director

The notes form part of these financial statements.

**STATEMENT OF CHANGES IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDED 31 MARCH 2021**

Year to 31 March 2021	Share capital AED	Shareholders' current accounts AED	Retained earnings AED	Reserve fund AED	Total AED
<b>Balance at 1 April 2020</b>	150,000	19,211,904	7,584,064	75,000	27,020,968
Adjustment on adoption of IFRS 16	-	-	1,792	-	1,792
<b>Restated shareholder's funds at 1 April 2020</b>	150,000	19,211,904	7,585,856	75,000	27,022,760
Net (loss) for the year	-	-	(2,698,084)	-	(2,698,084)
<b>Balance at 31 March 2021</b>	<b>150,000</b>	<b>19,211,904</b>	<b>4,887,772</b>	<b>75,000</b>	<b>24,324,676</b>
Year to 31 March 2020	Share capital AED	Shareholders' current accounts AED	Retained earnings AED	Reserve fund AED	Total AED
<b>Balance at 1 April 2019</b>	150,000	19,211,904	11,102,375	75,000	30,539,279
Net (loss) for the year	-	-	(3,518,311)	-	(3,518,311)
<b>Balance at 31 March 2020</b>	<b>150,000</b>	<b>19,211,904</b>	<b>7,584,064</b>	<b>75,000</b>	<b>27,020,968</b>

The notes form part of these financial statements.

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021**

	<b>2021 AED</b>	<b>2020 AED</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net (loss) for the year	(2,698,084)	(3,518,311)
Adjustment for:		
Provision for employees' terminal benefits	3,100	3,109
Adjustments on adoption of IFRS 16	1,792	-
Loss on sale of investment	-	774,800
Operating (loss) before working capital changes	(2,693,192)	(2,740,402)
Decrease in trade receivables	51,000	756,690
Decrease/(increase) in deposits, advances and prepayments	5,809	(15,246)
Decrease/(increase) in amount due from related parties	153,285	(1,897,481)
Increase/(decrease) in trade payables and accruals	32	(29,336)
Increase in amount due to related parties	2,452,360	3,890,088
<b>Net cash (used in) operating activities</b>	<b>(30,706)</b>	<b>(35,687)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	-	5,200
Right-of-use assets	(224,811)	-
<b>Net cash (used in) investing activities</b>	<b>(224,811)</b>	<b>5,200</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in lease liabilities	228,038	
<b>Net cash from financing activities</b>	<b>228,038</b>	<b>-</b>
Net (decrease) in cash and cash equivalents	(27,479)	(30,487)
Cash and cash equivalents at beginning of the year	36,079	66,566
<b>Cash and cash equivalents at end of the year</b>	<b>8,600</b>	<b>36,079</b>

The notes form part of these financial statements.

## NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 1. LEGAL STATUS AND ACTIVITY

**Legal status:** Golden Harvest Middle East FZC (the "Company") is a Free Zone Company with limited liability incorporated and licensed at Sharjah Airport International Free (SAIF) Zone, Sharjah pursuant to Sharjah Emiri Decree No 2 of 1995.

The Company was incorporated on 31 October 2004 and operating under Commercial License No. 17353 issued on 18 August 2017 by SAIF Zone Authorities.

**Activity:** The principal activity of the Company is general trading. The principal place of the business of the Company is located at Saif Suite NE4-39, P.O.Box 9267 Sharjah, United Arab Emirates.

These separate financial statements relates to the operations of M/s. Golden Harvest Middle East FZC and do not include the results of operations of its associate Company M/s. Amarak Chemicals FZC, Fujairah, United Arab Emirates.

**Management:** The Company is managed by Mr. Akshay Mirchandani, Indian national.

**Accounting period:** These financial statements relate to the period from 1 April 2020 till 31 March 2021.

### 2. APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS AND INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

#### 2.1 New and amended standards adopted by the Company:

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 April 2020:

- Definition of Material – amendments to IAS 1 and IAS 8
- Definition of a Business – amendments to IFRS 3
- Interest Rate Benchmark Reform – amendments to IFRS 9, IAS 39 and IFRS 7
- Revised Conceptual Framework for Financial Reporting

The Company also elected to adopt the following amendments early:

- Annual Improvements to IFRS Standards 2018-2020 Cycle.
- Covid-19-Related Rent Concessions – amendments to IFRS 16 and Interest Rate Benchmark Reform – amendments to IFRS 9, IAS 39 and IFRS 7.

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

#### 2.2 New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2021 reporting periods and have not been early adopted by the Company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Compliance with IFRS

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

#### 3.2 Basis of preparation

The financial statements have been prepared on a historical cost basis, except for the following:

- available-for-sale financial assets, financial assets and liabilities (including derivative instruments) certain classes of furniture and equipment and investment property – measured at fair value;
- assets held for sale – measured at fair value less cost of disposal, and
- defined benefit pension plans – plan assets measured at fair value.

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

The presentation of assets and liabilities in the statement of financial position are based on current/non-current classification.

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of being traded;
- Expected to be realized within twelve months after the reporting date; or
- Cash or a cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.

A liability shall be classified as current when it is:

- Expected to be settled in the entity's normal operating cycle;

#### 3.2 Basis of preparation (Continued)

- Held primarily for the purpose of being traded;
- Due to be settled within twelve months after the reporting date;
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other liabilities shall be classified as non-current.

## NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 3.3 Financial instruments

Financial assets and financial liabilities are recognized on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

### 3.4 Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### 3.5 Investments and other financial assets

#### (i) Classification

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

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Recognition and de-recognition

Regular way purchases and sales of financial assets are recognized on trade date, being the date on which the Company commits to purchase or sell the asset. Financial assets are de-recognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

#### (iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are

directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

#### *Debt instruments*

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

### 3.6 Leases – IFRS 16

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### **Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### **Right-of-Use Assets**

The Company recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

#### **Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company has used 6% uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily

## NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2021

determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities has been presented under the head "Other Financial Liabilities".

### Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company applied IFRS 16 using the modified retrospective approach under which the cumulative effect of initial application is recognized in retained earnings as at 1 April 2020.

The Company presents right-of-use assets and lease liabilities separately in the statement of financial position.

### Impact on transition

On transition to IFRS 16, the Company recognised right-of-use assets, lease liabilities and difference under retained earnings. The impact on transition is summarized below:

	1 April 2020
	AED
Right-of-use assets (Note 6)	255,467
Lease liabilities (Note 6)	253,675
Retained earnings	1,792

### 3.6 Leases – IFRS 16 (Continued)

When measuring lease liabilities for leases that were classified as operating leases, the Company discounted lease payments using its incremental borrowing rate at 1 April 2020. The weighted average rate applied is 6%.

### 3.7 Prepayments

Prepayments are carried at cost less any accumulated impairment losses.

### 3.8 Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets.

### 3.9 Revenue from contract with customers

The Company recognizes revenue from contracts with customers in accordance with IFRS 15 and based on a five-step model as stated below:

Step 1 Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2 Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3 Determine the transaction price: The transaction price is the amount of consideration to which the Entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4 Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Entity will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Entity expects to be entitled in exchange for satisfying each performance obligation.

Step 5 Recognize revenue when (or as) the entity satisfies a performance obligation.

The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or

1. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
2. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which performance obligation is satisfied.

When the Entity satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized this gives rise to a contract liability. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Entity and the revenue and costs, if applicable, can be measured reliably.

### Sale of goods

Under IFRS 15, revenue from sale of goods is recognized when the goods are delivered and the customer obtains control of the goods.

## NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2021

### 3.10 Interest income and expense

Interest income and expense are recognized within 'finance income' and 'finance costs' in profit or loss using the effective interest rate method, except for borrowing costs relating to qualifying assets, which are capitalized as part of the cost of that asset. The Company has chosen to capitalize borrowing costs on all qualifying assets irrespective of whether they are measured at fair value or not.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, pre-payment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

### 3.11 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### 3.12 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

### 3.13 Employees' terminal benefits

Termination benefits are paid to employees' when employment is terminated by the Company before the normal retirement date or whenever an employee accepts voluntary retirement in exchange for these benefits.

Provision is made for employees' terminal benefits on the basis prescribed under the U.A.E Labour Law based on employees' salaries and number of years of service. The terminal benefits are paid to employees on termination or completion of their term of employment.

### 3.14 Foreign currencies

#### *Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency in which the majority of its transactions are denominated ("the functional currency"). The financial statements are presented in UAE Dirham (AED), which is the Company's functional and presentation currency.

#### *Transaction and balances*

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the income statement.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

### 3.15 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from the past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

Contingent liabilities are not recognized but are disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognized as provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When an inflow is virtually certain, an asset is recognized.



NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2021

## 4. ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affect both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

**Impairment losses on trade receivables and due from related parties**

The Company reviews its receivables to assess impairment at least on an annual basis. The Company's credit risk is primarily attributable to its trade receivables and amounts due from related parties. In determining whether impairment losses should be reported in the profit or loss, the Company makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for impairment is made in accordance with 'Expected Credit Loss' (ECL), which will require considerable judgement about how the changes in economic factors affect ECLs, which are determined on a probability weighted basis.

**Term of the lease and discounted interest rate used in adoption of IFRS 16 – Leases**

While determining term of lease and assessing the length of the non-cancellable period of a lease, the Company applies the definition of the lease contract to determine the period for which the contract is enforceable. A lease is no longer enforceable when the Company (lessee) and the lessor, both, has the right to terminate the lease without permission from the other party with no more than an insignificant penalty.

## 5. INVESTMENTS IN ASSOCIATES

Name of associate/ subsidiary	Percentage of holding	Value	
		2021 AED	2020 AED
(i) M/s Amarak Chemicals FZC ( 9800 shares of AED 150/share	49%	1,470,000	1,470,000
		<b>1,470,000</b>	<b>1,470,000</b>

## 6. RIGHT-OF-USE ASSETS

The statement of financial position shows the following amounts relating to lease of property:

<u>RIGHT-OF-USE ASSETS</u>	2021 AED	2020 AED
Balance at beginning of the year	255,467	-
Less: Depreciation charge of right-of use assets	(30,656)	-
Balance at end of the year	<b>224,811</b>	-
<u>LEASE LIABILITIES</u>	2021 AED	2020 AED
Balance at beginning of the year	253,675	-
Add: Interest expense (included in finance charges) - note 18	13,663	-
Less: Lease payments	(39,300)	-
Balance at end of the year	<b>228,038</b>	-
<u>Amount recognized in the statement of profit or loss</u>	2021 AED	2020 AED
Depreciation charge of right-of-use assets	30,656	-
Interest on lease liabilities (Note 18)	13,663	-

## 7. TRADE RECEIVABLES

	2021 AED	2020 AED
Trade receivables	7,089,301	7,140,301
	<b>7,089,301</b>	<b>7,140,301</b>

(i) In the opinion of the management, the receivables are considered good and fully recoverable.

(ii) The aging analysis of the trade receivables are as follows:

	2021 AED	2020 AED
Due for less than 6 months	-	-
Due for more than 6 months	7,089,301	7,140,301
	<b>7,089,301</b>	<b>7,140,301</b>

## 8. DEPOSITS, ADVANCES AND PREPAYMENTS

	2021 AED	2020 AED
Prepaid expenses	23,169	22,830
Deposits	7,825	7,825
Loans and advances	750,000	755,000
Other receivables	578	1,726
	<b>781,572</b>	<b>787,381</b>

NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2021

## 9. RELATED PARTY BALANCES

The Company has in the ordinary course of business, entered into trading, financial and service transactions with concerns in which the shareholders' /directors'/manager of the Company or their relatives have an investing / controlling interest.

The prices and terms of these transactions were approved by the management and considered comparable to those charged by third parties. The amount outstanding from/to related parties are unsecured, which attract interest and are payable on demand. No expense has been recognized in the period for bad or doubtful debts in respect of the amounts owed by related parties.

At the end of the reporting period, amount due from/to related parties were as follows: -

<b>Amount due from related parties</b>	<b>2021 AED</b>	<b>2020 AED</b>
Amarak Chemicals FZC, Fujairah	36,750,599	36,903,884
Aries Agro Limited, Mumbai	1,202,695	1,202,695
	<b>37,953,294</b>	<b>38,106,579</b>

<b>Amount due to related parties</b>	<b>2021 AED</b>	<b>2020 AED</b>
--------------------------------------	---------------------	---------------------

Aries Agro Limited	50,755,375	48,303,015
	<b>50,755,375</b>	<b>48,303,015</b>

The volume of significant related party transactions during the year were as follows: -

	<b>2021 AED</b>	<b>2020 AED</b>
Interest expenses	2,452,360	2,497,263

## 10. ADVANCE TOWARDS SHARE APPLICATION MONEY

This represents amount paid to the associate Company, Amarak Chemicals FZC, Fujairah Free Zone towards advance for allotment of shares. The process of allotment of shares has not yet completed and the management is expecting to complete the formalities of share allotment by the end of December 2021.

## 11. BANK BALANCES

	<b>2021 AED</b>	<b>2020 AED</b>
Current account with banks	8,600	36,079
	<b>8,600</b>	<b>36,079</b>

## SHARE CAPITAL

	<b>2021 AED</b>	<b>2020 AED</b>
<b>Authorized and issued capital</b> (1,500 shares of AED 100 each)		
Mr. Jimmy Mirchandani	9,800	9,800
Mr. Rahul Mirchandani	18,000	18,000
Mr. Akshay Mirchandani	9,400	9,400
Mr. Chalakudi Subramani Shankaranarayan	300	300
M/s. Aries Agro Limited	112,500	112,500
	<b>150,000</b>	<b>150,000</b>

## 12. SHAREHOLDERS' CURRENT ACCOUNTS

Shareholders' current account balances do not attract interest and there are no defined repayment arrangements.

## 13. RESERVE FUND

This represents reserve created out of profit of the Company in accordance with the provisions of Memorandum and Articles of Association of the Company.

## 14. PROVISION FOR EMPLOYEES' TERMINAL BENEFITS

The provision for end of service benefits for employees is made in accordance with the requirements of the U.A.E. Labour Laws. This is an unfunded defined benefits retirement plan. Employees are entitled to benefits based on length of service and final remuneration. Accrued employees' terminal benefits are payable on termination of employment.

## TRADE PAYABLES AND ACCRUALS

	<b>2021 AED</b>	<b>2020 AED</b>
Accrued expenses	8,965	8,943
Other payables	21,163	21,153
	<b>30,128</b>	<b>30,096</b>

## ADMINISTRATION, SELLING AND GENERAL EXPENSES

	<b>2021 AED</b>	<b>2020 AED</b>
Salaries and other benefits	80,054	81,093
Legal and professional charges	36,860	27,054
Communication expenses	16,323	15,205
Other expenses	62,878	69,429
Traveling and conveyance expenses	2,104	1,734
Repairs and maintenance	1,754	12,365
Insurance charges	961	1,294
Rent expenses	-	31,620
	<b>200,934</b>	<b>239,794</b>

## FINANCE CHARGES

	<b>2021 AED</b>	<b>2020 AED</b>
Bank charges	1,823	6,454
Interest charges	2,452,360	2,497,263
Interest on lease liabilities (note 6)	13,663	-
	<b>2,467,846</b>	<b>2,503,717</b>

Interest charges represents interest paid to a related party (Note 9).

## 15. FINANCIAL INSTRUMENTS

Financial assets of the Company include trade receivables, amount due from related parties, deposits, advances, cash and bank balances. Financial liabilities of the Company include trade payables, lease liabilities and amounts due to related parties.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed in note 3 to the financial statements.

NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2021

(i) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's credit exposure is continuously monitored and regularly reviewed by the management. The credit risk on trade receivables and related parties are subject to credit evaluations. The credit risk on liquid funds is limited because the Company's bank accounts are placed with high credit quality financial institutions.

The maximum exposure to credit risk at the reporting date was:

	2021 AED	2020 AED
<b>Financial assets</b>		
Investments	1,470,000	1,470,000
Trade receivables	7,089,301	7,140,301
Deposits and advances	758,403	764,551
Amount due from related parties	37,953,294	38,106,579
Cash and bank balances	8,600	36,079
	<u>47,279,598</u>	<u>47,517,510</u>

Amount due from related parties is considered fully recoverable by the management.

The Company has a diversified customer base and as such there is no significant concentration of credit risk. The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade receivables based on the past and the recent collection trend.

(ii) Market risk

The Company is exposed to market risk, which is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of expenses in market price.

(iii) Currency risk

The Company undertakes certain transactions denominated in foreign currencies and hence exposure to exchange rate fluctuations arises.

The majority of the Company's financial assets and financial liabilities are either denominated in local currency (AED) or currencies fixed to the AED. Hence the management believes that there would not be a material impact on the profitability if these foreign currencies weakens or strengthens against the AED with all other variables held constant.

(iv) Liquidity risk

The Company manages its liquidity risk by ensuring it has sufficient liquid cash balances to meet its payment obligations as they fall due.

The table below summarizes the contractual maturities of financial liabilities:

	2021			2020		
	Carrying amount AED	Within 1 year AED	More than 1 year AED	Carrying amount AED	Within 1 year AED	More than 1 year AED
<b>Financial liabilities</b>						
Trade payables and accruals	30,128	30,128	-	30,096	30,096	-
Amount due to related parties	50,755,375	50,755,375	-	48,303,015	48,303,015	-
Lease liabilities	228,038	27,174	200,864	-	-	-
	<u>51,013,541</u>	<u>50,812,677</u>	<u>200,864</u>	<u>48,333,111</u>	<u>48,333,111</u>	<u>-</u>

16. CAPITAL COMMITMENTS

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known capital commitment on Company's financial statements as of reporting date.

17. CONTINGENT LIABILITIES

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability on Company's financial statements as of reporting date.

18. COMPARATIVE FIGURES

Previous year's figures have been regrouped or reclassified wherever necessary to make them comparable to those of the current year.

However such reclassification does not have impact on the previously reported loss or equity.

19. LEVEL OF PRECISION

All figures are rounded off to nearest Dirhams (AED).

20. SUBSEQUENT EVENTS

There have been no events subsequent to the statement of financial position date that would significantly affect the amounts reported in the financial statements as at and for the year ended 31 March 2021.

21. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the shareholders and authorized for issue on 10 May 2021.

22. COVID-19

During the current period, the spread of COVID-19 has severely impacted many local economies around the globe and World Health Organization (WHO) has declared COVID-19 as a pandemic. In recent weeks, many countries have enacted protective measures against COVID-19, businesses are being forced to cease or limit operations for long or indefinite periods of time. The duration and impact of COVID-19 pandemic as well as its impact on the global economy, and more specifically, on Company's business activities are subject to significant levels of uncertainty. The Company has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 March 2021 have not been adjusted to reflect their impact. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

For Golden Harvest Middle East FZC

Director

## **NOTICE OF 15<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the Fifteenth Annual General Meeting of the Members of **ARIES AGRO CARE PRIVATE LIMITED** will be held on Wednesday, 22<sup>nd</sup> September, 2021 at 10.00 AM at the Registered office of the Company at Aries House, Plot No. 24, Deonar, Govandi (East), Mumbai - 400 043 to transact the following Ordinary Business:-

### **ORDINARY BUSINESS**

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2021, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Dr. Rahul Mirchandani(DIN 00239057) who retires by rotation and being eligible offers himself for re-appointment.

### **SPECIAL BUSINESS**

#### **3. Appointment of Mrs. Nitya Mirchandani as a Director of the Company**

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

“**RESOLVED THAT** Mrs. Nitya Mirchandani(DIN: 06882384), who was appointed by the Board of Directors as an Additional Director with effect from 22<sup>nd</sup> October, 2020 and who holds Office upto the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013 proposing her candidature for the office of a Director be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation.”

**By Order of the Board  
For Aries Agro Care Private Limited**

**Place: Mumbai  
Date: 24<sup>th</sup> June, 2021**

**Dr. Rahul Mirchandani  
Director  
DIN: 00239057**

### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

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

#### **Item No. 3**

At the meeting of the Board of Directors held on 22<sup>nd</sup> October, 2020, Mrs. Nitya Mirchandani(DIN: 06882384) was appointed as Additional Director with effect from 22<sup>nd</sup> October, 2020, to hold office till the date of the next Annual General Meeting of the Company. The Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013, proposing her candidature for the office of Director.

The Board of Directors are confident that she will be of great value to the Company and hence recommend the resolution for your approval as set out under item No. 3 of the Notice.

Dr. Rahul Mirchandani and Dr. Jimmy Mirchandani are concerned or interested in the said resolution.

**By Order of the Board  
For Aries Agro Care Private Limited**

**Place: Mumbai  
Date: 24<sup>th</sup> June, 2021**

**Dr. Rahul Mirchandani  
Director  
DIN: 00239057**

## **BOARD'S REPORT**

To,  
The Members of  
Aries Agro Care Private Limited.

Your Directors present their Fifteenth Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2021.

### **1. FINANCIAL RESULTS :**

During the year under review the Company did not do any business and did not have any Income. But the Company has incurred a loss of Rs. 5,273/- as compared to the Loss of Rs. 2,62,363/- in the Previous Year.

### **2. CURRENT STATUS**

In view of the extremely volatile nature of the seeds business, the business of the Company stood suspended during the year.

### **3. DIVIDEND AND TRANSFER TO RESERVE :**

Since the Company has incurred losses the question of Dividend and Transfer to Reserve does not arise.

### **4. DEPOSITS :**

The Company has not accepted any Deposits from the Public.

### **5. DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:**

The Company does not have any subsidiary, Associate or Joint Venture Company. The Company is a Wholly Owned Subsidiary of Aries Agro Limited.

### **6. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES**

The Company did not have any Managing Directors or Executive/Whole Time Directors or any Employees who were in receipt of remuneration as prescribed under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

### **7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186**

The Company has not given any Loans or given Guarantees or made Investments in terms of provisions of Section 186 of the Companies Act, 2013

### **8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

As there was no business activity in the Company during the Financial Year 2020-2021, there were no Contracts or Arrangements with Related Parties except the advance given by the group company to meet with the operational expenses.

### **9. RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION**

Since there is no business activity in the Company and there is no risk which may affect the Company and as the Company is an Un-listed Company no Risk Management Policy has been framed. However, the Board reviews the Risk Management System from time to time under the relevant business agenda.

### **10. CORPORATE SOCIAL RESPONSIBILITY**

The Company is not covered within provisions of Section 135 of the Companies Act, 2013 and Rules framed thereunder.

### **11. MATERIAL ORDERS PASSED**

No material Orders have been passed by any Authorities in respect of any matters with regards to the business of the Company.

### **12. INTERNAL FINANCIAL CONTROL**

The Company has in place adequate Internal Financial Controls commensurate with the size of the Company with reference to Financial Statements.

### **13. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREGIN EXCHANGE EARNINGS AND OUTGO :**

Since the Company did not have any business activity and there were no Foreign Exchange earning, expenditure or outflow, the Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014, are not applicable.

### **14. DIRECTORS & KEY MANAGERIAL PERSONNEL:**

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Dr. Rahul Mirchandani (DIN 00239057) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Accordingly his re-appointment forms part of the Notice of ensuing AGM.

Prof. R. S. S. Mani resigned from the Directorship of the Company on 27<sup>th</sup> October, 2020 and his resignation was accepted by the Board at its meeting held on 27<sup>th</sup> October, 2020. The Board places on record its appreciation to the contribution made by Prof. R. S. S. Mani during his tenure with the Company.

Mrs. Nitya Mirchandani(DIN: 06882384) was appointed as Additional Directors at the meeting of the Board of Directors held on 22<sup>nd</sup> October, 2020, with effect from 22<sup>nd</sup> October, 2020, to hold office till the date of the next Annual General Meeting of the Company. The Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013, proposing her candidature for the office of Directors. Accordingly her appointments is proposed for the office of Directors at the forthcoming Annual General Meeting.

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Key Managerial Personnel.

The Company is not required to appoint Independent Director within provisions of Section 149 of the Companies Act, 2013 and rules framed thereunder.

### **15. MEETINGS OF BOARD**

6(Six) Meetings of the Board of Directors were held during the year on 18.06.2020, 23.09.2020, 22.10.2020, 27.10.2020, 02.12.2020 and 25.03.2021.

The proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The maximum gap between any two meetings was less than 120 days. All the Directors attended the meetings. No resolution by circulation was passed during the year.

**16. SECRETARIAL STANDARDS**

It is hereby confirmed that the Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

**17. AUDITORS :**

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai, (Membership No. 32371), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the 13<sup>th</sup> Annual General Meeting of the Company held on 27<sup>th</sup> September, 2019 and being eligible continue to be the Statutory Auditors.

**18. AUDITORS' REPORT**

The Statutory Auditors' Report does not contain any qualification, reservation or adverse remark. Further that there was no fraud reported by Auditors under sub-section (12) of Section 143 of the Companies Act, 2013.

**19. DIRECTORS' RESPONSIBILITY STATEMENTS**

**Pursuant to the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that:**

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures
2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the Loss of the Company for that year;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the Annual Accounts on a 'going concern' basis.
5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**20. ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31<sup>st</sup> March, 2021 is given in **Annexure-I** and the same forms part of this Report. The Company does not have any web site.

**21. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE FINANCIAL YEAR END OF THE COMPANY TO WHICH FINANCIAL RESULTS RELATE**

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

**22. CHANGES IN NATURE OF BUSINESS AND REVISION IN THE BOARD'S REPORT**

There is no change in the nature of business of the Company during the year. There is no revision made in the Board's Report and whatever submitted herewith is the final Report.

**23. MAINTENANCE OF COST RECORDS**

The Company is not required to maintain Cost Records as specified under Section 148 of the Companies Act, 2013 and the Rules framed thereunder.

**24. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.**

The Company does not have any Employee, hence the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, are not applicable.

**25. GENERAL DISCLOSURE**

During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares to employees under any scheme.

**26. ACKNOWLEDGEMENT :**

Your Directors would like to express their grateful appreciation for the co-operation and assistance received from the Holding Company i.e. M/S Aries Agro Limited and other related agencies.

By Order of the Board  
For **Aries Agro Care Private Limited**

**Dr. Jimmy Mirchandani**  
Director  
DIN: 00239021

**Dr. Rahul Mirchandani**  
Director  
DIN: 00239057

Place : Mumbai  
Date : 24<sup>th</sup> June, 2021

**FORM NO. MGT-7**

[Pursuant to sub-Section(1) of section 92 of the Companies Act, 2013 and sub-rule (1) of rule 11 of the Companies (Management and Administration) Rules, 2014]



## Annual Return

(other than OPCs and Small Companies)

Form language  English  Hindi

Refer the instruction kit for filing the form.

### I. REGISTRATION AND OTHER DETAILS

(i) \* Corporate Identification Number (CIN) of the company

U01122MH2007PTC166761

Pre-fill

Global Location Number (GLN) of the company

\* Permanent Account Number (PAN) of the company

AAGCA5971P

(ii) (a) Name of the company

ARIES AGRO CARE PRIVATE LTD

(b) Registered office address

ARIES HOUSE,PLOT NO.24,DEONAR  
GOVANDI EAST, POST BOX NO. 1  
MUMBAI  
Mumbai City  
Maharashtra  
400012

(c) \*e-mail ID of the company

ariesagro@ariesagro.com

(d) \*Telephone number with STD code

02225529000

(e) Website

(iii) Date of Incorporation

05/01/2007

(iv)	Type of the Company	Category of the Company	Sub-category of the Company
	Private Company	Company limited by shares	Indian Non-Government company

(v) Whether company is having share capital  Yes  No

(vi) \*Whether shares listed on recognized Stock Exchange(s)  Yes  No

(vii) \*Financial year From date  (DD/MM/YYYY) To date  (DD/MM/YYYY)

(viii) \*Whether Annual general meeting (AGM) held  Yes  No

(a) If yes, date of AGM

(b) Due date of AGM

(c) Whether any extension for AGM granted  Yes  No

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

\*Number of business activities

S.No	Main Activity group code	Description of Main Activity group	Business Activity Code	Description of Business Activity	% of turnover of the company
1					

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

\*No. of Companies for which information is to be given

**Pre-fill All**

S.No	Name of the company	CIN / FCRN	Holding/ Subsidiary/Associate/ Joint Venture	% of shares held
1	ARIES AGRO LIMITED (CN)	L99999MH1969PLC014465	Holding	100

## IV. SHARE CAPITAL, DEBENTURES AND OTHER SECURITIES OF THE COMPANY

(i) \*SHARE CAPITAL

(a) Equity share capital

Particulars	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Total number of equity shares	10,000	10,000	10,000	10,000
Total amount of equity shares (in Rupees)	100,000	100,000	100,000	100,000

Number of classes

Class of Shares	Authorised capital	Issued capital	Subscribed capital	Paid up capital
<b>EQUITY SHARES</b>				
Number of equity shares	10,000	10,000	10,000	10,000



## Aries Agro Care Private Limited

Nominal value per share (in rupees)	10	10	10	10
Total amount of equity shares (in rupees)	100,000	100,000	100,000	100,000

### (b) Preference share capital

Particulars	Authorised capital	Issued capital	Subscribed capital	Paid-up capital
Total number of preference shares	0	0	0	0
Total amount of preference shares (in rupees)	0	0	0	0

Number of classes

0

Class of shares	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Number of preference shares				
Nominal value per share (in rupees)				
Total amount of preference shares (in rupees)				

### (c) Unclassified share capital

Particulars	Authorised Capital
Total amount of unclassified shares	0

### (d) Break-up of paid-up share capital

Class of shares	Number of shares			Total nominal amount	Total Paid-up amount	Total premium
	Physical	DEMAT	Total			
<b>Equity shares</b>						
<b>At the beginning of the year</b>	10,000	0	10000	100,000	100,000	
<b>Increase during the year</b>	0	0	0	0	0	0
i. Public Issues	0	0	0	0	0	0
ii. Rights issue	0	0	0	0	0	0
iii. Bonus issue	0	0	0	0	0	0
iv. Private Placement/ Preferential allotment	0	0	0	0	0	0
v. ESOPs	0	0	0	0	0	0
vi. Sweat equity shares allotted	0	0	0	0	0	0
vii. Conversion of Preference share	0	0	0	0	0	0

viii. Conversion of Debentures	0	0	0	0	0	0
ix. GDRs/ADRs	0	0	0	0	0	0
x. Others, specify <input type="text"/>						
<b>Decrease during the year</b>	0	0	0	0	0	0
i. Buy-back of shares	0	0	0	0	0	0
ii. Shares forfeited	0	0	0	0	0	0
iii. Reduction of share capital	0	0	0	0	0	0
iv. Others, specify <input type="text"/>						
<b>At the end of the year</b>	10,000	0	10000	100,000	100,000	
<b>Preference shares</b>						
<b>At the beginning of the year</b>	0	0	0	0	0	
<b>Increase during the year</b>	0	0	0	0	0	0
i. Issues of shares	0	0	0	0	0	0
ii. Re-issue of forfeited shares	0	0	0	0	0	0
iii. Others, specify <input type="text"/>						
<b>Decrease during the year</b>	0	0	0	0	0	0
i. Redemption of shares	0	0	0	0	0	0
ii. Shares forfeited	0	0	0	0	0	0
iii. Reduction of share capital	0	0	0	0	0	0
iv. Others, specify <input type="text"/>						
<b>At the end of the year</b>	0	0	0	0	0	

ISIN of the equity shares of the company

(ii) Details of stock split/consolidation during the year (for each class of shares)

## Aries Agro Care Private Limited

Class of shares		(i)	(ii)	(iii)
Before split / Consolidation	Number of shares			
	Face value per share			
After split / Consolidation	Number of shares			
	Face value per share			

### (iii) Details of shares/Debentures Transfers since closure date of last financial year (or in the case of the first return at any time since the incorporation of the company) \*

Nil

[Details being provided in a CD/Digital Media]

Yes

No

Not Applicable

Separate sheet attached for details of transfers

Yes

No

Note: In case list of transfer exceeds 10, option for submission as a separate sheet attachment or submission in a CD/Digital Media may be shown.

Date of the previous annual general meeting		<input type="text"/>	
Date of registration of transfer (Date Month Year)		<input type="text"/>	
Type of transfer	<input type="text"/>	1 - Equity, 2- Preference Shares, 3 - Debentures, 4 - Stock	
Number of Shares/ Debentures/ Units Transferred	<input type="text"/>	Amount per Share/ Debenture/Unit (in Rs.)	<input type="text"/>
Ledger Folio of Transferor		<input type="text"/>	
Transferor's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name
Ledger Folio of Transferee		<input type="text"/>	

Transferee's Name	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>
	Surname	middle name	first name
Date of registration of transfer (Date Month Year) <input style="width: 80%;" type="text"/>			
Type of transfer	<input style="width: 50%;" type="text"/>	1 - Equity, 2- Preference Shares,3 - Debentures, 4 - Stock	
Number of Shares/ Debentures/ Units Transferred	<input style="width: 50%;" type="text"/>	Amount per Share/ Debenture/Unit (in Rs.)	<input style="width: 50%;" type="text"/>
Ledger Folio of Transferor		<input style="width: 90%;" type="text"/>	
Transferor's Name	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>
	Surname	middle name	first name
Ledger Folio of Transferee		<input style="width: 90%;" type="text"/>	
Transferee's Name	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>
	Surname	middle name	first name

**(iv) \*Debentures (Outstanding as at the end of financial year)**

Particulars	Number of units	Nominal value per unit	Total value
Non-convertible debentures	0	0	0
Partly convertible debentures	0	0	0
Fully convertible debentures	0	0	0
<b>Total</b>			0

**Details of debentures**

## Aries Agro Care Private Limited

Class of debentures	Outstanding as at the beginning of the year	Increase during the year	Decrease during the year	Outstanding as at the end of the year
Non-convertible debentures	0	0	0	0
Partly convertible debentures	0	0	0	0
Fully convertible debentures	0	0	0	0

(v) Securities (other than shares and debentures)

0

Type of Securities	Number of Securities	Nominal Value of each Unit	Total Nominal Value	Paid up Value of each Unit	Total Paid up Value
Total					

### V. \*Turnover and net worth of the company (as defined in the Companies Act, 2013)

(i) Turnover

0

(ii) Net worth of the Company

-3,221,007

### VI. (a) \*SHARE HOLDING PATTERN - Promoters

S. No.	Category	Equity		Preference	
		Number of shares	Percentage	Number of shares	Percentage
1.	Individual/Hindu Undivided Family				
	(i) Indian	0	0	0	
	(ii) Non-resident Indian (NRI)	0	0	0	
	(iii) Foreign national (other than NRI)	0	0	0	
2.	Government				
	(i) Central Government	0	0	0	
	(ii) State Government	0	0	0	
	(iii) Government companies	0	0	0	
3.	Insurance companies	0	0	0	
4.	Banks	0	0	0	
5.	Financial institutions	0	0	0	

6.	Foreign institutional investors	0	0	0	
7.	Mutual funds	0	0	0	
8.	Venture capital	0	0	0	
9.	Body corporate (not mentioned above)	10,000	100	0	
10.	Others	0	0	0	
	<b>Total</b>	10,000	100	0	0

**Total number of shareholders (promoters)**

3
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**(b) \*SHARE HOLDING PATTERN - Public/Other than promoters**

S. No.	Category	Equity		Preference	
		Number of shares	Percentage	Number of shares	Percentage
1.	Individual/Hindu Undivided Family				
	(i) Indian	0	0	0	
	(ii) Non-resident Indian (NRI)	0	0	0	
	(iii) Foreign national (other than NRI)	0	0	0	
2.	Government				
	(i) Central Government	0	0	0	
	(ii) State Government	0	0	0	
	(iii) Government companies	0	0	0	
3.	Insurance companies	0	0	0	
4.	Banks	0	0	0	
5.	Financial institutions	0	0	0	
6.	Foreign institutional investors	0	0	0	
7.	Mutual funds	0	0	0	
8.	Venture capital	0	0	0	
9.	Body corporate (not mentioned above)	0	0	0	
10.	Others	0	0	0	

	<b>Total</b>	0	0	0	0
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Total number of shareholders (other than promoters)

Total number of shareholders (Promoters+Public/  
Other than promoters)

**VII. \*NUMBER OF PROMOTERS, MEMBERS, DEBENTURE HOLDERS  
(Details, Promoters, Members (other than promoters), Debenture holders)**

Details	At the beginning of the year	At the end of the year
Promoters	3	3
Members (other than promoters)	0	0
Debenture holders	0	0

**VIII. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**(A) \*Composition of Board of Directors**

Category	Number of directors at the beginning of the year		Number of directors at the end of the year		Percentage of shares held by directors as at the end of year	
	Executive	Non-executive	Executive	Non-executive	Executive	Non-executive
<b>A. Promoter</b>	0	3	0	3	0	0
<b>B. Non-Promoter</b>	0	0	0	0	0	0
(i) Non-Independent	0	0	0	0	0	0
(ii) Independent	0	0	0	0	0	0
<b>C. Nominee Directors representing</b>	0	0	0	0	0	0
(i) Banks & FIs	0	0	0	0	0	0
(ii) Investing institutions	0	0	0	0	0	0
(iii) Government	0	0	0	0	0	0
(iv) Small share holders	0	0	0	0	0	0
(v) Others	0	0	0	0	0	0
<b>Total</b>	0	3	0	3	0	0

Number of Directors and Key managerial personnel (who is not director) as on the financial year end date

**(B) (i) \*Details of directors and Key managerial personnel as on the closure of financial year**

Name	DIN/PAN	Designation	Number of equity share(s) held	Date of cessation (after closure of financial year : If any)
JIMMY MIRCHANDANI	00239021	Director	0	
RAHUL MIRCHANDANI	00239057	Director	0	
NITYA MIRCHANDANI	06882384	Additional director	0	

**(ii) Particulars of change in director(s) and Key managerial personnel during the year**

2

Name	DIN/PAN	Designation at the beginning / during the financial year	Date of appointment/ change in designation/ cessation	Nature of change (Appointment/ Change in designation/ Cessation)
R. S. S. MANI	00527270	Director	27/10/2020	CESSATION
NITYA MIRCHANDANI	06882384	Additional director	22/10/2020	APPOINTMENT

**IX. MEETINGS OF MEMBERS/CLASS OF MEMBERS/BOARD/COMMITTEES OF THE BOARD OF DIRECTORS**

**A. MEMBERS/CLASS /REQUISITIONED/NCLT/COURT CONVENED MEETINGS**

Number of meetings held

1

Type of meeting	Date of meeting	Total Number of Members entitled to attend meeting	Attendance	
			Number of members attended	% of total shareholding
ANNUAL GENERAL MEETING	25/09/2020	3	2	100

**B. BOARD MEETINGS**

\*Number of meetings held

6

S. No.	Date of meeting	Total Number of directors associated as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
1	18/06/2020	3	2	66.67
2	23/09/2020	3	2	66.67
3	22/10/2020	3	2	66.67
4	27/10/2020	4	3	75
5	02/12/2020	3	2	66.67



## Aries Agro Care Private Limited

S. No.	Date of meeting	Total Number of directors associated as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
6	25/03/2021	3	2	66.67

### C. COMMITTEE MEETINGS

Number of meetings held

S. No.	Type of meeting	Date of meeting	Total Number of Members as on the date of the meeting	Attendance	
				Number of members attended	% of attendance
1					

### D. \*ATTENDANCE OF DIRECTORS

S. No.	Name of the director	Board Meetings			Committee Meetings			Whether attended AGM held on
		Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	
1	JIMMY MIRCH	6	1	16.67	0	0	0	
2	RAHUL MIRC	6	6	100	0	0	0	
3	NITYA MIRC	3	3	100	0	0	0	

### X. \*REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Nil

Number of Managing Director, Whole-time Directors and/or Manager whose remuneration details to be entered

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/Sweat equity	Others	Total Amount
1							0
	Total						

Number of CEO, CFO and Company secretary whose remuneration details to be entered

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/Sweat equity	Others	Total Amount
1							0
	Total						

Number of other directors whose remuneration details to be entered

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat equity	Others	Total Amount
1							0
	Total						

**XI. MATTERS RELATED TO CERTIFICATION OF COMPLIANCES AND DISCLOSURES**

\* A. Whether the company has made compliances and disclosures in respect of applicable provisions of the Companies Act, 2013 during the year  Yes  No

B. If No, give reasons/observations

**XII. PENALTY AND PUNISHMENT - DETAILS THEREOF**

(A) DETAILS OF PENALTIES / PUNISHMENT IMPOSED ON COMPANY/DIRECTORS /OFFICERS  Nil

Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order	Name of the Act and section under which penalised / punished	Details of penalty/ punishment	Details of appeal (if any) including present status

(B) DETAILS OF COMPOUNDING OF OFFENCES  Nil

Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order	Name of the Act and section under which offence committed	Particulars of offence	Amount of compounding (in Rupees)

**XIII. Whether complete list of shareholders, debenture holders has been enclosed as an attachment**

Yes  No

**XIV. COMPLIANCE OF SUB-SECTION (2) OF SECTION 92, IN CASE OF LISTED COMPANIES**

In case of a listed company or a company having paid up share capital of Ten Crore rupees or more or turnover of Fifty Crore rupees or more, details of company secretary in whole time practice certifying the annual return in Form MGT-8.

Name

Whether associate or fellow

Associate  Fellow

Certificate of practice number

# Aries Agro Care Private Limited

## I/We certify that:

- (a) The return states the facts, as they stood on the date of the closure of the financial year aforesaid correctly and adequately.
- (b) Unless otherwise expressly stated to the contrary elsewhere in this Return, the Company has complied with all the provisions of the Act during the financial year.
- (c) The company has not, since the date of the closure of the last financial year with reference to which the last return was submitted or in the case of a first return since the date of the incorporation of the company, issued any invitation to the public to subscribe for any securities of the company.
- (d) Where the annual return discloses the fact that the number of members, (except in case of a one person company), of the company exceeds two hundred, the excess consists wholly of persons who under second proviso to clause (ii) of sub-section (68) of section 2 of the Act are not to be included in reckoning the number of two hundred.

## Declaration

I am Authorised by the Board of Directors of the company vide resolution no. ..  dated

(DD/MM/YYYY) to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I further declare that:

1. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the company.
2. All the required attachments have been completely and legibly attached to this form.

**Note: Attention is also drawn to the provisions of Section 447, section 448 and 449 of the Companies Act, 2013 which provide for punishment for fraud, punishment for false statement and punishment for false evidence respectively.**

## To be digitally signed by

Director

DIN of the director

## To be digitally signed by

- Company Secretary
- Company secretary in practice

Membership number

Certificate of practice number

## Attachments

1. List of share holders, debenture holders
2. Approval letter for extension of AGM;
3. Copy of MGT-8;
4. Optional Attachment(s), if any

## List of attachments

**This eForm has been taken on file maintained by the Registrar of Companies through electronic mode and on the basis of statement of correctness given by the company**

## Aries Agro Care Private Limited

### ARIES AGRO CARE PRIVATE LIMITED

Regd. Office: Aries House, Plot No.24, Deonar, Govandi East, Mumbai-400 043

Ph.022- 25564052 / 53 Fax: 022-2556 4054

CIN: U01122MH2007PTC166761

#### ARIES AGRO CARE PRIVATE LIMITED -- MEMBERS REGISTER AS ON 31ST MARCH, 2021

FOLIO	NAME OF SHAREHOLDER	FATHER/HUSBAND NAME	ADDRESS	CERTIFICATE		DIST.NO.S		SHARES
				FROM	TO	FROM	TO	
2	Dr. Jimmy Mirchandani On behalf of Aries Agro Limited	Dr. T. B. Mirchandani	Mirabelle, Deonar Farm Road, Mumbai 400 088	000002	000002	000002	000002	1
3	Dr. Rahul Mirchandani On behalf of Aries Agro Limited	Dr. T. B. Mirchandani	Mirabelle, Deonar Farm Road, Mumbai 400 088	000003	000003	000003	000003	1
4	Aries Agro Limited	N.A.	"Aries House", Plot No. 24, Deonar, Govandi, Mumbai 400 043	000004	000004	000004	010000	9997
4	Aries Agro Limited	N.A.	"Aries House", Plot No. 24, Deonar, Govandi, Mumbai 400 043	000001	000001	000001	000001	1
		<b>TOTAL</b>						<b>10000</b>

#### ARIES AGRO CARE PRIVATE LIMITED

**Dr. Rahul Mirchandani**  
Director

DIN-00239057

PAN:AFIPM4549K

ADDRESS: MIRABELLE, DEONAR FARM ROAD  
DEONAR, MUMBAI-400 088

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF ARIES AGRO CARE PRIVATE LIMITED**

#### **Report on the Audit of the Standalone Financial Statements**

##### **Opinion**

We have audited the accompanying standalone financial statements of **Aries Agro Care Private 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 Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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, the profit and total comprehensive income, changes in equity and its cash flows 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 Responsibilities 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 independence 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 we have obtained 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 significant 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.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information in Board's Report but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of Auditor's Report.

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.

##### **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, total comprehensive income, changes in equity and cash flows 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.

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

##### **Auditor's Responsibilities 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.

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 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 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 controls 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 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.

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books (and proper returns adequate for the purpose of our audit have been received from branches not visited by us).
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 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 B". 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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, 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 Company.

**For Kirti D. Shah & Associates**  
Chartered Accountants  
(Firm's Registration No. 115133W)

**Kirti D. Shah**  
Proprietor

Date: 24<sup>th</sup> June, 2021  
Place: Mumbai

(Membership No.032371)  
UDIN : 21032371AAAAAQ2787

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March 2021, we report that:

- i. The Company does not have any Fixed Assets. Accordingly, reporting under clause 3(i) of the order is not applicable to the company.
- ii. There were no inventories during the year. Accordingly, reporting under clause 3 (ii) of the order is not applicable to the company.
- iii. According to the information and explanation given to us, the Company has not granted any loan, secured and unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, clause 3(iii) of the said order is not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees, and securities.
- v. The Company has not accepted deposit during the year and does not have any unclaimed deposit as at 31<sup>st</sup> March 2021 and therefore, the provision of clause 3 (v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any services rendered by the company. Thus, reporting under clause 3(vi) of the order is not applicable to the company.
- vii. According to the information and explanations given to us and the records of the company examined by us, in our opinion:
  - a. The company is generally regular in depositing statutory dues including Provident Fund Employee State Insurance, Income Tax, Goods and Services Tax, Custom Duty, Cess, and any other material statutory dues except occasional/ minor delays. The undisputed liabilities as on 31<sup>st</sup> March 2021 is for a period exceeding six months from the date of it becoming payable is NIL.
  - b. There is no disputed liability in respect of tax dues on account of Income Tax, Goods and Services Tax, Custom Duty, Cess, etc.
- viii. The company has not taken any of loans or borrowing from financial institution, banks, and Government or has not issued any debentures. Hence reporting under clause 3(viii) of the order is not applicable to the company.
- ix. According to the information and explanation provided to us, the company did not raise any money by way of initial public offering or further public offer (including debt instruments). The company has not taken any term loans during the year under audit and hence reporting under clause 3(ix) of the order is not applicable to the company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has not paid/provided for managerial remuneration and hence clause 3(xi) of the order is not applicable to the company.
- xii. The company is not a nidhi company. Accordingly, clause 3(xii) of the Order is not applicable to the company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(xiv) of the order is not applicable to the company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to the company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Kirti D. Shah & Associates**  
Chartered Accountants  
(Firm's Registration No. 115133W)

**Kirti D. Shah**  
Proprietor

Date: 24<sup>th</sup> June, 2021  
Place: Mumbai

(Membership No.032371)  
UDIN : 21032371AAAAAQ2787

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Aries Agro Care 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 **Aries Agro Care Private 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 Board of Directors of the Company 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. 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**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 procedure that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflects the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**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 **Kirti D. Shah & Associates**  
Chartered Accountants  
(Firm’s Registration No. 115133W)

**Kirti D Shah**  
Proprietor

Date: 24<sup>th</sup> June, 2021  
Place: Mumbai

(Membership No.032371)  
UDIN : 21032371AAAAAQ2787



**Statement of Assets & Liabilities as on 31st March, 2021**

( Amounts in Rupees unless stated otherwise )

Particulars	Note Nos.	As at 31st March 2021	As at 31st March 2020
<b>I. ASSETS</b>			
(1) <b>Current Assets</b>			
(a) Financial Assets			
(i) Cash & Cash Equivalents	3	53,194	13,099
(b) Other Current Assets	4	3,321,085	3,321,085
<b>TOTAL</b>		<b>3,374,279</b>	<b>3,334,184</b>
<b>II. EQUITY AND LIABILITIES</b>			
(1) <b>Equity</b>			
(a) Equity Share Capital	5	100,000	100,000
(b) Other Equity	6	(3,321,007)	(3,315,735)
		<b>(3,221,007)</b>	<b>(3,215,735)</b>
(2) <b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Current Borrowings	7	556,815	540,155
(ii) Trade Payables - (a) Micro, Small & Medium Enterprises	8	98,040	23,600
Trade Payables - (b) Others	8	21,796	67,529
(b) Other Current Liabilities	9	5,918,635	5,918,635
<b>TOTAL</b>		<b>6,595,286</b>	<b>6,549,919</b>
<b>Summary of Significant Accounting Policies</b>	2.1		

*The Notes referred to above form an integral part of the Standalone Financial Statements*

As per our report of even date

For and on behalf of the **Board of Directors** of  
**Aries Agro Care Private Limited**

**For Kirti D. Shah & Associates**  
Chartered Accountants  
Firm Registration No. 115133W

**Dr. Jimmy Mirchandani**  
**Director**  
DIN 00239021

**Kirti D. Shah**  
Proprietor  
Membership No 32371  
UDIN 21032371AAAAAQ2787

**Dr. Rahul Mirchandani**  
**Director**  
DIN 00239057

**Place :** Mumbai

**Date :** 24th June, 2021

**Statement of Profit and Loss for the year ended 31st March, 2021**

( Amounts in Rupees unless stated otherwise )

Particulars	Note Nos.	Year Ended 31st March 2021	Year Ended 31st March 2020
I. Other Income	10	45,733	-
		45,733	-
II. Expenses :			
(a) Other Expenses	11	51,006	262,363
<b>Total Expenses</b>		<b>51,006</b>	<b>262,363</b>
III. Profit / (Loss) Before Tax		(5,273)	(262,363)
IV. Profit / (Loss) after Tax		(5,273)	(262,363)
V. Profit / (Loss) for the period		(5,273)	(262,363)
VI. Other Comprehensive Income			
(A) Items that will not be reclassified to Profit or Loss		-	-
(B) Items that will be reclassified to Profit or Loss		-	-
		-	-
VII. Total Comprehensive Income for the period (V + VI)		(5,273)	(262,363)
VIII. Earnings per Equity Share	12		
(1) Basic & Diluted		(0.53)	(26.24)
<i>Summary of Significant Accounting Policies</i>	2.1		

*The Notes referred to above form an integral part of the Standalone Financial Statements*

As per our report of even date

For and on behalf of the **Board of Directors** of  
**Aries Agro Care Private Limited**

**For Kirti D. Shah & Associates**  
Chartered Accountants  
Firm Registration No. 115133W

**Dr. Jimmy Mirchandani**  
**Director**  
DIN 00239021

**Kirti D. Shah**  
Proprietor  
Membership No 32371  
UDIN 21032371AAAAAQ2787

**Dr. Rahul Mirchandani**  
**Director**  
DIN 00239057

**Place :** Mumbai

**Date :** 24th June, 2021

**Statement of Cash Flows for the year ended 31st March, 2021**

( Amounts in Rupees unless stated otherwise )

Sr. No.	Particulars	Year Ended 31st March 2021	Year Ended 31st March 2020
<b>A)</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax as per Statement of Profit and Loss	(5,273)	(262,362)
	<b>Adjusted for :</b>		
	Finance Costs	22,606	28,762
	Operating Profit before Working Capital Changes	17,333	(233,600)
	<b>Adjusted for :</b>		
	Increase / (Decrease) in Trade Payables & Other Current Liabilities	28,707	(26,140)
	Cash Generated from Operations	46,040	(259,740)
	<b>Net Cash Flow from Operating Activities (A)</b>	<b>46,040</b>	<b>(259,740)</b>
<b>B)</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	Movement in Short Term Loans and Advances & Other Assets	-	-
	<b>Net Cash Flow from / ( used in) Investing Activities (B)</b>	<b>-</b>	<b>-</b>
<b>C)</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
	Current Borrowings ( Net )	16,660	292,240
	Finance Costs	(22,606)	(28,763)
	<b>Net Cash ( used in ) / from financing activities (C)</b>	<b>(5,946)</b>	<b>263,477</b>
	Net Increase in Cash and Cash Equivalents	40,094	3,737
	Opening Balance of Cash and Cash Equivalents	13,099	9,362
	Closing Balance of Cash and Cash Equivalents	53,194	13,099

NOTE :

- 1 The above statement has been prepared under the indirect method set out in Ind AS-7 " Statement of Cash Flows ".
- 2 Figures in the bracket indicate cash out flow.

**As per our report of even date**

For and on behalf of the **Board of Directors** of  
**Aries Agro Care Private Limited**

**For Kirti D. Shah & Associates**  
Chartered Accountants  
Firm Registration No. 115133W

**Dr. Jimmy Mirchandani**  
**Director**  
DIN 00239021

**Kirti D. Shah**  
Proprietor  
Membership No 32371  
UDIN 21032371AAAAAQ2787

**Dr. Rahul Mirchandani**  
**Director**  
DIN 00239057

**Place :** Mumbai

**Date :** 24th June, 2021

## Statement of Changes in Equity for the year ended 31st March, 2021

Note No. - 5

( Amounts in Rupees unless stated otherwise )

A	Equity Share Capital	Balance as at 31st March, 2020	Changes in Equity Share Capital during the year	Balance as at 31st March, 2021
		100,000	-	100,000

Note No. - 6

B	Other Equity	Retained Earnings	Items of Other Comprehensive Income	Balance as at 31st March, 2021
			Re-measurement of net defined benefit plans	
	<b>Balance as at 31 March, 2020</b>	(3,315,734)	-	(3,315,734)
	Add / (Less) : Profit / (Loss) for the year	(5,273)	-	(5,273)
		(5,273)	-	(5,273)
	<b>Balance as at 31 March, 2021</b>	(3,321,007)	-	(3,321,007)
	<b>Balance as at 31 March, 2019</b>	(3,053,372)	-	(3,053,372)
	Add / (Less) : Profit / (Loss) for the year	(262,363)	-	(262,363)
		(262,363)	-	(262,363)
	<b>Balance as at 31 March, 2020</b>	(3,315,735)	-	(3,315,735)

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

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

#### 1. Company Overview

Aries Agro Care Private Limited was incorporated in January 2007 as a Wholly Owned Subsidiary of Aries Agro Limited for carrying business in the Branches of agro protection, agro and seeds etc.

#### 2. Basis of Preparation of Financial Statements

##### a. Statement of Compliance

The Ind AS Standalone Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31<sup>st</sup> March 2021 have been prepared in accordance with the Ind AS notified above.

##### b. Basis of Measurement - Historic Cost Convention

These Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Assets held for sale – measured at fair value less cost to sale;
- Defined benefit plans – plan assets measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

##### c. Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company.

The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

##### d. Use of Estimates:

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

#### Estimates and assumptions are required in particular for:

- (i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases,

where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

#### (ii) Recognition and measurement of defined benefit obligations:

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period of maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

#### (iii) Recognition of deferred tax assets:

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

#### (iv) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

#### (v) Discounting of long-term financial liabilities

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

#### (vi) Determining whether an arrangement contains a lease:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant lease hold improvements under taken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions.

#### e. Ind - AS 115 "Revenue from Contract with Customers:

The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in

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

exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

### f. Current Versus Non-Current Classification:

(i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non - current.

(ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non - current.

Deferred tax assets and liabilities are classified as non - current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

### 2.1 Significant Accounting Policies

#### A. Plant, Property & Equipment:

All the property, plant and equipments have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognized in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are changed to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

#### B. Depreciation & Amortization:

a. Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight line basis over their remaining useful life of such assets.

b. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

#### C. Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized on straight line basis over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

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

### D. Borrowing Costs:

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalized as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

### E. Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

#### Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### F. Inventories and WIP:

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

#### a. Raw materials and packing materials:

Lower of cost and net realizable value. However, 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. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

#### b. Work-in-progress and finished goods:

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing

overheads based on normal operating capacity. Cost of finished goods includes excise duty.

#### c. Traded goods:

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

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

#### d. Waste and scrap are not separately valued being insignificant in value.

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

### G. Foreign Currency Transactions and Balances::

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to profit and loss account.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

### H. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

#### a. Sale of products:

As stated in Ind AS 115, Revenue from sale of products is recognized when the entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied net of discounts, returns etc. Ind As 115 is based on a five step model as mentioned below.

1. Identify the contract with customer
2. Identify the performance obligation
3. Determine the transactions price
4. Allocate transaction price
5. Recognize Revenue when (or as) performance obligations are satisfied.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021**

**b. Interest Income**

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

**c. Dividend income:**

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

**I. Expenditure on new projects and substantial expansion:**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental there to. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is deducted from the total of the indirect expenditure. All direct capital expenditure on expansion is capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

**J. Employee benefits:**

**a. Short Term Employee Benefits:**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**b. Post-Employment Benefits:**

**(i) Defined Contribution Plans:**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

**(ii) Defined Benefit Plans:**

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

**c. Other Long Term Employee Benefits:**

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**K. Taxes :**

**a. Current Income Tax:**

(i) Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognized amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(ii) Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**b. Deferred taxes:**

(i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021**

date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

- (ii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

**c. Sales/ value added taxes**

Expenses and assets are recognized net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**d. Minimum Alternate Tax**

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**L. Segment reporting**

**Identification of segments**

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic

business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

**M. Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**N. Impairment of Non Financial Assets**

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

In determining fair value less cost disposal, recent market transaction are taken in to account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

**O. Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

- a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if
  - i. the Company has a present obligation as a result of past event,

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021**

- ii. a probable outflow of resources is expected to settle the obligation; and
- iii. the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

- b. Contingent liabilities are disclosed in case of:
  - i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
  - ii. a present obligation arising from past events, when no reliable estimate is possible,
  - iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.

- c. Contingent assets are neither recognized nor disclosed. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

**P. Non-current assets held for sale:**

Non-Current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

**Q. Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**a. Financial Assets:**

**(i) Classification**

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

**(ii) Initial recognition and measurement**

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

**(iii) Subsequent Recognition**

**a. Financial Assets measured at amortized cost**

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

The Company while applying the above criteria has classified the following at Amortized Cost:

- a) Investment in Debt Instruments
- b. Financial Assets measured at fair value through other comprehensive income (FVTOCI)**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

- c. Financial Assets measured at fair value through profit or loss (FVTPL)**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

- d. Investment in Subsidiary and Associates**

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

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

### e. Investment in Debt Instruments

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

### (iv) De-recognition of Financial Assets:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

### b. Financial Liabilities:

#### (i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

#### (ii) Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognized in the statement of profit or loss.

#### (iii) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings

#### (iv) Derecognition of Financial Liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or

cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

### R. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

### S. Investments:

Investments that are readily realizable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

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

( Amounts in Rupees unless stated otherwise )

3 CASH AND CASH EQUIVALENTS	As at 31st March 2021	As at 31st March 2020
Balance with Banks in Current Accounts	53,194	13,099
<b>Total</b>	<b>53,194</b>	<b>13,099</b>

4 OTHER CURRENT ASSETS	As at 31st March 2021	As at 31st March 2020
<b>(Un-secured and Considered Good)</b>		
Security Deposits	7,000	7,000
Other Advances	3,314,085	3,314,085
<b>Total</b>	<b>3,321,085</b>	<b>3,321,085</b>

4.1 Advance to Suppliers includes advances paid to the supplier of seeds M/s Pradham Biotech Private Limited, Hyderabad against whom the Company has filed a winding up petition to recover its dues. The Company is hopeful of positive outcome and hence no provision has been made in the accounts towards this advance.

5 EQUITY SHARE CAPITAL	As at 31st March 2021	As at 31st March 2020
<b>Authorised Share Capital</b>		
10,000 Equity Shares of Rs. 10/- each	100,000	100,000
	100,000	100,000
<b>Issued, Subscribed and Fully Paidup</b>		
10,000 (Previous Year 10,000) Equity Shares of Rs 10/- each.	100,000	100,000
	100,000	100,000

5.1 Reconciliation of the number of **Equity Shares** :

Particulars	As at 31st March 2021	As at 31st March 2020
Equity Shares at the beginning of the year	10,000	10,000
Add :- Issued during the year	-	-
Less :- Shares cancelled during the year	-	-
Equity Shares at the end of the year	10,000	10,000

5.2 **List of Shareholder's holding more than 5 % Shares in the Company :**

Name of the Share Holder	No of Shares	As at 31st March 2021 % of Holding	No of Shares	As at 31st March 2020 % of Holding
(i) Aries Agro Limited	10,000	100.00%	10,000	100.00%
	10,000	100.00%	10,000	100.00%

6 OTHER EQUITY	As at 31st March 2021	As at 31st March 2020
<b>Retained Earnings</b>		
Balance as per last Balance Sheet	(3,315,734)	(3,053,372)
Add / (Less) :- Profit / (Loss) as per Statement of Profit & Loss	(5,273)	(262,363)
	(3,321,007)	(3,315,734)
<b>Other Comprehensive Income</b>		
Balance as per last Balance Sheet		
Add / (Less) :- Profit / (Loss) as per Statement of Profit & Loss	-	-
	(3,321,007)	(3,315,734)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021**

7 CURRENT BORROWINGS	As at 31st March 2021	As at 31st March 2020
<b>Un-Secured Borrowings</b>		
From Related Parties	556,815	540,155
<b>Total</b>	<b>556,815</b>	<b>540,155</b>

8 TRADE PAYABLES	As at 31st March 2021	As at 31st March 2020
Trade Payables - Micro, Small & Medium Enterprises	98,040	23,600
Trade Payables - Others	21,796	67,529
<b>Total</b>	<b>119,836</b>	<b>91,129</b>

8.1 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2021. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

8.2 All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.

9 OTHER CURRENT LIABILITIES	As at 31st March 2021	As at 31st March 2020
Other Payables	5,918,635	5,918,635
	<b>5,918,635</b>	<b>5,918,635</b>

10 OTHER INCOME	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Other Non-Operating Income</b>		
Sundry Balances Written Back	45,733	-
	<b>45,733</b>	<b>-</b>

11 OTHER EXPENSES	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Other Administration Expenses</b>		
Audit Fees	17,700	17,700
Bank and Finance Charges	22,606	28,763
Legal & Professional Fees	7,000	209,500
Rent, Rates & Taxes	3,700	6,400
<b>Total</b>	<b>51,006</b>	<b>262,363</b>

**11.1 Other Disclosures**
**a) Auditors Remuneration**

Sr. Particulars No.	Year Ended 31st March 2021	Year Ended 31st March 2020
<b>1 Statutory Auditors</b>		
(i) Audit Fee	17,700	17,700
(ii) Taxation Matters	5,900	5,900
	<b>23,600</b>	<b>23,600</b>

**12 EARNINGS PER SHARE (EPS)**

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share :

Sr. Particulars No	As at 31st March 2021	As at 31st March 2020
(i) Issued Equity Shares	10,000	10,000
<b>Weighted Average Shares outstanding - Basic and Diluted</b>	<b>10,000</b>	<b>10,000</b>

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

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows :

Sr. Particulars No	Year Ended 31st March 2021	Year Ended 31st March 2020
(i) Profit and Loss after Tax attributable to Equity Shareholders	(5,273)	(262,363)
(ii) Basic Earning per Equity Share	(0.53)	(26.24)
(iii) Face value of Equity Share	10	10

### 13 RELATED PARTY DISCLOSURES

( Amounts in Rupees unless stated otherwise )

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

Part - A				
Details of Related Parties				
Sr. No.	Nature of Relationship	Name of the Related Party	Remarks	
1	Holding Company	a) Aries Agro Limited	a) Date of becoming Subsidiary of Aries Agro Limited is 5th January, 2007 (Incorporation Date)	
2	Key Management Personnel	a) Dr. Jimmy Mirchandani b) Dr. Rahul Mirchandani	a) Director b) Director	
3	Relatives of Key Management Personnel	Name of the Key Management Personnel	Name of the Relative	Relationship
		a) Dr. Jimmy Mirchandani	a) Mr. Akshay Mirchandani b) Mr. Amol Mirchandani c) Dr. Rahul Mirchandani	Son Son Brother
		b) Dr. Rahul Mirchandani	a) Mrs. Nitya Mirchandani b) Mastar Armaan Mirchandani c) Dr. Jimmy Mirchandani	Spouse Son Brother
4	Fellow Subsidiaries	a) Aries Agro Equipments Pvt Ltd b) Golden Harvest Middle East FZC c) Mirabelle Agro Manufacturing Pvt Ltd	a) A wholly owned Subsidiary of Aries Agro Limited b) A Subsidiary of Aries Agro Limited c) A wholly owned Subsidiary of Aries Agro Limited	
5	Enterprises over which the Key Management Personnel have significant influence or control	a) Aries East West Nutrients Pvt Ltd b) Aries Marketing Ltd c) Blossoms International Ltd d) Sreeni Agro Chemicals Ltd		

Part - B				
Details of Transactions with Related Parties				
Sr. No.	Category	Nature of Service	Year Ended 31st March, 2021	Year Ended 31st March, 2020
1	Holding Company	Loans taken Loan repaid	- -	20,250 20,250
2	Key Management Personnel	Loans taken Loan repaid	67,500 50,840	292,240 -

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021**

Part - C				
Balance Outstanding with Related Parties				
Category	Nature of outstanding	Name of the Replated Party	As at 31st March, 2021	As at 31st March, 2020
Group Company	Other Current Liabilities	Aries Agro Equipments Private Limited	5,918,635	5,918,635
Key Management Personnel	Unsecured Loans	Dr. Jimmy Mirchandani	15,814	15,814
		Dr. Rahul Mirchandani	541,001	524,341

**14. Current Assets, Loan & Advances and Provisions**

- The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- The provision for all known liabilities is not in excess of the amounts considered reasonably necessary.
- The balances of sundry creditors, sundry debtors and loans and advances are subject to confirmation.
- The loans and advances includes Rs. 33.14 lakhs/- advanced to M/s Pradham Biotech limited for supply of seeds. The said supplier failed to supply the goods in time. The Company has filed suit for winding up the Company. The Company in view of such suit is hopeful of recovery of all dues. Hence no provision is made in the accounts in respect of such dues.

**15. Contingent Liability**

- Claims against company not acknowledged as debts Rs. 103.64 Lakhs which pertains to pending suits regarding alleged dues. [The Company M/s Pradham Biotech Private Limited has filed counter claim in respect of cancellation of order for seeds – See note no. 13(d)]

**16. Foreign Exchange Earnings & Outflow:**

During the year there were no Foreign Exchange earnings, expenditure or outflow.

**17. Segment Reporting**

The Company has only one business segment “Agricultural Seeds” as its primary segment and hence disclosure of segment-wise information is not required under Indian Accounting Standard (Ind AS) 108 – Operating Segments’ notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

- In absence of virtual certainty that sufficient future taxable income will be available for setoff of losses incurred by the company, the company has not taken credit for Deferred tax assets.
- The Previous year’s figures are re-arranged and re-grouped wherever is necessary.

**As per our report of even date**

For and on behalf of the **Board of Directors** of  
**Aries Agro Care Private Limited**

**For Kirti D. Shah & Associates**

Chartered Accountants  
Firm Registration No. 115133W

**Dr. Jimmy Mirchandani**

**Director**  
DIN 00239021

**Kirti D. Shah**

Proprietor  
Membership No 32371  
UDIN 21032371AAAAAQ2787

**Dr. Rahul Mirchandani**

**Director**  
DIN 00239057

**Place :** Mumbai

**Date :** 24th June, 2021

## **NOTICE OF 15<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the Fifteenth Annual General Meeting of the Members of **ARIES AGRO EQUIPMENTS PRIVATE LIMITED** will be held on Wednesday, 22<sup>nd</sup> September, 2021 at 11.00 AM. at the Registered office of the Company at Aries House, Plot No. 24, Deonar, Govandi (East), Mumbai-400 043 to transact the following Ordinary Business:-

### **ORDINARY BUSINESS**

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2021, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Dr. Rahul Mirchandani(DIN 00239057) who retires by rotation and being eligible offers himself for re-appointment.

### **SPECIAL BUSINESS**

#### **3. Appointment of Mrs. Nitya Mirchandani as a Director of the Company**

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

“**RESOLVED THAT** Mrs. Nitya Mirchandani(DIN: 06882384), who was appointed by the Board of Directors as an Additional Director with effect from 22<sup>nd</sup> October, 2020 and who holds Office upto the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013 proposing her candidature for the office of a Director be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation.”

**By Order of the Board  
For Aries Agro Equipments Private Limited**

**Place: Mumbai  
Date: 24<sup>th</sup> June, 2021**

**Dr. Rahul Mirchandani  
Director  
DIN: 00239057**

### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

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

#### **Item No. 3**

At the meeting of the Board of Directors held on 22<sup>nd</sup> October, 2020, Mrs. Nitya Mirchandani(DIN: 06882384) was appointed as Additional Director with effect from 22<sup>nd</sup> October, 2020, to hold office till the date of the next Annual General Meeting of the Company. The Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013, proposing her candidature for the office of Director.

The Board of Directors are confident that she will be of great value to the Company and hence recommend the resolution for your approval as set out under item No. 3 of the Notice.

Dr. Rahul Mirchandani and Dr. Jimmy Mirchandani are concerned or interested in the said resolution.

**By Order of the Board  
For Aries Agro Equipments Private Limited**

**Place: Mumbai  
Date: 24<sup>th</sup> June, 2021**

**Dr. Rahul Mirchandani  
Director  
DIN: 00239057**



**BOARD'S REPORT**

To,  
The Members of  
Aries Agro Equipments Private Limited.

Your Directors present their Fifteenth Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2021.

**1. FINANCIAL RESULTS :**

During the year under review the Company did not do any business and did not have any Income. But the Company has incurred a loss of Rs. 15,360/- as compared to the Loss of Rs. 59,597/- in the Previous Year.

**2. CURRENT STATUS :**

Due to inadequacy of Distribution Network specifically for Farm Equipments, the business of the Company stood suspended during the year.

**3. DIVIDEND AND TRANSFER TO RESERVE :**

Since the Company has incurred losses the question of Dividend and Transfer to Reserve does not arise.

**4. DEPOSITS :**

The Company has not accepted any Fixed Deposits from the Public.

**5. DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:**

The Company does not have any subsidiary, Associate or Joint Venture Company. The Company is a Wholly Owned Subsidiary of Aries Agro Limited.

**6. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES**

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Employees who were in receipt of remuneration as prescribed under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186**

The Company has not given any Loans or given Guarantees or made Investments in terms of provisions of Section 186 of the Companies Act, 2013

**8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

As there was no business activity in the Company during the Financial Year 2020-21, there were no Contracts or Arrangements with Related Parties.

**9. RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION**

Since there is no business activity in the Company and there is no risk which may affect the Company and as the Company is an Un-listed Company no Risk Management Policy has been framed. However, the Board reviews the Risk Management System from time to time under the relevant business agenda.

**10. CORPORATE SOCIAL RESPONSIBILITY**

The Company is not covered within provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder.

**11. MATERIAL ORDERS PASSED**

No material Orders have been passed by any Authorities in respect of any matters with regards to the business of the Company.

**12. INTERNAL FINANCIAL CONTROL**

The Company has in place adequate Internal Financial Controls commensurate with the size of the Company with reference to Financial Statements.

**13. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**

Since the Company does not have any business activity and there were no Foreign Exchange earning, expenditure or outflow, the Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014, are not applicable.

**14. DIRECTORS & KEY MANAGERIAL PERSONNEL:**

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Dr. Rahul Mirchandani (DIN 00239057) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Accordingly his re-appointment forms part of the Notice of ensuing AGM.

Prof. R. S. S. Mani resigned from the Directorship of the Company on 27<sup>th</sup> October, 2020 and his resignation was accepted by the Board at its meeting held on 27<sup>th</sup> October, 2020. The Board places on record its appreciation to the contribution made by Prof. R. S. S. Mani during his tenure with the Company.

Mrs. Nitya Mirchandani(DIN: 06882384) was appointed as Additional Directors at the meeting of the Board of Directors held on 22<sup>nd</sup> October, 2020, with effect from 22<sup>nd</sup> October, 2020, to hold office till the date of the next Annual General Meeting of the Company. The Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013, proposing her candidature for the office of Directors. Accordingly her appointments is proposed for the office of Directors at the forthcoming Annual General Meeting.

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Employees hence question of any Key Managerial Personnel does not arise.

The Company is not required to appoint Independent Director within provisions of Section 149 of the Companies Act, 2013 and rules framed thereunder.

**15. MEETINGS OF BOARD**

6(Six) Meetings of the Board of Directors were held during the year on 18.06.2020, 23.09.2020, 22.10.2020, 27.10.2020, 02.12.2020 and 25.03.2021. The proceedings were properly recorded and signed in the Minutes Book maintained for the

purpose. The maximum gap between any two meetings was less than 120 days. All the Directors attended the meetings. No resolution by circulation was passed during the year.

**16. SECRETARIAL STANDARDS**

It is hereby confirmed that the Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

**17. AUDITORS & AUDITORS REPORTS**

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai, (Membership No. 32371), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the 13<sup>th</sup> Annual General Meeting of the Company held on 27<sup>th</sup> September, 2019 and being eligible continue to be the Statutory Auditors.

The Statutory Auditors' Report does not contain any qualification, reservation or adverse remark. Further that there was no fraud reported by Auditors under sub-section (12) of Section 143 of the Companies Act, 2013.

**18. DIRECTORS' RESPONSIBILITY STATEMENTS**

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that:

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures
2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the Loss of the Company for that year;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the Annual Accounts on a 'going concern' basis.
5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**19. ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31<sup>st</sup> March, 2021 is given in **Annexure-I** and the same forms part of this Report. The Company does not have any web site.

**20. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL****POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE FINANCIAL YEAR END OF THE COMPANY TO WHICH FINANCIAL RESULTS RELATE**

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

**21. CHANGES IN NATURE OF BUSINESS AND REVISION IN THE BOARD'S REPORT**

There is no change in the nature of business of the Company during the year. There is no revision made in the Board's Report and whatever submitted herewith is the final Report.

**22. MAINTENANCE OF COST RECORDS**

The Company is not required to maintain Cost Records as specified under Section 148 of the Companies Act, 2013 and the Rules framed thereunder.

**23. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.**

The Company does not have any Employee, hence the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, are not applicable.

**24. GENERAL DISCLOSURE**

During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares to employees under any scheme.

**25. ACKNOWLEDGEMENT :**

Your Directors would like to express their grateful appreciation for the co-operation and assistance received from the Holding Company i.e. M/S Aries Agro Limited and other related agencies..

By Order of the Board  
For **Aries Agro Equipments Pvt. Ltd.,**

**Dr. Jimmy Mirchandani**  
Director  
**DIN: 00239021**

**Dr. Rahul Mirchandani**  
Director  
**DIN: 00239057**

Place : Mumbai  
Date : 24th June, 2021

**FORM NO. MGT-7**

[Pursuant to sub-Section(1) of section 92 of the Companies Act, 2013 and sub-rule (1) of rule 11of the Companies (Management and Administration) Rules, 2014]



## Annual Return

(other than OPCs and Small Companies)

Form language  English  Hindi

Refer the instruction kit for filing the form.

### I. REGISTRATION AND OTHER DETAILS

(i) \* Corporate Identification Number (CIN) of the company

U01403MH2007PTC166972

Pre-fill

Global Location Number (GLN) of the company

\* Permanent Account Number (PAN) of the company

AAGCA2426H

(ii) (a) Name of the company

ARIES AGRO EQUIPMENTS PR

(b) Registered office address

ARIES HOUSE, PLOT NO. 24,DEONAR  
GOVANDI EAST,POST BOX NO.1  
MUMBAI  
Mumbai City  
Maharashtra  
400012

(c) \*e-mail ID of the company

ariesagro@ariesagro.com

(d) \*Telephone number with STD code

022255259000

(e) Website

(iii) Date of Incorporation

12/01/2007

(iv)	Type of the Company	Category of the Company	Sub-category of the Company
	Private Company	Company limited by shares	Indian Non-Government company

(v) Whether company is having share capital

Yes  No

(vi) \*Whether shares listed on recognized Stock Exchange(s)

Yes  No

## Aries Agro Equipments Private Limited

(vii) \*Financial year From date  (DD/MM/YYYY) To date  (DD/MM/YYYY)

(viii) \*Whether Annual general meeting (AGM) held  Yes  No

(a) If yes, date of AGM

(b) Due date of AGM

(c) Whether any extension for AGM granted  Yes  No

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

\*Number of business activities

S.No	Main Activity group code	Description of Main Activity group	Business Activity Code	Description of Business Activity	% of turnover of the company
1					

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

\*No. of Companies for which information is to be given

**Pre-fill All**

S.No	Name of the company	CIN / FCRN	Holding/ Subsidiary/Associate/ Joint Venture	% of shares held
1	ARIES AGRO LIMITED (CN)	L99999MH1969PLC014465	Holding	100

### IV. SHARE CAPITAL, DEBENTURES AND OTHER SECURITIES OF THE COMPANY

#### (i) \*SHARE CAPITAL

##### (a) Equity share capital

Particulars	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Total number of equity shares	10,000	10,000	10,000	10,000
Total amount of equity shares (in Rupees)	100,000	100,000	100,000	100,000

Number of classes

Class of Shares	Authorised capital	Issued capital	Subscribed capital	Paid up capital
<b>EQUITY SHARES</b>				
Number of equity shares	10,000	10,000	10,000	10,000

## Aries Agro Equipments Private Limited

Nominal value per share (in rupees)	10	10	10	10
Total amount of equity shares (in rupees)	100,000	100,000	100,000	100,000

### (b) Preference share capital

Particulars	Authorised capital	Issued capital	Subscribed capital	Paid-up capital
Total number of preference shares	0	0	0	0
Total amount of preference shares (in rupees)	0	0	0	0

Number of classes

0

Class of shares	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Number of preference shares				
Nominal value per share (in rupees)				
Total amount of preference shares (in rupees)				

### (c) Unclassified share capital

Particulars	Authorised Capital
Total amount of unclassified shares	0

### (d) Break-up of paid-up share capital

Class of shares	Number of shares			Total nominal amount	Total Paid-up amount	Total premium
	Physical	DEMAT	Total			
<b>Equity shares</b>						
<b>At the beginning of the year</b>	10,000	0	10000	100,000	100,000	
<b>Increase during the year</b>	0	0	0	0	0	0
i. Public Issues	0	0	0	0	0	0
ii. Rights issue	0	0	0	0	0	0
iii. Bonus issue	0	0	0	0	0	0
iv. Private Placement/ Preferential allotment	0	0	0	0	0	0
v. ESOPs	0	0	0	0	0	0
vi. Sweat equity shares allotted	0	0	0	0	0	0
vii. Conversion of Preference share	0	0	0	0	0	0

viii. Conversion of Debentures	0	0	0	0	0	0
ix. GDRs/ADRs	0	0	0	0	0	0
x. Others, specify <input type="text"/>						
<b>Decrease during the year</b>	0	0	0	0	0	0
i. Buy-back of shares	0	0	0	0	0	0
ii. Shares forfeited	0	0	0	0	0	0
iii. Reduction of share capital	0	0	0	0	0	0
iv. Others, specify <input type="text"/>						
<b>At the end of the year</b>	10,000	0	10000	100,000	100,000	
<b>Preference shares</b>						
<b>At the beginning of the year</b>	0	0	0	0	0	
<b>Increase during the year</b>	0	0	0	0	0	0
i. Issues of shares	0	0	0	0	0	0
ii. Re-issue of forfeited shares	0	0	0	0	0	0
iii. Others, specify <input type="text"/>						
<b>Decrease during the year</b>	0	0	0	0	0	0
i. Redemption of shares	0	0	0	0	0	0
ii. Shares forfeited	0	0	0	0	0	0
iii. Reduction of share capital	0	0	0	0	0	0
iv. Others, specify <input type="text"/>						
<b>At the end of the year</b>	0	0	0	0	0	

ISIN of the equity shares of the company

(ii) Details of stock split/consolidation during the year (for each class of shares)

## Aries Agro Equipments Private Limited

Class of shares		(i)	(ii)	(iii)
Before split / Consolidation	Number of shares			
	Face value per share			
After split / Consolidation	Number of shares			
	Face value per share			

### (iii) Details of shares/Debentures Transfers since closure date of last financial year (or in the case of the first return at any time since the incorporation of the company) \*

Nil

[Details being provided in a CD/Digital Media]

Yes

No

Not Applicable

Separate sheet attached for details of transfers

Yes

No

Note: In case list of transfer exceeds 10, option for submission as a separate sheet attachment or submission in a CD/Digital Media may be shown.

Date of the previous annual general meeting		<input type="text"/>	
Date of registration of transfer (Date Month Year)		<input type="text"/>	
Type of transfer	<input type="text"/>	1 - Equity, 2- Preference Shares,3 - Debentures, 4 - Stock	
Number of Shares/ Debentures/ Units Transferred	<input type="text"/>	Amount per Share/ Debenture/Unit (in Rs.)	<input type="text"/>
Ledger Folio of Transferor		<input type="text"/>	
Transferor's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name
Ledger Folio of Transferee		<input type="text"/>	

Transferee's Name	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>
	Surname	middle name	first name
Date of registration of transfer (Date Month Year) <input style="width: 80%;" type="text"/>			
Type of transfer	<input style="width: 50%;" type="text"/>	1 - Equity, 2- Preference Shares, 3 - Debentures, 4 - Stock	
Number of Shares/ Debentures/ Units Transferred	<input style="width: 50%;" type="text"/>	Amount per Share/ Debenture/Unit (in Rs.)	<input style="width: 50%;" type="text"/>
Ledger Folio of Transferor	<input style="width: 90%;" type="text"/>		
Transferor's Name	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>
	Surname	middle name	first name
Ledger Folio of Transferee	<input style="width: 90%;" type="text"/>		
Transferee's Name	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>	<input style="width: 90%;" type="text"/>
	Surname	middle name	first name

**(iv) \*Debentures (Outstanding as at the end of financial year)**

Particulars	Number of units	Nominal value per unit	Total value
Non-convertible debentures	0	0	0
Partly convertible debentures	0	0	0
Fully convertible debentures	0	0	0
<b>Total</b>			0

**Details of debentures**



## Aries Agro Equipments Private Limited

Class of debentures	Outstanding as at the beginning of the year	Increase during the year	Decrease during the year	Outstanding as at the end of the year
Non-convertible debentures	0	0	0	0
Partly convertible debentures	0	0	0	0
Fully convertible debentures	0	0	0	0

(v) Securities (other than shares and debentures)

0

Type of Securities	Number of Securities	Nominal Value of each Unit	Total Nominal Value	Paid up Value of each Unit	Total Paid up Value
Total					

### V. \*Turnover and net worth of the company (as defined in the Companies Act, 2013)

(i) Turnover

0

(ii) Net worth of the Company

7,653,656

### VI. (a) \*SHARE HOLDING PATTERN - Promoters

S. No.	Category	Equity		Preference	
		Number of shares	Percentage	Number of shares	Percentage
1.	Individual/Hindu Undivided Family				
	(i) Indian	0	0	0	
	(ii) Non-resident Indian (NRI)	0	0	0	
	(iii) Foreign national (other than NRI)	0	0	0	
2.	Government				
	(i) Central Government	0	0	0	
	(ii) State Government	0	0	0	
	(iii) Government companies	0	0	0	
3.	Insurance companies	0	0	0	
4.	Banks	0	0	0	
5.	Financial institutions	0	0	0	

## Aries Agro Equipments Private Limited

6.	Foreign institutional investors	0	0	0	
7.	Mutual funds	0	0	0	
8.	Venture capital	0	0	0	
9.	Body corporate (not mentioned above)	10,000	100	0	
10.	Others	0	0	0	
	<b>Total</b>	10,000	100	0	0

**Total number of shareholders (promoters)**

3

**(b) \*SHARE HOLDING PATTERN - Public/Other than promoters**

S. No.	Category	Equity		Preference	
		Number of shares	Percentage	Number of shares	Percentage
1.	Individual/Hindu Undivided Family				
	(i) Indian	0	0	0	
	(ii) Non-resident Indian (NRI)	0	0	0	
	(iii) Foreign national (other than NRI)	0	0	0	
2.	Government				
	(i) Central Government	0	0	0	
	(ii) State Government	0	0	0	
	(iii) Government companies	0	0	0	
3.	Insurance companies	0	0	0	
4.	Banks	0	0	0	
5.	Financial institutions	0	0	0	
6.	Foreign institutional investors	0	0	0	
7.	Mutual funds	0	0	0	
8.	Venture capital	0	0	0	
9.	Body corporate (not mentioned above)	0	0	0	
10.	Others	0	0	0	

## Aries Agro Equipments Private Limited

	<b>Total</b>	0	0	0	0
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Total number of shareholders (other than promoters)

Total number of shareholders (Promoters+Public/  
Other than promoters)

### VII. \*NUMBER OF PROMOTERS, MEMBERS, DEBENTURE HOLDERS (Details, Promoters, Members (other than promoters), Debenture holders)

Details	At the beginning of the year	At the end of the year
Promoters	3	3
Members (other than promoters)	0	0
Debenture holders	0	0

### VIII. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### (A) \*Composition of Board of Directors

Category	Number of directors at the beginning of the year		Number of directors at the end of the year		Percentage of shares held by directors as at the end of year	
	Executive	Non-executive	Executive	Non-executive	Executive	Non-executive
<b>A. Promoter</b>	0	2	0	3	0	0
<b>B. Non-Promoter</b>	0	1	0	0	0	0
(i) Non-Independent	0	1	0	0	0	0
(ii) Independent	0	0	0	0	0	0
<b>C. Nominee Directors representing</b>	0	0	0	0	0	0
(i) Banks & FIs	0	0	0	0	0	0
(ii) Investing institutions	0	0	0	0	0	0
(iii) Government	0	0	0	0	0	0
(iv) Small share holders	0	0	0	0	0	0
(v) Others	0	0	0	0	0	0
<b>Total</b>	0	3	0	3	0	0

Number of Directors and Key managerial personnel (who is not director) as on the financial year end date

**(B) (i) \*Details of directors and Key managerial personnel as on the closure of financial year**

Name	DIN/PAN	Designation	Number of equity share(s) held	Date of cessation (after closure of financial year : If any)
JIMMY MIRCHANDANI	00239021	Director	0	
RAHUL MIRCHANDANI	00239057	Director	0	
NITYA MIRCHANDANI	06882384	Additional director	0	

**(ii) Particulars of change in director(s) and Key managerial personnel during the year**

2

Name	DIN/PAN	Designation at the beginning / during the financial year	Date of appointment/ change in designation/ cessation	Nature of change (Appointment/ Change in designation/ Cessation)
R. S. S. MANI	00527270	Director	27/10/2020	CESSATION
NITYA MIRCHANDANI	06882384	Additional director	22/10/2020	APPOINTMENT

**IX. MEETINGS OF MEMBERS/CLASS OF MEMBERS/BOARD/COMMITTEES OF THE BOARD OF DIRECTORS**

**A. MEMBERS/CLASS /REQUISITIONED/NCLT/COURT CONVENED MEETINGS**

Number of meetings held

1

Type of meeting	Date of meeting	Total Number of Members entitled to attend meeting	Attendance	
			Number of members attended	% of total shareholding
ANNUAL GENERAL MEETING	25/09/2020	3	2	100

**B. BOARD MEETINGS**

\*Number of meetings held

6

S. No.	Date of meeting	Total Number of directors associated as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
1	18/06/2020	3	2	66.67
2	23/09/2020	3	2	66.67
3	22/10/2020	3	2	66.67
4	27/10/2020	4	3	75
5	02/12/2020	3	2	66.67

## Aries Agro Equipments Private Limited

S. No.	Date of meeting	Total Number of directors associated as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
6	25/03/2021	3	2	66.67

### C. COMMITTEE MEETINGS

Number of meetings held

0

S. No.	Type of meeting	Date of meeting	Total Number of Members as on the date of the meeting	Attendance	
				Number of members attended	% of attendance
1					

### D. \*ATTENDANCE OF DIRECTORS

S. No.	Name of the director	Board Meetings			Committee Meetings			Whether attended AGM held on
		Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	
1	JIMMY MIRCH	6	1	16.67	0	0	0	
2	RAHUL MIRC	6	6	100	0	0	0	
3	NITYA MIRCH	3	3	100	0	0	0	

### X. \*REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Nil

Number of Managing Director, Whole-time Directors and/or Manager whose remuneration details to be entered

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/Sweat equity	Others	Total Amount
1							0
	Total						

Number of CEO, CFO and Company secretary whose remuneration details to be entered

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/Sweat equity	Others	Total Amount
1							0
	Total						

Number of other directors whose remuneration details to be entered

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/ Sweat equity	Others	Total Amount
1							0
	Total						

**XI. MATTERS RELATED TO CERTIFICATION OF COMPLIANCES AND DISCLOSURES**

\* A. Whether the company has made compliances and disclosures in respect of applicable provisions of the Companies Act, 2013 during the year  Yes  No

B. If No, give reasons/observations

**XII. PENALTY AND PUNISHMENT - DETAILS THEREOF**

(A) DETAILS OF PENALTIES / PUNISHMENT IMPOSED ON COMPANY/DIRECTORS /OFFICERS  Nil

Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order	Name of the Act and section under which penalised / punished	Details of penalty/ punishment	Details of appeal (if any) including present status

(B) DETAILS OF COMPOUNDING OF OFFENCES  Nil

Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order	Name of the Act and section under which offence committed	Particulars of offence	Amount of compounding (in Rupees)

**XIII. Whether complete list of shareholders, debenture holders has been enclosed as an attachment**

Yes  No

**XIV. COMPLIANCE OF SUB-SECTION (2) OF SECTION 92, IN CASE OF LISTED COMPANIES**

In case of a listed company or a company having paid up share capital of Ten Crore rupees or more or turnover of Fifty Crore rupees or more, details of company secretary in whole time practice certifying the annual return in Form MGT-8.

Name

Whether associate or fellow  Associate  Fellow

Certificate of practice number

# Aries Agro Equipments Private Limited

## I/We certify that:

- (a) The return states the facts, as they stood on the date of the closure of the financial year aforesaid correctly and adequately.
- (b) Unless otherwise expressly stated to the contrary elsewhere in this Return, the Company has complied with all the provisions of the Act during the financial year.
- (c) The company has not, since the date of the closure of the last financial year with reference to which the last return was submitted or in the case of a first return since the date of the incorporation of the company, issued any invitation to the public to subscribe for any securities of the company.
- (d) Where the annual return discloses the fact that the number of members, (except in case of a one person company), of the company exceeds two hundred, the excess consists wholly of persons who under second proviso to clause (ii) of sub-section (68) of section 2 of the Act are not to be included in reckoning the number of two hundred.

## Declaration

I am Authorised by the Board of Directors of the company vide resolution no. ..  dated

(DD/MM/YYYY) to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I further declare that:

1. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the company.
2. All the required attachments have been completely and legibly attached to this form.

**Note: Attention is also drawn to the provisions of Section 447, section 448 and 449 of the Companies Act, 2013 which provide for punishment for fraud, punishment for false statement and punishment for false evidence respectively.**

## To be digitally signed by

Director

DIN of the director

00239057

## To be digitally signed by

Company Secretary

Company secretary in practice

Membership number

10032

Certificate of practice number

12884

## Attachments

1. List of share holders, debenture holders
2. Approval letter for extension of AGM;
3. Copy of MGT-8;
4. Optional Attachment(s), if any

Attach

Attach

Attach

Attach

## List of attachments

AAEPL- Members Register-31-03-2021.pd

Remove attachment

Modify

Check Form

Prescrutiny

Submit

**This eForm has been taken on file maintained by the Registrar of Companies through electronic mode and on the basis of statement of correctness given by the company**

## Aries Agro Equipments Private Limited

### ARIES AGRO EQUIPMENTS PRIVATE LIMITED

Regd. Office: Aries House, Plot No.24, Deonar, Govandi East, Mumbai-400 043  
Ph.022- 25564052 / 53 Fax: 022-2556 4054  
CIN: U01403MH2007PTC166972

#### ARIES AGRO EQUIPMENTS PRIVATE LIMITED -- MEMBERS REGISTER AS ON 31ST MARCH, 2021

FOLIO	NAME OF SHAREHOLDER	FATHER/HUSBAND NAME	ADDRESS	CERTIFICATE		DIST.NO.S		SHARES
				FROM	TO	FROM	TO	
2	Dr. Jimmy Mirchandani On behalf of Aries Agro Limited	Dr. T. B. Mirchandani	Mirabelle, Deonar Farm Road, Mumbai 400 088	000002	000002	000002	000002	1
3	Dr. Rahul Mirchandani On behalf of Aries Agro Limited	Dr. T. B. Mirchandani	Mirabelle, Deonar Farm Road, Mumbai 400 088	000003	000003	000003	000003	1
4	Aries Agro Limited	N.A.	"Aries House", Plot No. 24, Deonar, Govandi, Mumbai 400 043	000004	000004	000004	010000	9997
4	Aries Agro Limited	N.A.	"Aries House", Plot No. 24, Deonar, Govandi, Mumbai 400 043	000001	000001	000001	000001	1
		<b>TOTAL</b>						<b>10000</b>

#### ARIES AGRO EQUIPMENTS PRIVATE LIMITED

**Dr. Rahul Mirchandani**  
Director

DIN-00239057

PAN:AFIPM4549K

ADDRESS: MIRABELLE, DEONAR FARM ROAD  
DEONAR, MUMBAI-400 088



## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF ARIES AGRO EQUIPMENTS PRIVATE LIMITED**

#### **Report on the Audit of the Standalone Financial Statements**

##### **Opinion**

We have audited the accompanying standalone financial statements of **Aries Agro Equipments Private 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 Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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, the profit and total comprehensive income, changes in equity and its cash flows 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 Responsibilities 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 independence 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 we have obtained 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 significant 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.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information in Board's Report but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of Auditor's Report.

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.

##### **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, total comprehensive income, changes in equity and cash flows 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.

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

##### **Auditor's Responsibilities 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.

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 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 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 controls 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 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.

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books (and proper returns adequate for the purpose of our audit have been received from branches not visited by us).
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 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 B". 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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, 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 Company.

For **Kirti D. Shah & Associates**  
Chartered Accountants  
(Firm's Registration No. 115133W)

**Kirti D. Shah**  
Proprietor

Date : 24<sup>th</sup> June, 2021  
Place: Mumbai

(Membership No.032371)  
UDIN : 21032371AAAAAR8826

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March 2021, we report that:

- i. The Company does not have any Fixed Assets. Accordingly, reporting under clause 3(i) of the order is not applicable to the company.
- ii. There were no inventories during the year. Accordingly, reporting under clause 3 (ii) of the order is not applicable to the company.
- iii. According to the information and explanation given to us, the Company has granted loan to one corporate entity covered in the register maintained under section 189 of the Act, 2013 :
  - a. As per information and explanation provided to us, the rate of interest and other terms and conditions on which the loans granted by the company to the body corporate listed in the register maintained under section 189 of the Act were not, prima facie, prejudicial to the interest of the company.
  - b. As per information and explanation provided to us, in case of loans granted by the company to the body corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of principal and interest as stipulated wherever applicable.
  - c. As per information given by the management, there are no overdue amounts in respect of the loans granted to the body corporate listed in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees, and securities.
- v. The Company has not accepted deposit during the year and does not have any unclaimed deposit as at 31<sup>st</sup> March 2021 and therefore, the provision of clause 3 (v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any services rendered by the company. Thus reporting under clause 3(vi) of the order is not applicable to the company.
- vii. According to the information and explanations given to us and the records of the company examined by us, in our opinion:
  - a. The company is generally regular in depositing statutory dues including Provident Fund Employee State Insurance, Income Tax, Goods and Services Tax, Custom Duty, Cess, and any other material statutory dues except occasional/minor delays. The undisputed liabilities as on 31<sup>st</sup> March 2021 is for a period exceeding six months from the date of it becoming payable is NIL.
  - b. There is no disputed liability in respect of tax dues on account of Income Tax, Goods and Services Tax, Custom Duty, Cess, etc.
- viii. The company has not taken any of loans or borrowing from financial institution, banks, and Government or has not issued any debentures. Hence reporting under clause 3(viii) of the order is not applicable to the company.
- ix. According to the information and explanation provided to us, the company did not raise any money by way of initial public offering or further public offer (including debt instruments). The company has not taken any term loans during the year under audit and hence reporting under clause 3(ix) of the order is not applicable to the company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has not paid/provided for managerial remuneration and hence clause 3(xi) of the order is not applicable to the company.
- xii. The company is not a nidhi company. Accordingly, clause 3(xii) of the Order is not applicable to the company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(xiv) of the order is not applicable to the company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to the company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Kirti D. Shah & Associates**  
Chartered Accountants  
(Firm's Registration No. 115133W)

**Kirti D. Shah**  
Proprietor

Date : 24<sup>th</sup> June, 2021  
Place: Mumbai

(Membership No.032371)  
UDIN : 21032371AAAAAR8826

## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Aries Agro Equipment 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 **Aries Agro Equipments Private 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 Board of Directors of the Company 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. 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **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 procedure that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflects the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

#### **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 **Kirti D. Shah & Associates**  
Chartered Accountants  
(Firm’s Registration No. 115133W)

**Kirti D Shah**  
Proprietor

Date : 24<sup>th</sup> June, 2021  
Place: Mumbai

(Membership No.032371)  
UDIN : 21032371AAAAAR8826

**Statement of Assets & Liabilities as on 31st March, 2021**

( Amounts in Rupees unless stated otherwise )

Particulars	Note Nos.	As at 31st March, 2021	As at 31st March, 2020
<b>I. ASSETS</b>			
(1) <b>Current Assets</b>			
(a) Financial Assets			
(i) Cash & Cash Equivalents	3	2,202,419	2,080,713
(b) Other Current Assets	4	6,002,140	6,002,140
		<b>8,204,559</b>	<b>8,082,853</b>
<b>TOTAL</b>		<b>8,204,559</b>	<b>8,082,853</b>
<b>II. EQUITY AND LIABILITIES</b>			
(1) <b>Equity</b>			
(a) Equity Share Capital	5	100,000	100,000
(b) Other Equity	6	7,553,656	7,569,016
		<b>7,653,656</b>	<b>7,669,016</b>
(2) <b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Current Borrowings	7	146,218	68,414
(ii) Trade Payables - (a) Micro, Small & Medium Enterprises	8	118,100	23,600
(iii) Trade Payables - (b) Others	8	266,585	301,823
(b) Other Current Liabilities	9	20,000	20,000
		<b>550,903</b>	<b>413,837</b>
<b>TOTAL</b>		<b>8,204,559</b>	<b>8,082,853</b>
<b>Summary of Significant Accounting Policies</b>	2.1		

*The Notes referred to above form an integral part of these Financial Statements*

As per our report of even date

For and on behalf of the **Board of Directors** of  
**Aries Agro Equipments Private Limited**

**For Kirti D. Shah & Associates**  
Chartered Accountants  
Firm Registration No. 115133W

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Kirti D. Shah**  
Proprietor  
Membership No 32371  
UDIN 21032371AAAAAR8826

**Dr. Rahul Mirchandani**  
Director  
DIN 00239057

Place : Mumbai

Date : 24<sup>th</sup> June, 2021

**Statement of Profit and Loss for the year ended 31st March, 2021**

( Amounts in Rupees unless stated otherwise )

Particulars	Note Nos.	Year Ended 31st March, 2021	Year Ended 31st March, 2020
I. Other Income	10	35,239	-
		35,239	-
II. Expenses :			
(a) Other Expenses	11	50,599	59,597
<b>Total Expenses</b>		<b>50,599</b>	<b>59,597</b>
III. Profit / (Loss) Before Tax		<b>(15,360)</b>	(59,597)
IV. Profit / (Loss) after Tax		<b>(15,360)</b>	(59,597)
V. Profit / (Loss) for the period		<b>(15,360)</b>	(59,597)
VI. Other Comprehensive Income			
(A) Items that will not be reclassified to Profit or Loss		-	-
(B) Items that will be reclassified to Profit or Loss		-	-
		-	-
VII. Total Comprehensive Income for the period (V+VI)		<b>(15,360)</b>	(59,597)
VIII. Earnings per Equity Share	12		
(1) Basic & Diluted		<b>(1.54)</b>	(5.96)
<b>Summary of Significant Accounting Policies</b>	2.1		

*The Notes referred to above form an integral part of these Financial Statements*

As per our report of even date

For and on behalf of the **Board of Directors** of  
**Aries Agro Equipments Private Limited**

**For Kirti D. Shah & Associates**  
Chartered Accountants  
Firm Registration No. 115133W

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Kirti D. Shah**  
Proprietor  
Membership No 32371  
UDIN 21032371AAAAAR8826

**Dr. Rahul Mirchandani**  
Director  
DIN 00239057

**Place :** Mumbai

**Date :** 24<sup>th</sup> June, 2021

**Statement of Cash Flows for the year ended 31st March, 2021**

( Amounts in Rupees unless stated otherwise )

Sr. No.	Particulars	Year Ended 31 March, 2021	Year Ended 31 March, 2020
<b>A)</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax as per Statement of Profit and Loss	(15,360)	(59,597)
	<b>Adjusted for :</b>		
	Finance Costs	22,199	28,497
	Operating Profit before Working Capital Changes	6,839	(31,100)
	<b>Adjusted for :</b>		
	(Increase) / Decrease in Trade Receivables	-	-
	Increase / (Decrease) in Trade Payables & Other Current Liabilities	59,262	(46,200)
	Cash Generated from Operations	66,101	(77,300)
	<b>Net Cash Flow from Operating Activities (A)</b>	<b>66,101</b>	<b>(77,300)</b>
<b>B)</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	Movement in Short Term Loans and Advances & Other Assets	-	-
	<b>Net Cash Flow from / ( used in) Investing Activities (B)</b>	<b>-</b>	<b>-</b>
<b>C)</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
	Current Borrowings ( Net )	77,804	31,400
	Finance Costs	(22,199)	(28,497)
	<b>Net Cash ( used in ) / from financing activities (C)</b>	<b>55,605</b>	<b>2,903</b>
	Net Increase in Cash and Cash Equivalents	121,706	(74,397)
	Opening Balance of Cash and Cash Equivalents	2,080,713	2,155,110
	Closing Balance of Cash and Cash Equivalents	<b>2,202,419</b>	<b>2,080,713</b>

**NOTE :**

- 1 The above statement has been prepared under the indirect method set out in Ind AS-7 " Statement of Cash Flows ".
- 2 Figures in the bracket indicate cash out flow.

**As per our report of even date**

For and on behalf of the **Board of Directors** of  
**Aries Agro Equipments Private Limited**

**For Kirti D. Shah & Associates**  
Chartered Accountants  
Firm Registration No. 115133W

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Kirti D. Shah**  
Proprietor  
Membership No 32371  
UDIN 21032371AAAAAR8826

**Dr. Rahul Mirchandani**  
Director  
DIN 00239057

**Place :** Mumbai

**Date :** 24<sup>th</sup> June, 2021

## Statement of Changes in Equity for the year ended 31st March, 2021

Note No. - 5

(Amounts in Rupees unless stated otherwise)

A Equity Share Capital	Balance as at 31st March, 2020	Changes in Equity Share Capital during the year	Balance as at 31st March, 2021
	100,000	-	100,000

Note No. - 6

B Other Equity	Reatined Earnings	Items of Other Comprehensive Income	Balance as at 31st March, 2021
		Re-measurement of net defined benefit plans	
<b>Balance as at 31 March, 2020</b>	7,569,016	-	7,569,016
Add / (Less) : Profit / (Loss) for the year	(15,360)	-	(15,360)
	(15,360)	-	(15,360)
<b>Balance as at 31 March, 2021</b>	7,553,656	-	7,553,656
<b>Balance as at 31 March, 2019</b>	7,628,613	-	7,628,613
Add / (Less) : Profit / (Loss) for the year	(59,597)	-	(59,597)
	(59,597)	-	(59,597)
<b>Balance as at 31 March, 2020</b>	7,569,016	-	7,569,016



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021**

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:**

**1. Company Overview**

Aries Agro Equipments Private Limited was incorporated in January 2007 as a Wholly Owned Subsidiary of Aries Agro Limited for carrying business in the Branches of agro protection, agro and seeds etc.

**2. Basis of Preparation of Financial Statements**

**a. Statement of Compliance**

The Ind AS Standalone Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31<sup>st</sup> March 2021 have been prepared in accordance with the Ind AS notified above.

**b. Basis of Measurement - Historic Cost Convention**

These Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Assets held for sale – measured at fair value less cost to sale;
- Defined benefit plans – plan assets measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

**c. Functional and Presentation Currency**

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company.

The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

**d. Use of Estimates:**

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

**Estimates and assumptions are required in particular for:**

- (i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule

II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

**(ii) Recognition and measurement of defined benefit obligations:**

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

**(iii) Recognition of deferred tax assets:**

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

**(iv) Recognition and measurement of other provisions:**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

**Discounting of long-term financial liabilities**

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

**Determining whether an arrangement contains a lease:**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant lease hold improvements under taken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions.

- e. Ind - AS 115 "Revenue from Contract with Customers:** The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity

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

expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

### f. Current Versus Non Current Classification:

(i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non - current.

(ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non - current.

Deferred tax assets and liabilities are classified as non - current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

### 2.1 Significant Accounting Policies

#### A. Plant, Property & Equipment:

All the property, plant and equipments have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognized in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of

property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

#### B. Depreciation & Amortization:

a. Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight-line basis over their remaining useful life of such assets.

b. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

#### C. Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized on straight line basis over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021**

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

### **D. Borrowing Costs:**

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalized as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

### **E. Leases**

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

#### **Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### **F. Inventories and WIP:**

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

#### **a. Raw materials and packing materials:**

Lower of cost and net realizable value. However, 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. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

#### **b. Work-in-progress and finished goods:**

Lower of cost and net realizable value. Cost includes direct materials and labour and apportion of manufacturing overheads based on normal operating capacity.

#### **c. Traded goods:**

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

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

#### **d. Waste and scrap are not separately valued being insignificant in value.**

#### **e. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.**

### **G. Foreign Currency Transactions and Balances:**

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to profit and loss account.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

### **H. Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

#### **a. Sale of products:**

As stated in Ind AS 115, Revenue from sale of products is recognized when the entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied net of discounts, returns etc. Ind AS 115 is based on a five step model as mentioned below.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021**

1. Identify the contract with customer
2. Identify the performance obligation
3. Determine the transactions price
4. Allocate transaction price
5. Recognize Revenue when (or as) performance obligations are satisfied.

**b. Interest Income**

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

**c. Dividend income:**

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

**I. Expenditure on new projects and substantial expansion:**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental there to. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is deducted from the total of the indirect expenditure. All direct capital expenditure on expansion is capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

**J. Employee benefits:**

**a. Short Term Employee Benefits:**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**b. Post-Employment Benefits:**

**(i) Defined Contribution Plans:**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

**(ii) Defined Benefit Plans:**

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognized in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

**c. Other Long Term Employee Benefits:**

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**K. Taxes:**

**a. Current Income Tax:**

- (i) Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and

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

any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognized amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

- (ii) Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### b. Deferred taxes:

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.
- (ii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

### c. Sales/ value added taxes

Expenses and assets are recognized net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### d. Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The

Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

## L. Segment reporting

### Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

## M. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

## N. Impairment of Non Financial Assets

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

In determining fair value less cost disposal, recent market transaction is taken into account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

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

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

### O. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

- a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if
  - i. the Company has a present obligation as a result of past event,
  - ii. a probable outflow of resources is expected to settle the obligation; and
  - iii. the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

- b. Contingent liabilities are disclosed in case of:
  - i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
  - ii. a present obligation arising from past events, when no reliable estimate is possible,
  - iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.
- c. Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

### P. Non-current assets held for sale:

Non Current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the

sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

### Q. Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### a. Financial Assets:

##### (i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

##### (ii) Initial recognition and measurement

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

##### (iii) Subsequent Recognition

#### a. Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

The Company while applying the above criteria has classified the following at Amortized Cost:

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

- a) Investment in Debt Instruments
- b. **Financial Assets measured at fair value through other comprehensive income (FVTOCI)**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

- c. **Financial Assets measured at fair value through profit or loss (FVTPL)**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

- d. **Investment in Subsidiary and Associates**

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

- e. **Investment in Debt Instruments**

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

- (iv) **De-recognition of Financial Assets:**

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

- b. **Financial Liabilities:**

- (i) **Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

- (ii) **Subsequent measurement:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss.

- (iii) **Loans and Borrowings:**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings

- (iv) **Derecognition of Financial Liabilities:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

- R. **Earnings Per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

- S. **Investments:**

Investments that are readily realizable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

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

( Amounts in Rupees unless stated otherwise )

3 CASH AND CASH EQUIVALENTS	As at 31st March, 2021	As at 31st March, 2020
Balance with Banks in Current Accounts	2,202,419	2,080,713
<b>Total</b>	<b>2,202,419</b>	<b>2,080,713</b>

4 OTHER CURRENT ASSETS	As at 31st March, 2021	As at 31st March, 2020
<b>(Un-secured and Considered Good)</b>		
Advances to Related Parties	5,918,635	5,918,635
Other Advances	5,505	5,505
Security Deposits	78,000	78,000
<b>Total</b>	<b>6,002,140</b>	<b>6,002,140</b>

5 EQUITY SHARE CAPITAL	As at 31st March, 2021	As at 31st March, 2020
<b>Authorised Share Capital</b>		
10,000 Equity Shares of Rs. 10/- each	100,000	100,000
	100,000	100,000
<b>Issued, Subscribed and Fully Paidup</b>		
10,000 (Previous Year 10,000) Equity Shares of Rs. 10/- each.	100,000	100,000
	100,000	100,000

5.1 Reconciliation of the number of **Equity Shares** :

Particulars	As at 31st March, 2021	As at 31st March, 2020
Equity Shares at the beginning of the year	10,000	10,000
Add :- Issued during the year	-	-
Less :- Shares cancelled during the year	-	-
Equity Shares at the end of the year	<b>10,000</b>	<b>10,000</b>

5.2 List of Shareholder's holding more than 5 % Shares in the Company :

Name of the Share Holder	No of Shares	As at 31st March, 2021 % of Holding	No of Shares	As at 31st March, 2020 % of Holding
(i) Aries Agro Limited	10,000	100.00%	10,000	100.00%
	10,000	100.00%	10,000	100.00%

6 OTHER EQUITY	As at 31st March, 2021	As at 31st March, 2020
<b>Retained Earnings</b>		
Balance as per last Balance Sheet	7,569,016	7,628,613
Add / (Less) :- Profit / (Loss) as per Statement of Profit & Loss	(15,360)	(59,597)
	<b>7,553,656</b>	<b>7,569,016</b>
<b>Other Comprehensive Income</b>		
Balance as per last Balance Sheet	-	-
Add / (Less) :- Profit / (Loss) as per Statement of Profit & Loss	-	-
	<b>7,553,656</b>	<b>7,569,016</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021**

7 CURRENT BORROWINGS	As at 31st March, 2021	As at 31st March, 2020
<b>Un-Secured Borrowings</b>		
From Related Parties	146,218	68,414
<b>Total</b>	<b>146,218</b>	<b>68,414</b>

7.1 Un-Secured Borrowings includes amount due to Directors

8 TRADE PAYABLES	As at 31st March, 2021	As at 31st March, 2020
Trade Payables - Micro, Small & Medium Enterprises	118,100	23,600
Trade Payables - Others	266,585	301,823
<b>Total</b>	<b>384,685</b>	<b>325,423</b>

8.1 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2021. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

8.2 All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.

9 OTHER CURRENT LIABILITIES	As at 31st March, 2021	As at 31st March, 2020
Security Deposits	20,000	20,000
<b>Total</b>	<b>20,000</b>	<b>20,000</b>

10 OTHER INCOME	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Other Non-Operating Income</b>		
Sundry Balances Written Back	35,239	-
	<b>35,239</b>	<b>-</b>

11 OTHER EXPENSES	As at 31st March, 2021	As at 31st March, 2020
<b>Other Administration Expenses</b>		
Audit Fees	17,700	17,700
Bank Charges	22,199	28,497
Legal & Professional Fees	7,000	7,000
Rent, Rates & Taxes	3,700	6,400
<b>Total</b>	<b>50,599</b>	<b>59,597</b>

11.1 Other Disclosures

a) Auditors Remuneration

Sr. Particulars No.	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>1 Statutory Auditors</b>		
(i) Audit Fee	17,700	17,700
(ii) Taxation Matters	5,900	5,900
	<b>23,600</b>	<b>23,600</b>

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

### 12 EARNINGS PER SHARE (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share :

Sr. Particulars No	Year Ended 31st March 2021	Year Ended 31st March 2020
(i) Issued Equity Shares	10,000	10,000
<b>Weighted Average Shares outstanding - Basic and Diluted</b>	<b>10,000</b>	<b>10,000</b>

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows :

Sr. Particulars No	Year Ended 31st March, 2021	Year Ended 31st March, 2020
(i) Profit and Loss after Tax attributable to Equity Shareholders	(15,360)	(59,597)
(ii) Basic Earning per Equity Share	(1.54)	(5.96)
(iii) Face Value of Equity Share	10	10

### 13 RELATED PARTY DISCLOSURES

(Amounts in Rupees unless stated otherwise)

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

Part - A			
Details of Related Parties			
Sr. No.	Nature of Relationship	Name of the Related Party	Remarks
1	Holding Company	a) Aries Agro Limited	a) Date of becoming Subsidiary of Aries Agro Limited is 12th January, 2007 (Incorporation Date)
2	Key Management Personnel	a) Dr. Jimmy Mirchandani b) Dr. Rahul Mirchandani	a) Director b) Director
3	Relatives of Key Management Personnel	<b>Name of the Key Management Personnel</b> a) Dr. Jimmy Mirchandani b) Dr. Rahul Mirchandani	<b>Name of the Relative</b> a) Mr. Akshay Mirchandani b) Mr. Amol Mirchandani c) Dr. Rahul Mirchandani <b>Relationship</b> Son Son Brother a) Mrs. Nitya Mirchandani b) Master Armaan Mirchandani c) Dr. Jimmy Mirchandani Spouse Son Brother
4	Fellow Subsidiaries	a) Aries Agro Care Pvt Ltd b) Golden Harvest Middle East FZC c) Mirabelle Agro Manufacturing Pvt Ltd	a) A wholly owned Subsidiary of Aries Agro Limited b) A Subsidiary of Aries Agro Limited c) A wholly owned Subsidiary of Aries Agro Limited
5	Enterprises over which the Key Management Personnel have significant influence or control	a) Aries East West Nutrients Pvt Ltd b) Aries Marketing Ltd c) Blossoms International Ltd d) Sreeni Agro Chemicals Ltd	

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021**

<b>Part - B</b>				
<b>Details of Transactions with Related Parties</b>				
<b>Sr. No.</b>	<b>Category</b>	<b>Nature of Service</b>	<b>Year Ended 31st March, 2021</b>	<b>Year Ended 31st March, 2020</b>
1	Holding Company	Loan Given	<b>2,150,000</b>	2,150,000
		Loan Refund	<b>2,150,000</b>	2,150,000
2	Key Management Personnel	Loan taken	<b>77,804</b>	31,400

<b>Part - C</b>				
<b>Balance Outstanding with Related Parties</b>				
<b>Category</b>	<b>Nature of Outstanding</b>	<b>Name of the Related Party</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
Group Company	Advance to Related Parties	Areis Agro Care Private Limited	<b>5,918,635</b>	5,918,635
Key Management Personnel	Unsecured Loans	Dr. Jimmy Mirchandani	<b>15,814</b>	15,814
		Dr. Rahul Mirchandani	<b>130,404</b>	52,600

**Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2021**

**14. Current Assets, Loan & Advances and Provisions**

- The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- The provision for all known liabilities is not in excess of the amounts considered reasonably necessary.
- The balances of Sundry Creditors, Sundry Debtors and Loans and Advances are subject to confirmation.

**15. Foreign Exchange Earnings & Outflow:**

During the year there was no foreign exchange earnings, expenditure or outflow.

**16. Segment Reporting**

The Company has only one business segment "Agricultural Equipments" as its primary segment and hence disclosure of segment-wise information is not required under Indian Accounting Standard (Ind AS) 108 – Operating Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

**17. Deferred Tax**

In absence of virtual certainty that sufficient future taxable income will be available for setoff of losses incurred by the Company, the Company has not taken credit for Deferred Tax Assets.

**18. The Previous years figures are re-arranged or re-grouped wherever is necessary.**

***The Notes referred to above form an integral part of these Financial Statements***

**As per our report of even date**

For and on behalf of the **Board of Directors** of  
**Aries Agro Equipments Private Limited**

**For Kirti D. Shah & Associates**  
Chartered Accountants  
Firm Registration No. 115133W

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Kirti D. Shah**  
Proprietor  
Membership No 32371  
UDIN 21032371AAAAAR8826

**Dr. Rahul Mirchandani**  
Director  
DIN 00239057

**Place :** Mumbai

**Date :** 24<sup>th</sup> June, 2021

## NOTICE OF 2<sup>nd</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 2<sup>nd</sup> Annual General Meeting of the Members of **MIRABELLE AGRO MANUFACTURING PRIVATE LIMITED** will be held on Wednesday, 22<sup>nd</sup> September, 2021 at 12.00 Noon at the Registered office of the Company at Aries House, Plot No. 24, Deonar, Govandi (East), Mumbai-400 043 to transact the following Ordinary Business:-

### ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the period ended on 31<sup>st</sup> March, 2021, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Mrs. Nitya Mirchandani(DIN 06882384) who retires by rotation and being eligible offers herself for re-appointment.

### SPECIAL BUSINESS

#### 3. Appointment of Mr. Sundaresan Ramamurthy as a Director of the Company

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

**“RESOLVED THAT** Mr. Sundaresan Ramamurthy, having DIN No. 00540033, who was appointed by the Board of Directors as an Additional Director with effect from 22<sup>nd</sup> April, 2021 and who holds Office upto the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation.”

#### 4. Appointment of Mr. Pramod Kumar Jaiswal as a Director of the Company

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

**“RESOLVED THAT** Mr. Pramod Kumar Jaiswal, having DIN No. 09155509, who was appointed by the Board of Directors as an Additional Director with effect from 22<sup>nd</sup> April, 2021 and who holds Office upto the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation.”

#### 5. Appointment of Mr. Akshay Mirchandani as a Director of the Company

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

**“RESOLVED THAT** Mr. Akshay Mirchandani, having DIN No. 02568831, who was appointed by the Board of Directors as an Additional Director with effect from 22<sup>nd</sup> April, 2021 and who holds Office upto the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the

Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation.”

#### 6. Appointment of Mr. Sundaresan Ramamurthy as a Whole Time Director designated as Director-Commercial

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (hereinafter referred to as the “Act”), as amended and re-enacted from time to time, and subject to such approvals, if any, as may be necessary, the Company hereby approves the appointment and terms of remuneration of Mr. Sundaresan Ramamurthy as a Whole Time Director of the Company designated as Director-Commercial, for a period of 3(Three) years commencing from 3<sup>rd</sup> May, 2021 upto and inclusive of 2<sup>nd</sup> May, 2024 at a remuneration and terms and conditions as broadly specified below:

#### OVERALL REMUNERATION

Subject to the provisions of Section 196, 197, Schedule V and other provisions of the Companies Act, 2013, the remuneration payable to Mr. Sundaresan Ramamurthy, in any financial year shall not exceed 5%(Five percent) of the net profits of the Company.

#### MINIMUM REMUNERATION

Where in any financial year during the currency of the tenure of Mr. Sundaresan Ramamurthy, the Company has no profits or its profits are inadequate, the remuneration payable to Mr. Sundaresan Ramamurthy, will be according to the applicable provisions of Schedule V of the Act. Within the aforesaid ceiling, the remuneration payable to Mr. Sundaresan Ramamurthy, Whole Time Director of the Company designated as Director-Commercial, shall be as follows :-

#### SALARY, PERQUISITES AND ALLOWANCES

Not Exceeding Rs. 3,00,000/- p.m. inclusive of all perquisites and allowances (as stated below) except Commission(as under) and those specifically excluded as per Schedule V of the Act.

#### COMMISSION:

Commission as a percentage of Net Good Sales of Non-Aries Sales, payable Monthly / Quarterly, as fixed from time to time and communicated in writing.

#### Other Terms and Conditions:

#### PERQUISITES :

- A. Conveyance : Company Car or alternatively Company to maintain Mr. Sundaresan Ramamurthy's personal Car and; monetary value for private use to be evaluated in accordance with the Income Tax Rules.
- B. Leave : 30 working days leave (traveling time included) once in every year of service, with encashment of unavailed leave at the end of the tenure.

## SITTING FEES

Mr. Sundaresan Ramamurthy will not be entitled to Sitting Fees for meetings of the Board / Committee of the Board attended by him.”

## COMPENSATION

If any time the office of the Whole Time Director is determined before the expiry of his terms of office, the Whole Time Director shall be entitled to compensation for loss of office in accordance with and subject to the restrictions laid down in Section 191 and 202 of the Companies Act 2013 and rules framed thereunder.

## 7. Appointment of Mr. Pramod Kumar Jaiswal as a Whole Time Director designated as Director-Marketing

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act. 2013, (hereinafter referred to as the “Act”), as amended and re-enacted from time to time, and subject to such approvals, if any, as may be necessary, the Company hereby approves the appointment and terms of remuneration of Mr. Pramod Kumar Jaiswal as a Whole Time Director of the Company designated as Director-Marketing, for a period of 3(Three) years commencing from 3<sup>rd</sup> May, 2021 upto and inclusive of 2<sup>nd</sup> May, 2024 at a remuneration and terms and condition as broadly specified below:

## OVERALL REMUNERATION

Subject to the provisions of Section 196, 197, Schedule V and other provisions of the Companies Act, 2013, the remuneration payable to Mr. Pramod Kumar Jaiswal, in any financial year shall not exceed 5%(Five percent) of the net profits of the Company.

## MINIMUM REMUNERATION

Where in any financial year during the currency of the tenure of Mr. Pramod Kumar Jaiswal, the Company has no profits or its profits are inadequate, the remuneration payable to Mr. Pramod Kumar Jaiswal, will be according to the applicable provisions of Schedule V of the Act. Within the aforesaid ceiling, the remuneration payable to Mr. Pramod Kumar Jaiswal, Whole Time Director of the Company designated as Director-Marketing, shall be as follows:-

## SALARY, PERQUISITES AND ALLOWANCES

Not Exceeding Rs. 2,50,000/- p.m. inclusive of all perquisites and allowances (as stated below) except Commission (as under) and those specifically excluded as per Schedule V of the Act.

## COMMISSION:

Commission as a percentage of Net Good Sales of Non-Aries Sales, payable Monthly / Quarterly, as fixed from time to time and communicated in writing.

## Other Terms and Conditions:

## PERQUISITES :

- A. Conveyance : Company Car or alternatively Company to maintain Mr. Pramod Kumar Jaiswal's personal Car and; monetary value for private use to be evaluated in accordance with the Income Tax Rules.

- B. Leave : 30 working days leave (traveling time included) once in every year of service, with encashment of unavailed leave at the end of the tenure.

## SITTING FEES

Mr. Pramod Kumar Jaiswal will not be entitled to Sitting Fees for meetings of the Board / Committee of the Board attended by him.”

## COMPENSATION

If any time the office of the Whole Time Director is determined before the expiry of his terms of office, the Whole Time Director shall be entitled to compensation for loss of office in accordance with and subject to the restrictions laid down in Section 191 and 202 of the Companies Act 2013 and rules framed thereunder.

**By Order of the Board  
For Mirabelle Agro Manufacturing Private Limited**

**Place: Mumbai  
Date: 13<sup>th</sup> May, 2021**

**Dr. Rahul Mirchandani  
Director  
DIN: 00239057**

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

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

### Item Nos. 3 to 5

At the meeting of the Board of Directors held on 20<sup>th</sup> April, 2021, Mr. Sundaresan Ramamurthy (DIN No. 00540033), Mr. Pramod Kumar Jaiswal(DIN No. 09155509) and Mr. Akshay Mirchandani(DIN No. 02568831) were appointed as Additional Directors with effect from 22<sup>nd</sup> April, 2021, to hold office till the date of the next Annual General Meeting of the Company. The Company has received notices in writing from a Member under the provisions of Section 160 of the Companies Act, 2013, proposing their candidature for the office of Director.

The Board of Directors are confident that they will be of great value to the Company and hence recommend the resolution for your approval as set out under item No. 3 to 5 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 to 5 of the Notice.

### Item Nos. 6

The Board of Directors of the Company at its Meeting held on 30<sup>th</sup> April, 2020 appointed Mr. Sundaresan Ramamurthy as a Whole Time Director of the Company designated as Director-Commercial, for a period of 3(Three) years commencing from 3<sup>rd</sup> May, 2021 upto and inclusive of 2<sup>nd</sup> May, 2024 at a remuneration and terms and condition as broadly stated in the text of the Resolution, subject to the approval of the Members at the ensuing Annual General Meeting and such other approvals, required if any.

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## Mirabelle Agro Manufacturing Private Limited

Mr Sundaresan Ramamurthy aged 68 years is a member of the Institute of Chartered Accountants of India and having reach experience of nearly 40 years in the field of finance, accounts, commercials, administration etc. His appointment will be in the interest of the Company and will help the Company grow its business.

The appointment and the terms of remuneration Mr. Sundaresan Ramamurthy is required to be approved by the Members.

None of the Directors and their relatives are concerned or interested in the said resolution.

The above may be treated as an abstract of the terms of contract under Section 190(1) of the Companies Act, 2013.

The Board of Directors of your Company recommends the resolution as a **Special Resolution** for approval under Item No. 6.

### Item Nos. 7

The Board of Directors of the Company at its Meeting held on 30<sup>th</sup> April, 2020 appointed Mr. Pramod Kumar Jaiswal as a Whole Time Director of the Company designated as Director-Marketing, for a period of 3(Three) years commencing from 3<sup>rd</sup> May, 2021 upto and inclusive of 2<sup>nd</sup> May, 2024 at a remuneration and terms and condition as broadly stated in the text of the Resolution, subject to the approval of the Members at the ensuing Annual General Meeting and such other approvals, required if any.

Mr. Pramod Kumar Jaiswal aged 63 years has been associated with the Holding Company for nearly 39 years and was the Marketing Controller. His appointment will be in the interest of the Company and will help the Company grow its business.

The appointment and the terms of remuneration Mr. Pramod Kumar Jaiswal is required to be approved by the Members.

None of the Directors and their relatives are concerned or interested in the said resolution.

The above may be treated as an abstract of the terms of contract under Section 190(1) of the Companies Act, 2013.

The Board of Directors of your Company recommends the resolution as a **Special Resolution** for approval under Item No. 7.

**By Order of the Board  
For Mirabelle Agro Manufacturing Private Limited**

**Place: Mumbai  
Date: 13<sup>th</sup> May, 2021**

**Dr. Rahul Mirchandani  
Director  
DIN: 00239057**

## BOARD'S REPORT

To,  
The Members of  
Mirabelle Agro Manufacturing Private Limited.

Your Directors present their Second Annual Report together with Audited Financial Statements of the Company for the period ended on 31<sup>st</sup> March, 2021.

### 1. FINANCIAL RESULTS :

During the year under review, the Company commenced its business and achieved the turnover of Rs. 13,21,666/- The Company incurred expense of Rs. 13,12,799/- as against Rs. 44,237/- in the Previous Year and earned a Profit of Rs. 8,867/- as against Loss of Rs. 44,237/- in the Previous Year.

### 2. CURRENT STATUS

The Company has started its Trading business. The Company is in the process of getting the requisite Registrations. The Manufacturing Unit is under construction which is likely to be completed shortly and start the Manufacturing operations shortly.

### 3. DIVIDEND AND TRANSFER TO RESERVE :

Since the Company has earned a nominal Profit the question of Dividend and Transfer to Reserve does not arise.

### 4. DEPOSITS :

The Company has not accepted any Deposits from the Public.

### 5. DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

The Company does not have any subsidiary, Associate or Joint Venture Company. The Company is a Wholly Owned Subsidiary of Aries Agro Limited.

### 6. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

During the Financial Year 2020-21 the Company did not have any Managing Directors or Executive/Whole Time Directors or any Employees who were in receipt of remuneration as prescribed under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

### 7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

The Company has not given any Loans or given Guarantees or made Investments in terms of provisions of Section 186 of the Companies Act, 2013

### 8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

None of the transactions with Related Parties falls under the scope of Section 188(1) of the Companies Act, 2013. Information on transactions with Related parties pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rule, 2014 are given in **Annexure-I** in Form AOC-2 and in the Notes and the same forms part of this Report.

### 9. RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION

As the Company has just started its business and there is no known risk which may affect the Company and as the Company is an Un-listed Company no Risk Management Policy has been framed. However, the Board reviews the Risk Management System from time to time under the relevant business agenda.

### 10. CORPORATE SOCIAL RESPONSIBILITY

The Company is not covered within provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder.

### 11. MATERIAL ORDERS PASSED

No material Orders have been passed by any Authorities in respect of any matters with regards to the business of the Company.

### 12. INTERNAL FINANCIAL CONTROL

The Company has in place adequate Internal Financial Controls commensurate with the size of the Company with reference to Financial Statements.

### 13. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

The Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014, are not applicable, as the Company had only Trading business during the Financial Year-2020-21. There were no foreign exchange earnings and outgo during the financial year.

### 14. DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mrs. Nitya Mirchandani (DIN 06882384) retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. Accordingly her re-appointment forms part of the Notice of ensuing AGM.

Mr. Sundaresan Ramamurthy (DIN No. 00540033), Mr. Pramod Kumar Jaiswal(DIN No. 09155509) and Mr. Akshay Mirchandani(DIN No. 02568831) were appointed as Additional Directors at the meeting of the Board of Directors held on 20<sup>th</sup> April, 2021, with effect from 22<sup>nd</sup> April, 2021 to hold office till the date of the next Annual General Meeting of the Company. The Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013, proposing thier candidature for the office of Directors. Accordingly their appointments are proposed for the office of Directors at the forthcoming Annual General Meeting.

The Board of Directors of the Company at its Meeting held on 30<sup>th</sup> April, 2021 appointed Mr. Sundaresan Ramamurthy as a Whole Time Director of the Company designated as Director-Commercial and Mr. Pramod Kumar Jaiswal as a Whole Time Director of the Company designated as Director-Marketing, for a period of 3(Three) years commencing from 3<sup>rd</sup> May, 2021 upto and inclusive of 2<sup>nd</sup> May, 2024, subject to the approval of the Members at the ensuing Annual General Meeting. Accordingly, proposal for approval of their appointment as the Whole Time Directors at the forthcoming Annual General Meeting forms part of the Notice of the AGM.

The Company does not have any Managing Director or any Key Managerial Personnel.

The Company is not required to appoint Independent Director within the provisions of Section 149 of the Companies Act, 2013 and rules framed thereunder.

**15. MEETINGS OF BOARD**

During the year, 4(Four) Meetings of the Board of Directors were held during the year on 16.06.2020, 23.09.2020, 02.12.2020 and 28.01.2021. The proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The maximum gap between any two meetings was less than 120 days. All the Directors attended the meetings. No resolution by circulation was passed during the year.

**16. SECRETARIAL STANDARDS**

It is hereby confirmed that the Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

**17. AUDITORS :**

M/s. Urmit Shah & Co., Chartered Accountant(Firm Regn No. 140977W-Membership No. of Proprietor Mr. Urmit Shah-152658), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the 1<sup>st</sup> Annual General Meeting of the Company held on 25<sup>th</sup> September, 2020 and being eligible continue to be the Statutory Auditors.

**18. AUDITORS' REPORT**

The Statutory Auditors' Report does not contain any qualification, reservation or adverse remark. Further that there was no fraud reported by Auditors under sub-section (12) of Section 143 of the Companies Act, 2013.

**19. DIRECTORS' RESPONSIBILITY STATEMENTS**

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that:

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures
2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the Profit of the Company for that year;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the Annual Accounts on a 'going concern' basis.
5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**20. ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31<sup>st</sup> March, 2021 is given in **Annexure-II** and the same forms part of this Report. The Company does not have any web site.

**21. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE FINANCIAL YEAR END OF THE COMPANY TO WHICH FINANCIAL RESULTS RELATE**

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

**22. CHANGES IN NATURE OF BUSINESS AND REVISION IN THE BOARD'S REPORT**

There is no change in the nature of business of the Company during the year. There is no revision made in the Board's Report and whatever submitted herewith is the final Report.

**23. MAINTENANCE OF COST RECORDS**

The Company is not required to maintain Cost Records as specified under Section 148 of the Companies Act, 2013 and the Rules framed thereunder.

**24. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.**

The Company did not have any Employee during the Financial Year-2020-21, hence the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, are not applicable,

**25. GENERAL DISCLOSURE**

During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares to employees under any scheme.

**26. ACKNOWLEDGEMENT :**

Your Directors would like to express their grateful appreciation for the co-operation and assistance received from the Holding Company i.e. M/S Aries Agro Limited and other related agencies.

By Order of the Board  
For **Mirabelle Agro Manufacturing Private Limited**

**Dr. Rahul Mirchandani**  
Director  
DIN: 00239057

**Mrs. Nitya Mirchandani**  
Director  
DIN: 06882384

Place : Mumbai  
Date : 13<sup>th</sup> May, 2021



**Form No. AOC -2**

*(Pursuant to clause(h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies(Accounts) Rules, 2014)*

Form for disclosure of Particulars of Contracts / Arrangements entered into by the Company with Related Parties referred to in sub-section(1) of section 188 of the Companies Act, 2013 including certain arm's lengths transactions under third provision thereto:

**1 Details of Contracts or Arrangements or Transactions not at arm's length basis :**

Mirabelle Agro Manufacturing Private Limited has not entered into any Contract or Arrangement with its Related Parties which is not at arm's length during the Financial Year 2020-21

**2 Details of Contracts or Arrangements or Transactions at arm's length basis:**

Sr. No.	Particulars	
1	Name(s) of the Related Party and nature of Relationship	Aries Agro Limited - Holding Company
2	Nature of contracts / Arrangements / Transactions	Order based contracts
3	Duration of Contracts / Arrangements / Transactions	Order based contracts
4	Salients terms of contracts / Arrangements / Transactions including value, if any	As per the Orders from time to time
5	Date of Approval by the Board , if any	Not Applicable since the contract was entered into in the ordinary course of business and on arm's length basis
6	Purchases	11.89 Lakhs
7	Rent paid	0.40 Lakhs

For and Behalf of the **Board of Directors** of  
**Mirabelle Agro Manufacturing Pvt Ltd**

**Dr. Rahul Mirchandani**  
Director  
DIN-00239057

**Place :** Mumbai  
**Date :** 13th May, 2021

## FORM NO. MGT-7

[Pursuant to sub-Section(1) of section 92 of the Companies Act, 2013 and sub-rule (1) of rule 11of the Companies (Management and Administration) Rules, 2014]



## Annual Return (other than OPCs and Small Companies)

Form language  English  Hindi

Refer the instruction kit for filing the form.

### I. REGISTRATION AND OTHER DETAILS

(i) \* Corporate Identification Number (CIN) of the company

U24303MH2019PTC335076

Pre-fill

Global Location Number (GLN) of the company

\* Permanent Account Number (PAN) of the company

AAGCA5971P

(ii) (a) Name of the company

MIRABELLE AGRO MANUFACT

(b) Registered office address

ARIES HOUSE,PLOT NO-24 DEONAR,  
GOVANDI EAST, MUMBAI  
MUMBAI  
Mumbai City  
Maharashtra  
400012

(c) \*e-mail ID of the company

ariesagro@ariesagro.com

(d) \*Telephone number with STD code

+912225529000

(e) Website

(iii) Date of Incorporation

26/12/2019

Type of the Company	Category of the Company	Sub-category of the Company
Private Company	Company limited by shares	Indian Non-Government company

(v) Whether company is having share capital

Yes  No

(vi) \*Whether shares listed on recognized Stock Exchange(s)

Yes  No

## Mirabelle Agro Manufacturing Private Limited

(vii) \*Financial year From date  (DD/MM/YYYY) To date  (DD/MM/YYYY)

(viii) \*Whether Annual general meeting (AGM) held  Yes  No

(a) If yes, date of AGM

(b) Due date of AGM

(c) Whether any extension for AGM granted  Yes  No

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

\*Number of business activities

S.No	Main Activity group code	Description of Main Activity group	Business Activity Code	Description of Business Activity	% of turnover of the company
1					

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

\*No. of Companies for which information is to be given

**Pre-fill All**

S.No	Name of the company	CIN / FCRN	Holding/ Subsidiary/Associate/ Joint Venture	% of shares held
1	ARIES AGRO LIMITED (CN)	L99999MH1969PLC014465	Holding	100

### IV. SHARE CAPITAL, DEBENTURES AND OTHER SECURITIES OF THE COMPANY

#### (i) \*SHARE CAPITAL

##### (a) Equity share capital

Particulars	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Total number of equity shares	10,000	10,000	10,000	10,000
Total amount of equity shares (in Rupees)	100,000	100,000	100,000	100,000

Number of classes

Class of Shares	Authorised capital	Issued capital	Subscribed capital	Paid up capital
<b>EQUITY SHARES</b>				
Number of equity shares	10,000	10,000	10,000	10,000

## Mirabelle Agro Manufacturing Private Limited

Nominal value per share (in rupees)	10	10	10	10
Total amount of equity shares (in rupees)	100,000	100,000	100,000	100,000

### (b) Preference share capital

Particulars	Authorised capital	Issued capital	Subscribed capital	Paid-up capital
Total number of preference shares	0	0	0	0
Total amount of preference shares (in rupees)	0	0	0	0

Number of classes

0

Class of shares	Authorised capital	Issued capital	Subscribed capital	Paid up capital
Number of preference shares				
Nominal value per share (in rupees)				
Total amount of preference shares (in rupees)				

### (c) Unclassified share capital

Particulars	Authorised Capital
Total amount of unclassified shares	0

### (d) Break-up of paid-up share capital

Class of shares	Number of shares			Total nominal amount	Total Paid-up amount	Total premium
	Physical	DEMAT	Total			
<b>Equity shares</b>						
<b>At the beginning of the year</b>	10,000	0	10000	100,000	100,000	
<b>Increase during the year</b>	0	0	0	0	0	0
i. Public Issues	0	0	0	0	0	0
ii. Rights issue	0	0	0	0	0	0
iii. Bonus issue	0	0	0	0	0	0
iv. Private Placement/ Preferential allotment	0	0	0	0	0	0
v. ESOPs	0	0	0	0	0	0
vi. Sweat equity shares allotted	0	0	0	0	0	0
vii. Conversion of Preference share	0	0	0	0	0	0

## Mirabelle Agro Manufacturing Private Limited

viii. Conversion of Debentures	0	0	0	0	0	0
ix. GDRs/ADRs	0	0	0	0	0	0
x. Others, specify <input type="text"/>						
<b>Decrease during the year</b>	0	0	0	0	0	0
i. Buy-back of shares	0	0	0	0	0	0
ii. Shares forfeited	0	0	0	0	0	0
iii. Reduction of share capital	0	0	0	0	0	0
iv. Others, specify <input type="text"/>						
<b>At the end of the year</b>	10,000	0	10000	100,000	100,000	
<b>Preference shares</b>						
<b>At the beginning of the year</b>	0	0	0	0	0	
<b>Increase during the year</b>	0	0	0	0	0	0
i. Issues of shares	0	0	0	0	0	0
ii. Re-issue of forfeited shares	0	0	0	0	0	0
iii. Others, specify <input type="text"/>						
<b>Decrease during the year</b>	0	0	0	0	0	0
i. Redemption of shares	0	0	0	0	0	0
ii. Shares forfeited	0	0	0	0	0	0
iii. Reduction of share capital	0	0	0	0	0	0
iv. Others, specify <input type="text"/>						
<b>At the end of the year</b>	0	0	0	0	0	

ISIN of the equity shares of the company

(ii) Details of stock split/consolidation during the year (for each class of shares)

## Mirabelle Agro Manufacturing Private Limited

Class of shares		(i)	(ii)	(iii)
Before split / Consolidation	Number of shares			
	Face value per share			
After split / Consolidation	Number of shares			
	Face value per share			

**(iii) Details of shares/Debentures Transfers since closure date of last financial year (or in the case of the first return at any time since the incorporation of the company) \***

Nil

[Details being provided in a CD/Digital Media]

Yes     No     Not Applicable

Separate sheet attached for details of transfers

Yes     No

Note: In case list of transfer exceeds 10, option for submission as a separate sheet attachment or submission in a CD/Digital Media may be shown.

Date of the previous annual general meeting			
Date of registration of transfer (Date Month Year)			
Type of transfer		1 - Equity, 2- Preference Shares, 3 - Debentures, 4 - Stock	
Number of Shares/ Debentures/ Units Transferred		Amount per Share/ Debenture/Unit (in Rs.)	
Ledger Folio of Transferor			
Transferor's Name			
	Surname	middle name	first name
Ledger Folio of Transferee			

## Mirabelle Agro Manufacturing Private Limited

Transferee's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name
Date of registration of transfer (Date Month Year) <input type="text"/>			
Type of transfer	<input type="text"/>	1 - Equity, 2- Preference Shares,3 - Debentures, 4 - Stock	
Number of Shares/ Debentures/ Units Transferred	<input type="text"/>	Amount per Share/ Debenture/Unit (in Rs.)	<input type="text"/>
Ledger Folio of Transferor	<input type="text"/>		
Transferor's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name
Ledger Folio of Transferee	<input type="text"/>		
Transferee's Name	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Surname	middle name	first name

### (iv) \*Debentures (Outstanding as at the end of financial year)

Particulars	Number of units	Nominal value per unit	Total value
Non-convertible debentures	0	0	0
Partly convertible debentures	0	0	0
Fully convertible debentures	0	0	0
<b>Total</b>			0

#### Details of debentures

## Mirabelle Agro Manufacturing Private Limited

Class of debentures	Outstanding as at the beginning of the year	Increase during the year	Decrease during the year	Outstanding as at the end of the year
Non-convertible debentures	0	0	0	0
Partly convertible debentures	0	0	0	0
Fully convertible debentures	0	0	0	0

**(v) Securities (other than shares and debentures)**

0

Type of Securities	Number of Securities	Nominal Value of each Unit	Total Nominal Value	Paid up Value of each Unit	Total Paid up Value
<b>Total</b>					

**V. \*Turnover and net worth of the company (as defined in the Companies Act, 2013)**

**(i) Turnover**

1,321,666

**(ii) Net worth of the Company**

64,630

**VI. (a) \*SHARE HOLDING PATTERN - Promoters**

S. No.	Category	Equity		Preference	
		Number of shares	Percentage	Number of shares	Percentage
1.	Individual/Hindu Undivided Family				
	(i) Indian	0	0	0	
	(ii) Non-resident Indian (NRI)	0	0	0	
	(iii) Foreign national (other than NRI)	0	0	0	
2.	Government				
	(i) Central Government	0	0	0	
	(ii) State Government	0	0	0	
	(iii) Government companies	0	0	0	
3.	Insurance companies	0	0	0	
4.	Banks	0	0	0	
5.	Financial institutions	0	0	0	



## Mirabelle Agro Manufacturing Private Limited

6.	Foreign institutional investors	0	0	0	
7.	Mutual funds	0	0	0	
8.	Venture capital	0	0	0	
9.	Body corporate (not mentioned above)	10,000	100	0	
10.	Others	0	0	0	
	<b>Total</b>	10,000	100	0	0

Total number of shareholders (promoters)

2

### (b) \*SHARE HOLDING PATTERN - Public/Other than promoters

S. No.	Category	Equity		Preference	
		Number of shares	Percentage	Number of shares	Percentage
1.	Individual/Hindu Undivided Family				
	(i) Indian	0	0	0	
	(ii) Non-resident Indian (NRI)	0	0	0	
	(iii) Foreign national (other than NRI)	0	0	0	
2.	Government				
	(i) Central Government	0	0	0	
	(ii) State Government	0	0	0	
	(iii) Government companies	0	0	0	
3.	Insurance companies	0	0	0	
4.	Banks	0	0	0	
5.	Financial institutions	0	0	0	
6.	Foreign institutional investors	0	0	0	
7.	Mutual funds	0	0	0	
8.	Venture capital	0	0	0	
9.	Body corporate (not mentioned above)	0	0	0	
10.	Others	0	0	0	

## Mirabelle Agro Manufacturing Private Limited

	<b>Total</b>	0	0	0	0
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**Total number of shareholders (other than promoters)**

**Total number of shareholders (Promoters+Public/ Other than promoters)**

### VII. \*NUMBER OF PROMOTERS, MEMBERS, DEBENTURE HOLDERS (Details, Promoters, Members (other than promoters), Debenture holders)

Details	At the beginning of the year	At the end of the year
Promoters	2	2
Members (other than promoters)	0	0
Debenture holders	0	0

### VIII. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### (A) \*Composition of Board of Directors

Category	Number of directors at the beginning of the year		Number of directors at the end of the year		Percentage of shares held by directors as at the end of year	
	Executive	Non-executive	Executive	Non-executive	Executive	Non-executive
<b>A. Promoter</b>	0	2	0	2	0	0
<b>B. Non-Promoter</b>	0	0	0	0	0	0
(i) Non-Independent	0	0	0	0	0	0
(ii) Independent	0	0	0	0	0	0
<b>C. Nominee Directors representing</b>	0	0	0	0	0	0
(i) Banks & FIs	0	0	0	0	0	0
(ii) Investing institutions	0	0	0	0	0	0
(iii) Government	0	0	0	0	0	0
(iv) Small share holders	0	0	0	0	0	0
(v) Others	0	0	0	0	0	0
<b>Total</b>	0	2	0	2	0	0

**Number of Directors and Key managerial personnel (who is not director) as on the financial year end date**

## Mirabelle Agro Manufacturing Private Limited

### (B) (i) \*Details of directors and Key managerial personnel as on the closure of financial year

Name	DIN/PAN	Designation	Number of equity share(s) held	Date of cessation (after closure of financial year : If any)
RAHUL MIRCHANDAN	00239057	Director	0	
NITYA MIRCHANDANI	06882384	Director	0	

### (ii) Particulars of change in director(s) and Key managerial personnel during the year

0

Name	DIN/PAN	Designation at the beginning / during the financial year	Date of appointment/ change in designation/ cessation	Nature of change (Appointment/ Change in designation/ Cessation)

## IX. MEETINGS OF MEMBERS/CLASS OF MEMBERS/BOARD/COMMITTEES OF THE BOARD OF DIRECTORS

### A. MEMBERS/CLASS /REQUISITIONED/NCLT/COURT CONVENED MEETINGS

Number of meetings held

1

Type of meeting	Date of meeting	Total Number of Members entitled to attend meeting	Attendance	
			Number of members attended	% of total shareholding
ANNUAL GENERAL MEETI	25/09/2020	2	2	100

### B. BOARD MEETINGS

\*Number of meetings held

4

S. No.	Date of meeting	Total Number of directors associated as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
1	16/06/2020	2	2	100
2	23/09/2020	2	2	100
3	02/12/2020	2	2	100
4	28/01/2021	2	2	100

### C. COMMITTEE MEETINGS

Number of meetings held

0

## Mirabelle Agro Manufacturing Private Limited

S. No.	Type of meeting	Date of meeting	Total Number of Members as on the date of the meeting	Attendance	
				Number of members attended	% of attendance
1					

### D. \*ATTENDANCE OF DIRECTORS

S. No.	Name of the director	Board Meetings			Committee Meetings			Whether attended AGM held on
		Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	Number of Meetings which director was entitled to attend	Number of Meetings attended	% of attendance	
1	RAHUL MIRC	4	4	100	0	0	0	
2	NITYA MIRCH	4	4	100	0	0	0	

### X. \*REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Nil

Number of Managing Director, Whole-time Directors and/or Manager whose remuneration details to be entered

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/Sweat equity	Others	Total Amount
1							0
	Total						

Number of CEO, CFO and Company secretary whose remuneration details to be entered

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/Sweat equity	Others	Total Amount
1							0
	Total						

Number of other directors whose remuneration details to be entered

S. No.	Name	Designation	Gross Salary	Commission	Stock Option/Sweat equity	Others	Total Amount
1							0
	Total						

**XI. MATTERS RELATED TO CERTIFICATION OF COMPLIANCES AND DISCLOSURES**

\* A. Whether the company has made compliances and disclosures in respect of applicable provisions of the Companies Act, 2013 during the year  Yes  No

B. If No, give reasons/observations

**XII. PENALTY AND PUNISHMENT - DETAILS THEREOF**

(A) DETAILS OF PENALTIES / PUNISHMENT IMPOSED ON COMPANY/DIRECTORS /OFFICERS  Nil

Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order	Name of the Act and section under which penalised / punished	Details of penalty/ punishment	Details of appeal (if any) including present status

(B) DETAILS OF COMPOUNDING OF OFFENCES  Nil

Name of the company/ directors/ officers	Name of the court/ concerned Authority	Date of Order	Name of the Act and section under which offence committed	Particulars of offence	Amount of compounding (in Rupees)

**XIII. Whether complete list of shareholders, debenture holders has been enclosed as an attachment**

Yes  No

**XIV. COMPLIANCE OF SUB-SECTION (2) OF SECTION 92, IN CASE OF LISTED COMPANIES**

In case of a listed company or a company having paid up share capital of Ten Crore rupees or more or turnover of Fifty Crore rupees or more, details of company secretary in whole time practice certifying the annual return in Form MGT-8.

Name

Whether associate or fellow

Associate  Fellow

Certificate of practice number

# Mirabelle Agro Manufacturing Private Limited

**I/We certify that:**

- (a) The return states the facts, as they stood on the date of the closure of the financial year aforesaid correctly and adequately.
- (b) Unless otherwise expressly stated to the contrary elsewhere in this Return, the Company has complied with all the provisions of the Act during the financial year.
- (c) The company has not, since the date of the closure of the last financial year with reference to which the last return was submitted or in the case of a first return since the date of the incorporation of the company, issued any invitation to the public to subscribe for any securities of the company.
- (d) Where the annual return discloses the fact that the number of members, (except in case of a one person company), of the company exceeds two hundred, the excess consists wholly of persons who under second proviso to clause (ii) of sub-section (68) of section 2 of the Act are not to be included in reckoning the number of two hundred.

**Declaration**

I am Authorised by the Board of Directors of the company vide resolution no. ..  dated

(DD/MM/YYYY) to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I further declare that:

- 1. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the company.
- 2. All the required attachments have been completely and legibly attached to this form.

**Note: Attention is also drawn to the provisions of Section 447, section 448 and 449 of the Companies Act, 2013 which provide for punishment for fraud, punishment for false statement and punishment for false evidence respectively.**

**To be digitally signed by**

Director

DIN of the director

**To be digitally signed by**

- Company Secretary
- Company secretary in practice

Membership number  Certificate of practice number

**Attachments**

- 1. List of share holders, debenture holders
- 2. Approval letter for extension of AGM;
- 3. Copy of MGT-8;
- 4. Optional Attachment(s), if any

**List of attachments**

[MAMPL-Members Register-31-03-2021.pdf](#)

**This eForm has been taken on file maintained by the Registrar of Companies through electronic mode and on the basis of statement of correctness given by the company**

# Mirabelle Agro Manufacturing Private Limited

MIRABELLE AGRO MANUFACTURING PRIVATE LIMITED  
Regd. Office: Aries House, Plot No.24, Deonar, Govandi East, Mumbai-400 043  
Ph.022- 25564052 / 53 Fax: 022-2556 4054  
CIN: U24303MH2019PTC335076

## MIRABELLE AGRO MANUFACTURING PRIVATE LIMITED -- MEMBERS REGISTER AS ON 31ST MARCH, 2021

FOLIO	NAME OF SHAREHOLDER	FATHER/HUSBAND NAME	ADDRESS	CERTIFICATE		DIST.NO.S		SHARES
				FROM	TO	FROM	TO	
001	Aries Agro Limited	N.A.	"Aries House", Plot No. 24, Deonar, Govandi, Mumbai 400 043	001	001	00001	9999	9999
002	Mrs. Nitya Mirchandani On behalf of Aries Agro Limited	Dr. Rahul Mirchandani	Mirabelle, Deonar Farm Road, Mumbai 400 088	002	002	10000	10000	1
		<b>TOTAL</b>						<b>10000</b>

MIRABELLE AGRO MANUFACTURING PRIVATE LIMITED

Dr. Rahul Mirchandani  
Director  
DIN-00239057  
PAN:AFIPM4549K  
ADDRESS: MIRABELLE, DEONAR FARM ROAD  
DEONAR, MUMBAI-400 088

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF MIRABELLE AGRO MANUFACTURING PRIVATE LIMITED****Report on the Ind AS Financial Statements****Opinion**

We have audited the accompanying Ind AS Financial Statements of Mirabelle Agro Manufacturing Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Changes in Equity, the Statement of Profit and Loss (including Other Comprehensive Income) and the Statement of Cash Flows for the year ended on that date, notes to the Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards (the "Ind AS") prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs ( financial position) of the Company as at March 31,2021, the changes in equity, its profit ( financial performance including other comprehensive income) and cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing (SA) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further prescribed in the Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for preparation of other information. The other information comprises information included in the Boards' Report including Annexures to Boards' Report but does not include the Ind AS Financial Statements and

our auditor's report thereon. The Other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Other information, if, we conclude that there is a material misstatement therein, we are required to communicate the matters to those charged with governance

**Responsibility of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act,2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of state of affairs ( financial position),changes in equity, profit or loss (financial performance including other comprehensive income) and cash flows and of the company of in accordance with the accounting principles generally accepted in India, including the Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, read with Rules 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Responsibilities for the Audit of Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 Ind AS financial statements.



## Mirabelle Agro Manufacturing Private Limited

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 Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3) (i) of Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to Ind AS Financial Statements 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 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 Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the order") issued by the Central Government of India in terms of sub-section (11) of the Section 143 of the Act, we give in Annexure "A", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by sub-section (3) of the section 143 of the Act, we report that :
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss and, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Ind AS Financial Statement comply with the Indian Accounting Standards referred under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended,
- (e) On the basis of written representations from the Directors, none of the Directors is disqualified as on March 31, 2021, from being appointed as a Director u/s 164(2) of the Companies Act, 2013;
- (f) With respect to the adequacy of the internal financial controls with reference to Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure "B". Further, our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over with reference to Ind AS Financial Statements;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the provisions of Section 197 read with Schedule V of the Act are not applicable to the Company as no managerial remuneration has been incurred by the Company.

- (h) 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, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has no pending litigations on its financial position- Refer note 23 to the Ind AS Financial Statements;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer note 24 to the Ind AS Financial Statements;
- (iii) There were no amounts which were required to be transferred to Investor Education and Protection Fund by the Company – Refer note 25 to the Ind AS Financial Statements.

**For URMIT SHAH & CO.**

Chartered Accountants  
Firm Registration No.: 140977W

**Urmit Shah**

Proprietor

Membership No.: 152658

**UDIN** : 21152658AAAABS8833

**Place:** Mumbai

**Date** : 13<sup>th</sup> May, 2021

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE INDAS FINANCIAL STATEMENTS OF MIRABELLE AGRO MANUFACTURING PRIVATE LIMITED**

The Annexure referred to in paragraph ‘1’ under ‘Report on Other Legal and Regulatory Requirements’ section of our Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March 2021, we report that:

- i) (a) The Company does not own any fixed assets and hence the clause of maintaining proper records to show full particulars, including quantitative details and situation, of all fixed assets is not applicable to the company.
- (b) According to the information and explanations given to us the Company does not own any fixed assets and hence the clause with respect to physical verification during the year by the management is not applicable to the company.
- (c) According to the information and explanations given to us and the records of the Company examined by us, the Company does not hold any title deed in case of leasehold land covered under the head Investment Property.
- ii) The Company does not hold any inventory and hence the clause with respect to physical verification by the management during the year is not applicable.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships and other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraphs 3(iii) (a), (b) and (c) of the Order are not applicable.
- iv) In our opinion and according to information and explanations given to us, in respect of loans and investments, guarantees and security, the provisions of section 185 and 186 of the Act have been complied with.
- v) According to the information and explanations given to us, the Company has not accepted deposits from the public in terms of provisions of Sections 73 to 76 of the Companies Act, 2013.
- vi) According to the information and explanations given to us, pursuant to the rules prescribed by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, the Company is not required to maintain any cost records.
- vii) (a) According to the information and explanations given to us and the records of the Company, the Company has no statutory dues including provident fund, employees state insurance, income tax, Goods and Service tax, value added tax, cess and other material statutory dues to be deposited as applicable with appropriate authorities.

According to the information and explanations given to us, there were no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, Goods and Service Tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues outstanding as at March 31, 2021 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of records of the company, there were no amounts with respect to income tax, value added tax, duty of excise and duty of custom which have not been deposited with the appropriate authorities on account of any dispute as at March 31, 2021.
- viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has neither availed any loans nor made borrowings from financial institutions, banks or Government as at the balance sheet date. The Company has not issued debentures. Hence, this clause 3 (viii) of the Order pertaining to default is not applicable to the Company.
- ix) In our opinion and according to the information and explanations given to us, on an overall basis the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Further, no terms loans were taken during the year.
- x) According to the information and explanations given to us and on the basis of representation of the management which we have relied upon, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) According to the information and explanations given to us and on the basis of the records, no managerial remuneration has been paid within the provisions of section 197 read with Schedule V to the Companies Act.
- xii) Since the Company is not a nidhi company, this clause is not applicable to the Company.
- xiii) According to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Act as applicable and the details have been disclosed in the Ind AS Financial Statements as required by the applicable Indian Accounting Standards.
- xiv) The Company has not made any preferential allotment or private allotment shares or fully or partly convertible debentures during the year under review.
- xv) The Company has not entered into any non-cash transactions with directors or persons connected with directors.
- xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934.

**For URMIT SHAH & CO.**  
Chartered Accountants  
Firm Registration No.: 140977W

**Urmit Shah**  
Proprietor  
Membership No.: 152658  
**UDIN : 21152658AAAABS8833**

**Place:** Mumbai  
**Date :** 13<sup>th</sup> May, 2021

## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MIRABELLE AGRO MANUFACTURING PRIVATE LIMITED

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the Members the Company)

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to Ind AS Financial Statements of Mirabelle Agro Manufacturing Private Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the Ind AS 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 (the “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 company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and specified 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 with reference to Ind AS Financial Statements 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 with reference to Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Ind AS 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 with reference to Ind AS Financial Statements

A company’s internal financial control with reference to Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to Ind AS Financial Statements 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 the Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the Ind AS Financial Statements.

### Inherent Limitations of Internal Financial Controls with reference to Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to Ind AS Financial Statements, 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 with reference to Ind AS Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls with reference to Ind AS Financial Statements were operating effectively as at March 31, 2021, based on the internal control with reference to Ind AS Financial Statements 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 URMIT SHAH & CO.**

Chartered Accountants  
Firm Registration No.: 140977W

#### Urmit Shah

Proprietor  
Membership No.: 152658  
UDIN : 21152658AAAABS8833

**Place:** Mumbai  
**Date :** 13<sup>th</sup> May, 2021

**Statement of Assets & Liabilities as on 31st March, 2021**

( Amounts in Rupees unless stated otherwise )

Particulars	Note Nos.	As at 31st March, 2021	As at 31st March, 2020
<b>I. ASSETS</b>			
(1) <b>Non-Current Assets</b>			
(a) Capital Work in Progress	3	6,273,878	-
		<b>6,273,878</b>	-
(2) <b>Current Assets</b>			
(a) Financial Assets			
(i) Trade Receivables	4	138,000	-
(ii) Cash & Cash Equivalents	5	54,248	70,081
(c) Other Current Assets	6	57,789	-
		<b>250,037</b>	70,081
<b>TOTAL</b>		<b>6,523,915</b>	70,081
<b>II. EQUITY AND LIABILITIES</b>			
(1) <b>Equity</b>			
(a) Equity Share Capital	7	100,000	100,000
(b) Other Equity	8	(35,370)	(44,237)
		<b>64,630</b>	55,763
(2) <b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Current Borrowings	9	6,302,636	-
(ii) Trade Payables - Others	10	154,571	14,318
(b) Other Current Liabilities	11	2,078	-
		<b>6,459,285</b>	14,318
<b>TOTAL</b>		<b>6,523,915</b>	70,081
<b>Summary of Significant Accounting Policies</b>	2.1		

*The Notes referred to above form an integral part of these Financial Statements*

As per our report of even date

For and on behalf of the **Board of Directors** of  
**Mirabelle Agro Manufacturing Private Limited**

**For Urmit Shah & Co**  
Chartered Accountants  
Firm Registration No. 140977W

**Dr. Rahul Mirchandani**  
**Director**  
DIN 00239057

**Urmit Shah**  
Proprietor  
Membership No 152658  
UDIN 21152658AAAABS8833

**Mrs. Nitya Mirchandani**  
**Director**  
DIN 06882384

**Place :** Mumbai  
**Date :** 13<sup>th</sup> May, 2021

**Statement of Profit and Loss for the year ended 31st March, 2021**

( Amounts in Rupees unless stated otherwise )

Particulars	Note Nos.	Year Ended 31st March, 2021	Year Ended 31st March, 2020
I. Revenue from Operations	12	1,321,666	-
Less :- Discounts / Rebates		-	-
		1,321,666	-
II. Expenses :			
(a) Cost of Products Traded	13	1,189,500	-
(b) Other Expenses	14	123,298	44,237
<b>Total Expenses</b>		<b>1,312,798</b>	<b>44,237</b>
III. Profit / (Loss) Before Tax ( I - II )		8,868	(44,237)
IV. Tax Expense			
(a) Current Tax		-	-
(b) Adjustment of Tax relating to earlier periods		-	-
(c) Deferred Tax		-	-
<b>Income Tax Expense</b>		<b>-</b>	<b>-</b>
V. Profit / (Loss) for the period ( III - IV )		8,868	(44,237)
VI. Other Comprehensive Income			
(A) Items that will not be reclassified to Profit or Loss		-	-
(B) Items that will be reclassified to Profit or Loss		-	-
		-	-
VII. Total Comprehensive Income for the period ( V + VI )		8,868	(44,237)
VIII. Earnings per Equity Share	15		
(1) Basic & Diluted		0.89	(4.42)
Summary of Significant Accounting Policies	2.1		

The Notes referred to above form an integral part of these Financial Statements

As per our report of even date

For and on behalf of the Board of Directors of  
Mirabelle Agro Manufacturing Private Limited

**For Urmit Shah & Co**  
Chartered Accountants  
Firm Registration No. 140977W

**Dr. Rahul Mirchandani**  
Director  
DIN 00239057

**Urmit Shah**  
Proprietor  
Membership No 152658  
UDIN 21152658AAAABS8833

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

Place : Mumbai  
Date : 13<sup>th</sup> May, 2021

**Statement of Cash Flows for the year ended 31st March, 2021**

( Amounts in Rupees unless stated otherwise )

Sr. No.	Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>A)</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax as per Statement of Profit and Loss	8,868	(44,237)
	<b>Adjusted for :</b>		
	Finance Costs	1,242	302
	Operating Profit before Working Capital Changes	10,110	(43,935)
	<b>Adjusted for :</b>		
	(Increase) / Decrease in Trade Receivables	(138,000)	-
	Increase / (Decrease) in Trade Payables	140,253	-
	Increase / (Decrease) in Provisions & Other Current Liabilities	2,078	14,318
	Cash Generated from Operations	14,441	(29,617)
	Income Taxes (paid) / received (Net)	-	-
	<b>Net Cash Flow from Operating Activities (A)</b>	<b>14,441</b>	<b>(29,617)</b>
<b>B)</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	Purchase of Fixed Assets ( Tangible Fixed Assets, Capital work in progress (WIP) )	(6,273,878)	-
	Movement in Short Term Loans and Advances & Other Assets	(57,789)	-
	<b>Net Cash Flow from / ( used in) Investing Activities (B)</b>	<b>(6,331,667)</b>	<b>-</b>
<b>C)</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
	Cash Proceeds from the Issue of Shares	-	100,000
	Current Borrowings ( Net )	6,302,636	-
	Finance Costs	(1,242)	(302)
	<b>Net Cash ( used in ) / from financing activities (C)</b>	<b>6,301,394</b>	<b>99,698</b>
	Net Increase in Cash and Cash Equivalents	(15,832)	70,081
	Opening Balance of Cash and Cash Equivalents	70,081	-
	Closing Balance of Cash and Cash Equivalents	<b>54,248</b>	<b>70,081</b>

NOTE :

- 1 The above statement has been prepared under the indirect method set out in Ind AS-7 " Statement of Cash Flows " .
- 2 Figures in the bracket indicate cash out flow.

**As per our report of even date**

For and on behalf of the **Board of Directors** of  
**Mirabelle Agro Manufacturing Private Limited**

**For Urmit Shah & Co**  
Chartered Accountants  
Firm Registration No. 140977W

**Dr. Rahul Mirchandani**  
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Membership No 152658  
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**Mrs. Nitya Mirchandani**  
**Director**  
DIN 06882384

**Place :** Mumbai

**Date :** 13<sup>th</sup> May, 2021

**Statement of Changes in Equity for the year ended 31st March, 2021**

Note No. - 7

( Amounts in Rupees unless stated otherwise )

A	Equity Share Capital	Balance as at 31st March, 2020	Changes in Equity Share Capital during the period	Balance as at 31st March, 2021
		-	100,000	100,000

Note No. - 8

B	Other Equity	Retained Earnings	Items of Other Comprehensive Income	Balance as at 31st March, 2021
			Re-measurement of net defined benefit plans	
	<b>Balance as at 31 March, 2020</b>	(44,237)	-	(44,237)
	Add / (Less) : Profit / (Loss) for the year	8,868	-	8,868
	<b>Balance as at 31 March, 2021</b>	8,868	-	8,868
	<b>Balance as at 31 March, 2021</b>	(35,370)	-	(35,370)
	<b>Balance as at 31 March, 2019</b>	-	-	-
	Add / (Less) : Profit / (Loss) for the period	(44,237)	-	(44,237)
	<b>Balance as at 31 March, 2020</b>	(44,237)	-	(44,237)
	<b>Balance as at 31 March, 2020</b>	(44,237)	-	(44,237)

*The Notes referred to above form an integral part of these Financial Statements*

As per our report of even date

For and on behalf of the **Board of Directors** of  
**Mirabelle Agro Manufacturing Private Limited**

**For Urmit Shah & Co**  
Chartered Accountants  
Firm Registration No. 140977W

**Dr. Rahul Mirchandani**  
**Director**  
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**Mrs. Nitya Mirchandani**  
**Director**  
DIN 06882384

Place : Mumbai

Date : 13<sup>th</sup> May, 2021

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

#### 1. Company Overview

Mirabelle Agro Manufacturing Private Limited (CIN U24303MH2019PTC335076) was incorporated on 26<sup>th</sup> December, 2019 as a Wholly Owned Subsidiary of Aries Agro Limited for carrying business as manufacturers and producers and dealers in Agri Inputs.

#### 2. Basis of Preparation of Financial Statements

##### a. Statement of Compliance

The Ind AS Standalone Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the period ended 31<sup>st</sup> March, 2021 have been prepared in accordance with the Ind AS as notified above.

##### b. Basis of Measurement - Historic Cost Convention

These Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Assets held for sale – measured at fair value less cost to sale;
- Defined benefit plans – plan assets measured at fair value

All assets and liabilities has been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

##### c. Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company.

The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

##### d. Use of Estimates:

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

Estimates and assumptions are required in particular for:

- (i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

##### (ii) Recognition and measurement of defined benefit obligations:

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

##### (iii) Recognition of deferred tax assets:

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

##### (iv) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

##### (v) Discounting of long-term financial liabilities

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

##### (vi) Determining whether an arrangement contains a lease:

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements based on their relative fair values. If the Company concludes for a finance lease that, it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

**e. Ind - AS 115 "Revenue from Contract with Customers**

The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February, 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

**f. Current Versus Non Current Classification:**

(i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non - current.

(ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non - current.

Deferred tax assets and liabilities are classified as non - current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

**2.1 Significant Accounting Policies**

**A. Property, Plant & Equipment:**

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are changed to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

**B. Depreciation & Amortization:**

a. Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight line basis over their remaining useful life of such assets.

b. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021

### C. Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized on straight line basis over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

### D. Borrowing Costs :

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

### E. Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

#### Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### F. Inventories and WIP:

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

#### a. Raw materials and packing materials :

Lower of cost and net realizable value. However, 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. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

#### b. Work-in-progress and finished goods :

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

#### c. Traded goods :

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

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

#### d. Waste and scrap are not separately valued being insignificant in value.

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

### G. Foreign Currency Transactions and Balances:

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to profit and loss account.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

### H. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

#### a. Sale of products:

As stated in Ind AS 115, Revenue from sale of products is recognized when the entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied net of discounts, returns etc. Ind AS 115 is based on a five step model as mentioned below.

1. Identify the contract with customer
2. Identify the performance obligation
3. Determine the transactions price
4. Allocate transaction price
5. Recognize Revenue when (or as) performance obligations are satisfied.

#### b. Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

#### c. Dividend income:

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

### I. Expenditure on new projects and substantial expansion:

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental there to. Other indirect expenditure (including borrowing costs) incurred during the construction

period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is deducted from the total of the indirect expenditure. All direct capital expenditure on expansion is capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

### J. Employee benefits:

#### a. Short Term Employee Benefits:

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### b. Post-Employment Benefits:

##### (i) Defined Contribution Plans:

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due.

##### (ii) Defined Benefit Plans:

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

**c. Other Long Term Employee Benefits:**

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**K. Taxes :**

**a. Current Income Tax:**

- (i) Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

- (ii) Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**b. Deferred taxes:**

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.
- (ii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

**c. Sales/ value added taxes**

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**d. Minimum Alternate Tax**

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**L. Segment reporting**

**Identification of segments**

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

**M. Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

### N. Impairment of Non Financial Assets

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

In determining fair value less cost disposal, recent market transaction are taken in to account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

### O. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

- a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if
  - i. the Company has a present obligation as a result of past event,
  - ii. a probable outflow of resources is expected to settle the obligation; and
  - iii. the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

- b. Contingent liabilities are disclosed in case of:
  - i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
  - ii. a present obligation arising from past events, when no reliable estimate is possible,
  - iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.
- c. Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

### P. Non-current assets held for sale :

Non Current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

**Q. Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**a. Financial Assets:**

**(i) Classification**

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

**(ii) Initial recognition and measurement**

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

**(iii) Subsequent Recognition**

**a. Financial Assets measured at amortized cost**

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

**b. Financial Assets measured at fair value through other comprehensive income (FVTOCI)**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

**c. Financial Assets measured at fair value through profit or loss (FVTPL)**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

**d. Investment in Subsidiary and Associates**

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

**e. Investment in Debt Instruments**

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

**(iv) De-recognition of Financial Assets:**

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**b. Financial Liabilities:**

**(i) Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

**(ii) Subsequent measurement:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss.

**(iii) Loans and Borrowings:**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings

**(iv) Derecognition of Financial Liabilities:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

**R. Earnings Per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021

to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

### S. Investments:

Investments that are readily realizable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021

( Amounts in Rupees unless stated otherwise )

<b>3 CAPITAL WORK IN PROGRESS</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>	
Advance for Machinery	6,273,878	-	
<b>Total</b>	<b>6,273,878</b>	<b>-</b>	
<b>4 TRADE RECEIVABLES</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>	
<b>Unsecured</b>			
Considered Good	138,000	-	
<b>Total</b>	<b>138,000</b>	<b>-</b>	
<b>4.1 Ageing of Trade Receivables</b>			
<b>Particulars</b>	<b>Ageing</b>		<b>Total</b>
	<b>More than 6 months</b>	<b>Less than 6 months</b>	
<b>As at 31st March, 2021</b>			
Unsecured			
Considered Good		138,000	138,000
<b>Gross Total</b>	-	138,000	138,000
Provision for Doubtful Receivables	-	-	-
<b>Net Total</b>	-	138,000	138,000
As at 31st March, 2020	-	-	-
<b>5 CASH AND CASH EQUIVALENTS</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>	
Balance with Banks in Current Accounts	50,048	70,081	
Cash on hand	4,200	-	
<b>Total</b>	<b>54,248</b>	<b>70,081</b>	
<b>6 OTHER CURRENT ASSETS</b>	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>	
<b>(Unsecured and Considered Good)</b>			
Other Advances	57,789	-	
	<b>57,789</b>	<b>-</b>	
<b>7 EQUITY SHARE CAPITAL</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>	
<b>Authorised Share Capital</b>			
10,000 Equity Shares of Rs. 10/- each	100,000	100,000	
	<b>100,000</b>	<b>100,000</b>	
<b>Issued, Subscribed and Fully Paidup</b>			
10,000 Equity Shares of Rs 10/- each.	100,000	100,000	
	<b>100,000</b>	<b>100,000</b>	



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

7.1 Reconciliation of the number of **Equity Shares** :

<b>Particulars</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
Equity Shares at the beginning of the year	10,000	-
Add :- Issued during the year	-	10,000
Less :- Shares cancelled during the year	-	-
Equity Shares at the end of the year	10,000	10,000

7.2 **List of Shareholder's holding more than 5 % Shares in the Company :**

<b>Name of the Share Holder</b>	<b>No of Shares</b>	<b>As at 31st March, 2021 % of Holding</b>	<b>No of Shares</b>	<b>As at 31st March, 2020 % of Holding</b>
(i) Aries Agro Limited	10,000	100.00%	10,000	100.00%
	10,000	100.00%	10,000	100.00%

**8 OTHER EQUITY**

**Retained Earnings**

Balance as per last Balance Sheet  
Add / (Less) :- Profit / (Loss) as per Statement of Profit & Loss

	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
	(44,237)	-
	8,868	(44,237)
	<b>(35,370)</b>	<b>(44,237)</b>

**9 CURRENT BORROWINGS**

**Un-Secured Borrowings**

From Related Parties

	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>
	6,302,636	-
	<b>6,302,636</b>	<b>-</b>

**10 TRADE PAYABLES**

Trade Payables - Others

	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
	154,571	14,318
<b>Total</b>	<b>154,571</b>	<b>14,318</b>

10.1 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2021. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

10.2 All Trade Payables are non-interest bearing and payable or setteled within normal operating cycle of the Company.

**11 OTHER CURRENT LIABILITIES**

Statutory Dues

	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>
	2,078	-
	<b>2,078</b>	<b>-</b>

**12 REVENUE FROM OPERATIONS**

Sales of Products

**Total**

	<b>Year Ended 31st March 2021</b>	<b>Year Ended 31st March 2020</b>
	1,321,666	-
	<b>1,321,666</b>	<b>-</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021

### 12.1 Particulars of Sale of Products :

Sr. Particulars No.	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Traded Products</b>		
(a) Others	1,321,666	-
	<b>1,321,666</b>	<b>-</b>

13 COST OF PRODUCTS TRADED	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Opening Stock of Traded Products	-	-
Add :- Purchases of Traded Products	1,189,500	-
	<b>1,189,500</b>	<b>-</b>
Closing Stock of Traded Products	-	-
Cost of Products Traded	<b>1,189,500</b>	<b>-</b>

14 OTHER EXPENSES	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>Manufacturing Expenses</b>		
Rent, Rates & Taxes	29,478	-
	<b>29,478</b>	<b>-</b>
<b>Other Administration Expenses</b>		
Audit Fees	12,500	7,500
Bank Charges	1,242	302
General Expenses	40,474	4,300
Legal & Professional Fees	18,100	22,455
Printing & Stationery	3,810	9,080
Rent, Rates & Taxes	17,694	600
	<b>93,820</b>	<b>44,237</b>
<b>Total</b>	<b>123,298</b>	<b>44,237</b>

### 14.1 Other Disclosures

#### a) Auditors Remuneration

Sr. Particulars No.	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>1 Statutory Auditors</b>		
(i) Audit Fee	7,500	7,500
(ii) Taxation Matters	5,000	-
	<b>12,500</b>	<b>7,500</b>

### 15 EARNINGS PER SHARE (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share :

Sr. No	Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
(i)	Issued Equity Shares	10,000	10,000
	<b>Weighted Average Shares outstanding - Basic and Diluted</b>	<b>10,000</b>	<b>10,000</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows :

Sr. No	Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
(i)	Profit and Loss after Tax attributable to Equity Shareholders	8,868	(44,237)
(ii)	Basic Earning per Equity Share	0.89	(4.42)
(iii)	Face value of Equity Share	10	10

**16 RELATED PARTY DISCLOSURES**

( Amounts in Rupees unless stated otherwise )

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

Part - A				
Details of Related Parties				
Sr. No.	Nature of Relationship	Name of the Related Party	Remarks	
1	Holding Company	a) Aries Agro Limited	a) Date of becoming Subsidiary of Aries Agro Limited is 26th December, 2019 (Incorporation Date)	
2	Key Management Personnel	a) Dr. Rahul Mirchandani b) Mrs. Nitya Mirchandani	a) Director b) Director	
3	Relatives of Key Management Personnel	Name of the Key Management Personnel	Name of the Relative	Relationship
		a) Dr. Rahul Mirchandani	a) Mrs. Nitya Mirchandani b) Mastar Armaan Mirchandani c) Dr. Jimmy Mirchandani	Spouse Son Brother
		b) Mrs. Nitya Mirchandani	a) Dr. Rahul Mirchandani b) Mastar Armaan Mirchandani	Spouse Son
4	Fellow Subsidiaries	a) Aries Agro Care Private Limited b) Aries Agro Equipments Private Limited c) Golden Harvest Middle East FZC	a) A wholly owned Subsidiary of Aries Agro Limited b) A wholly owned Subsidiary of Aries Agro Limited c) A Subsidiary of Aries Agro Limited	
5	Enterprises over which the Key Management Personnel have significant influence or control	a) Aries East West Nutrients Pvt Ltd b) Aries Marketing Ltd c) Blossoms International Ltd d) Sreeni Agro Chemicals Ltd		

Part - B				
Details of Transactions with Related Parties				
Sr. No.	Category	Nature of Service	Year Ended 31st March, 2021	Year Ended 31st March, 2020
1	Holding Company	Loans taken	6,302,636	8,617
		Loan repaid	-	8,617
		Purchases	1,189,500	
		Rent	39,672	
		Payments (Net of Receipts) for Goods	1,280,000	

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

<b>Part - C</b>				
<b>Balance Outstanding with Related Parties</b>				
<b>Category</b>	<b>Nature of outstanding</b>	<b>Name of the Replated Party</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
Holding Company	Unsecured Loans	Aries Agro Limited	<b>6,302,636</b>	-
	Trade Payables (Debit Balance)	Aries Agro Limited	<b>42,498</b>	-

**17. Current Assets, Loan & Advances and Provisions**

- a) The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- b) The provision for all known liabilities is not in excess of the amounts considered reasonably necessary.
- c) The balances of sundry creditors, sundry debtors and loans and advances are subject to confirmation.

**18. Foreign Exchange Earnings & Outflow:**

During the year there were no Foreign Exchange earnings, expenditure or outflow.

**19. Micro and Small Scale Business Entities**

There are no micro and small Enterprises to whom company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March, 2021. This Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

**20. Segment Reporting**

The Company has only one business segment "Agri Inputs" as its primary segment and hence disclosure of segment-wise information is not required under Indian Accounting Standard (Ind AS) 108 – Operating Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

21. All the accounting policies as mentioned above will be made applicable at relevant times.
22. In absence of probable certainty that sufficient future taxable income will be available for setoff of losses incurred by the company, the company has not taken credit for Deferred tax assets.
23. The Company has no pending litigations.
24. The Company did not have any long term contract including derivative contracts for which there were any material foreseeable losses
25. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
26. This being the first year of the Company the Previous year's figures are not presented.

**As per our report of even date**

For and on behalf of the **Board of Directors** of  
**Mirabelle Agro Manufacturing Private Limited**

**For Urmit Shah & Co**  
Chartered Accountants  
Firm Registration No. 140977W

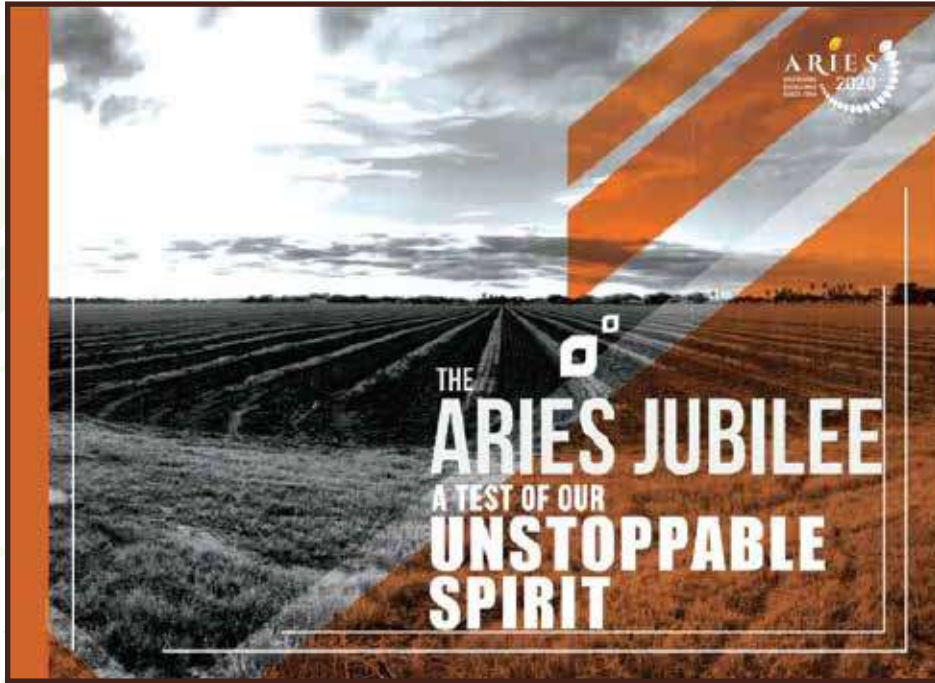
**Dr. Rahul Mirchandani**  
**Director**  
DIN 00239057

**Urmit Shah**  
Proprietor  
Membership No 152658  
UDIN 21152658AAAABS8833

**Mrs. Nitya Mirchandani**  
**Director**  
DIN 06882384

**Place :** Mumbai  
**Date :** 13<sup>th</sup> May, 2021





RELEASE OF ARIES CHRONICLE  
“THE ARIES JUBILEE  
A TEST TO OUR  
UNSTOPPABLE SPIRIT”

# PLANNING MEETINGS 2020-21



51<sup>st</sup>

ANNUAL REPORT 2020-21

# EXCELLENCE MISSION





51<sup>st</sup>

ANNUAL REPORT 2020-21

# ASIAN 'MARKETING TEAM OF THE YEAR' AWARD



# ‘INNOVATION IN CUSTOMER INTERFACE’ BY CI-FACE, NABARD & THE MINISTRY OF FERTILIZERS, GOVT. OF INDIA



## CII NABCONS Publication on Innovative Business Models emerging through COVID19



### • Innovations in Manufacturing and Logistics

Automation of operations in the factories for manufacturing and packaging ensured that operations could restart with limited workforce as prescribed by the Government guidelines from time to time.

Daily review was conducted with a core team made in charge of the rapid transformation and emergency response. The teams ensured follow up in all regions and locations on a war footing to ensure that liquidity and business continuity was not affected even for a single day.

In terms of safe logistics, the movement of materials were ensured using a pool of registered transporters having proper authorization to function during the lockdown and facilities were implemented to sanitize and to protect all goods and people entering and exiting the premises.

### • Customer Interface

The company created several digital platforms to continuously communicate with the customers.

For the Company's Golden Jubilee Celebration, Aries connected 850 dealers across 24 States on to a digital platform for the Annual Dealers' Convention. This was a record-breaking first of its kind digital customer convention, followed by a 100% digital booking bazaar and flash sale.

In addition, all farmers meetings were moved online with small group of farmers being trained by the Aries team for



ARIES AGRO CREATES HISTORY TO MARK ITS GOLDEN JUBILEE  
All Area Dealerships and Dealers have Moved to 24 States, Annual Participants Connected to the  
FIRST EVER ALL INDIA VIRTUAL DEALERS' CONVENTION IN ARIES AGRO HISTORY  
Thank You to the corporate Area Party for an unforgettable day of Innovation

## ARIES AGRO LIMITED

### About the Company

Aries Agro is a company manufacturing micronutrients and other customized nutritional products for plants and animals. The company has a vision to create value for "farmers" and all "stakeholders" using cost effective, environmentally safe crop nutrition solutions customized for the specific needs of crops and soils of India and other markets.



### Challenge Faced

Since Agriculture inputs were classified as "essential" commodities during the COVID19 pandemic, Aries took immediate steps to restart manufacturing at their various locations and units.

The primary challenges were faced in the areas of customer connect, staff leaving, pre-season order booking and payment collection. With kharif harvest having been completed and kharif booking in progress, it was most essential to keep the communication going with the Sales team and enabling digitalisation on a widespread level throughout the organisation.

### Innovation Implemented

The company ensured business continuity leveraging innovations in technology, communication, robot remote monitoring software, company apps, video conferencing facilities, digital payments and automation on the shop floor.

### • Innovations in Booking and Payment

Towards ensuring contactless booking and payment, the Aries 2020 booking application was developed, and 100% digital order booking for the yearly requirements of all distributors and dealers were registered using the app.

Similarly, all payments were made digitally and advances towards orders booked were collected using online payments and various payment gateways including Online Banking, BharatPay, Paytm and GooglePay.

The Company also implemented 100% testing of factory workers using rapid test kits for COVID19 and medication was provided on site. Caution was also provided to all came staff to avail of such rapid testing kits on demand.

In addition, the company has implemented proximity sensors on the shop floor of its largest factory in Ahmedabad. These sensors are embedded in the identity cards of the workers and the factory is virtually fenced into zones and when more than the permitted number of workers are within a zone (as per social distancing requirements), it triggers a buzzing sound to the worker concerned and also to the factory in-charge. In the event that a worker tests positive, this system also provides information on who has been in contact with the worker over the previous 30 days, so that contact tracing, quarantine/isolation and testing can be immediately conducted. This system is now being expanded to all other factories.



### Impact

All innovations were implemented pan-India, impacting 9 million farmers who are Aries customers, served by 8500 distributors and dealers of the company in 24 states of India.

The financials of the company improved as cost of operations reduced due to digitalization, minimal/lock of travel of over 800 sales staff, low fuel consumption for transport, phased utilization of factories, etc. Further, demand remained healthy as the agr. sector was exempted from lockdown conditions and rural areas were also relatively less affected. The Q1 results of the company (Apr-Jun 2020) showed an increase in sales of approx. 34% over the previous year.

# COVID-19 RELIEF



Sanitization tunnels in community market place.



Mask & Sanitizer distribution.



PPE kits for Hospital workers, Police in Gujarat and Lucknow.



Antigen Test Kits.



Swab Test kits



Immunity booster kits donation which contains Vitamin C & Z and D3 Tab



Face Shields

# WELL ON WHEELS



• — BOOK POST — •



**Registered Office:**

Aries Agro Limited, Aries House, Plot No. 24, Deonar, Govandi East, Mumbai - 400043, Maharashtra, India.

Contact No.: +91-022 2552 9000 | E-mail: [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com)

CIN: L99999MH1969PLC014465 | [www.ariesagro.com](http://www.ariesagro.com)