

# PRIMA AGRO LIMITED



CORPORATE & REGD. OFFICE  
Industrial Development Area  
Muppathadam P. O., Edayar, Cochin - 683 110  
Kerala State, India  
Tel: 91-484-2551533, (4 Lines)  
CIN: L15331KL1987PLC0044833  
E-mail: primagroupcompanies@gmail.com  
www.primaagro.in

1<sup>st</sup> August 2020

To

The Corporate Relationship Department,  
Bombay Stock Exchange Ltd,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400 001

**Subject: Submission of Revised Financial Results for the Quarter & Financial Year ended on 31.03.2020**

**Ref: Scrip Code No. 519262**

With reference to the captioned subject we would like to inform you that we are submitting herewith the Revised Financial Results for the Quarter & Financial Year ended on 31.03.2020.

You are requested to take the above on your records.

Thanking you,

Yours faithfully,  
For Prima Agro Limited

  
V.R. Sadasivan Pillai  
Company Secretary & Compliance Officer



## PRIMA AGRO LTD

CIN:L15331KL1987PLC004833

Registered Office: Door No. V-679/C, Industrial Development  
Area, Muppathadam, Edayar, Cochin-683 110Statement of Audited Standalone Financial Results for the Quarter and Year ended on March  
31,2020 prepared in compliance with the Indian Accounting Standards(Ind-AS)

SL No.	Security Code- 519262	( Figures in Million except for EPS )				
	Particulars	Quarter Ended			Year Ended	
	Type	31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019
	Months	Audited	Un-Audited	Audited	Audited	Audited
		3	3	3	12	12
1	Revenue from operation	36.7	30.89	33.47	135.85	140.72
2	Other Income	0.02	0.70	2.42	0.77	0.64
3	<b>Total Income (1+2)</b>	<b>36.72</b>	<b>31.59</b>	<b>35.89</b>	<b>136.62</b>	<b>141.36</b>
4	Expense					
(i)	Cost of Materials Consumed	10.15	0.00	8.02	10.16	8.02
(ii)	Purchase of Stock in Trade	0	0.00	0.00	0	0.00
(iii)	Changes in Inventories of F G, WIP and Stock in Trade	-0.38	0.43	-0.02	0.05	-0.02
(iv)	Employee benefits expense	8.60	10.04	8.94	25.77	25.29
(v)	Cost of Power & Fuel	7.62	5.02	5.14	24.11	25.66
(vi)	Finance Costs	0.64	0.00	0.51	0.64	0.51
(vii)	Depreciation and amortisation expense	1.48	2.50	0.27	8.98	6.26
(viii)	Administration and other expenses	4.72	12.58	5.89	53.20	43.67
5	Total expenses (4(i) to 4(viii))	32.83	30.57	28.75	122.91	109.39
6	<b>Profit before exceptional items and tax (3-5)</b>	<b>3.89</b>	<b>1.02</b>	<b>7.14</b>	<b>13.71</b>	<b>31.97</b>
7	Exceptional items (net)	0.00	0.00	3.33	0.00	3.33
8	<b>Profit before tax (6+7)</b>	<b>3.89</b>	<b>1.02</b>	<b>10.47</b>	<b>13.71</b>	<b>35.30</b>
9	Tax expense	2.38	0.00	6.01	6.78	10.11
10	<b>Profit for the quarter/year (8-9)</b>	<b>1.51</b>	<b>1.02</b>	<b>4.46</b>	<b>6.93</b>	<b>25.19</b>
11	Other comprehensive income (net of taxes)	0.00	0.00	0.00	0.00	0.00
12	<b>Total comprehensive income for the quarter/year (10+11)</b>	<b>1.51</b>	<b>1.02</b>	<b>4.46</b>	<b>6.93</b>	<b>25.19</b>
13	<b>Paid up equity share capital(No. of Shares) (Face value per share Rs.10 each)</b>	<b>5.195</b>	<b>5.195</b>	<b>5.195</b>	<b>5.195</b>	<b>5.195</b>
14	Other Equity	0.00	0.00	0.00	0.00	0.00
15	Earnings per equity share (face value per share Rs10/ each)					
	Basic and diluted before exceptional items (Rs.) (refer note below)	0.29	0.19	0.86	1.33	4.85



Basic and diluted after exceptional item (Rs.) (refer note below)	0.29	0.19	0.86	1.33	4.85
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**Notes**

- 1.The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 26.06.2020 and 29.06.2020 and have Audited by the Statutory Auditors of the Company.
- 2.The above results have been prepared in accordance with the principles and procedures of Ind-AS as notified under the Companies ( Indian Accounting Standards)Rules, 2015 as specified under section 133 of the Companies Act, 2013.
- 3.The above is an extract of the detailed format of Financial Results filed with the Stock Exchange under Regulation 33 of the Securities Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the financial results are available on the stock exchange website (www.bseindia.com) and Company's web site (www.primaagro.in)
- 4.The Company does not have exceptional and extraordinary item to report for the above period.
- 5.Previous Quarter/Year figures have been regrouped/ reclassified and rearranged wherever necessary to make them comparable.
6. EPS is calculated before providing Preference Dividend of Rs.15 Lakhs per quarter.

For Prima Agro Limited



S.K.Gupta

Chairman & Managing Director

Cochin

29-06-2020

**PRIMA AGRO LTD**  
**CIN:L15331KL1987PLC004833**

Registered Office: Door No. V-679/C, Industrial Development  
Area, Muppathadam, Edayar, Cochin-683 110

**Statement of Audited Consolidated Financial Results for the Quarter and Year ended on March 31, 2020 prepared in compliance with the Indian Accounting Standards(Ind-AS)**

Security Code- 519262		( Figures in Million except for EPS )				
		Quarter Ended			Year Ended	
SL No.	Particulars	31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019
	Type	Audited	Un-Audited	Audited	Audited	Audited
	Months	3	3	3	12	12
1	Revenue from operation	36.7	30.89	33.47	135.85	140.72
2	Other Income	0.02	0.70	2.42	0.77	0.64
3	<b>Total Income (1+2)</b>	<b>36.72</b>	<b>31.59</b>	<b>35.89</b>	<b>136.62</b>	<b>141.36</b>
4	Expense					
(i)	Cost of Materials Consumed	10.15	0.00	8.02	10.16	8.02
(ii)	Purchase of Stock in Trade	0	0.00	0.00	0	0.00
(iii)	Changes in Inventories of F G, WIP and Stock in Trade	-0.38	0.43	-0.02	0.05	-0.02
(iv)	Employee benefits expense	8.60	10.04	8.94	25.77	25.29
(v)	Cost of Power & Fuel	7.62	5.02	5.14	24.11	25.66
(vi)	Finance Costs	0.64	0.00	0.51	0.64	0.51
(vii)	Depreciation and amortisation expense	1.48	2.50	0.27	8.98	6.26
(viii)	Administration and other expenses	4.72	12.58	5.89	53.20	43.67
5	Total expenses (4(i) to 4(viii))	32.83	30.57	28.75	122.91	109.39
6	<b>Profit before exceptional items and tax (3-5)</b>	<b>3.89</b>	<b>1.02</b>	<b>7.14</b>	<b>13.71</b>	<b>31.97</b>
7	Exceptional items (net)	0.00	0.00	3.33	0.00	3.33
8	<b>Profit before tax (6+7)</b>	<b>3.89</b>	<b>1.02</b>	<b>10.47</b>	<b>13.71</b>	<b>35.30</b>
9	Tax expense	2.38	0.00	6.01	6.78	10.11
10	<b>Profit for the quarter/year (8-9)</b>	<b>1.51</b>	<b>1.02</b>	<b>4.46</b>	<b>6.93</b>	<b>25.19</b>
11	Other comprehensive income (net of taxes)	0.00	0.00	0.00	0.00	0.00
12	<b>Total comprehensive income for the quarter/year (10+11)</b>	<b>1.51</b>	<b>1.02</b>	<b>4.46</b>	<b>6.93</b>	<b>25.19</b>
13	<b>Paid up equity share capital(No. of Shares) (Face value per share Rs.10 each)</b>	<b>5.195</b>	<b>5.195</b>	<b>5.195</b>	<b>5.195</b>	<b>5.195</b>
14	Other Equity	0.00	0.00	0.00	0.00	0.00
15	Earnings per equity share (face value per share Rs10/ each)					
	Basic and diluted before exceptional items (Rs.) (refer note below)	0.29	0.19	0.86	1.33	4.85



Basic and diluted after exceptional item (Rs.) (refer note below)	0.29	0.19	0.86	1.33	4.85
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**Notes**



- 1.The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 26.06.2020 and 29.06.2020 and have Audited by the Statutory Auditors of the Company.
- 2.The above results have been prepared in accordance with the principles and procedures of Ind-AS as notified under the Companies ( Indian Accounting Standards)Rules, 2015 as specified under section 133 of the Companies Act, 2013.
- 3.The above is an extract of the detailed format of Financial Results filed with the Stock Exchange under Regulation 33 of the Securities Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the financial results are available on the stock exchange website (www.bseindia.com) and Company's web site (www.primaagro.in)
- 4.The Company does not have exceptional and extraordinary item to report for the above period.
- 5.Previous Quarter/Year figures have been regrouped/ reclassified and rearranged wherever necessary to make them comparable.
6. EPS is calculated before providing Preference Dividend of Rs.15 Lakhs per quarter.

For Prima Agro Limited

Cochin  
29-06-2020



*S.K. Gupta*  
Chairman & Managing Director

PRIMA AGRO LIMITED				
CIN:L15331KL1987PLC004833				
No. V-679/C, Industrial Development Area, Muppathadam, Edayar, Cochin-683110				
Cash flow statement for the year ended March 31, 2020				
Particulars	For the year ended 31st March 2020		For the year ended 31st March 2019	
<b>Cash Flow from Operating Activities</b>		1,37,12,373.27		3,52,99,012.58
Profit Before Tax as per Statement of Profit and Loss				
Adjustments for:				
Depreciation and amortisation of Non-current assets	89,82,340.40		62,64,881.36	
Finance Costs	6,46,358.03		5,07,624.00	
Interest Income	(4,67,727.00)		(93,788.00)	
Loss/(Profit) on sale of Property, Plant & Equipment				
Loss/(Profit) on sale of Investment			(33,35,937.33)	
Loss/(Gain) on restatement of Investment			(10,10,977.62)	
Provision for Employee Benefit	4,66,328.24			
		96,27,299.67		23,31,802.41
Operating Profit before Working Capital Changes		2,33,39,672.94		3,76,30,814.99
Movement in Working Capital:				
(Increase)/Decrease in Inventory	47,521.00		(20,983.85)	
(Increase)/Decrease in Trade Receivables	(11,49,169.74)		1,48,221.18	
(Increase)/Decrease in Other Current Assets	(23,04,866.87)		(2,53,576.01)	
Increase/(Decrease) in Trade Payables	2,21,183.70		(88,83,007.23)	
Increase/(Decrease) in Other Financial Liabilities	(55,432.31)		1,92,305.21	
Increase/(Decrease) in Other Current Liabilities	(4,07,767.92)	(28,32,996.30)	43,470.00	(87,73,570.70)
Cash Generated from Operations		2,05,06,676.64		2,88,57,244.29
Less: Income Tax Paid(Net of refund)				1,58,13,861.00
<b>Net Cash Flow from/(used in) Operating Activity</b>		<b>1,12,40,899.98</b>		<b>1,30,43,383.29</b>
<b>Cash Flow from Investing Activities</b>				
Interest Received	4,67,727.00		93,788.00	
Proceeds from sale of Property, Plant & Equipment				
Payments for Property, Plant & Equipment	(70,15,544.65)		(73,55,050.00)	
(Increase)/Decrease in Capital Work-In-Progress	0		0	
(Addition)/Repayment of Advance Given	(46,47,874.04)		88,87,209.96	
(Increase)/Decrease in Bank Deposit(Long Term)	(90,546.00)		(2,70,191.00)	
(Addition)/Repayment in Investments	16,79,167.43		(1,24,99,999.70)	
<b>Net Cash Flow from/(used in) Investment Activity</b>		<b>(96,07,070.26)</b>		<b>(1,11,44,242.74)</b>
<b>Cash Flow from Financing Activities</b>				
Interest Paid	(6,46,356.28)		(5,07,624.00)	
Addition/(Repayment) of Borrowings	20,21,925.34		(20,78,949.67)	
Addition/(Repayment) of Advance Taken	(82,206.00)		(13,43,077.00)	
<b>Net Cash Flow from/(used in) Financing Activity</b>		<b>12,93,363.06</b>		<b>(39,29,650.67)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		<b>29,27,192.78</b>		<b>(20,30,510.12)</b>
Opening Balance of Cash & Cash Equivalents		51,69,586.00		72,00,096.45
Closing Balance of Cash & Cash Equivalents		<b>80,96,778.78</b>		<b>51,69,586.00</b>
<b>Notes:</b>				
1. Cash and Cash Equivalents include Cash in Hand, Balance with Banks on Current Accounts and Deposit Accounts				
2. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard on Cash Flow Statement (Ind AS-7) issued by the Institute of Chartered Accountants of India.				
3. Previous year figures have been rearranged/regrouped wherever necessary				
4. This is the Cashflow Statement referred to in our report of even date.				
Cochin 29.06.2020				For Prima Agro Limited  S.K. Gupta Chairman & Managing Director

**PRIMA AGRO LIMITED**  
CIN: L15331KL1987PLC004833

**STATEMENT OF ASSETS & LIABILITIES AS AT MARCH 31, 2020**

	Particulars	STANDALONE		CONSOLIDATED	
		As at 31st March 2020	As at 31st March 2019	As at 31st March 2020	As at 31st March 2019
	<b>ASSETS</b>				
(1)	<b>Non-Current Assets</b>				
	(a) Property, Plant and Equipment	4,02,98,099.44	4,22,64,895.00	4,02,98,099.44	4,22,64,895.00
	(b) Biological Assets other than bearer plants	50,500.00	50,500.00	50,500.00	50,500.00
	(c) Financial Assets				
	(i) Investments	1,02,24,480.00	1,02,24,480.00	1,02,24,480.00	1,02,24,480.00
	(ii) Others	13,43,417.00	12,52,871.00	13,43,417.00	12,52,871.00
	(d) Deferred Tax Asset	14,17,147.66	1,98,357.00	14,17,147.66	1,98,357.00
	(e) Other Non-Current Assets	3,38,14,604.04	2,91,66,730.00	3,38,14,604.04	2,91,66,730.00
(2)	<b>Current Assets</b>				
	(a) Inventories	8,74,023.00	9,21,544.00	8,74,023.00	9,21,544.00
	(b) Financial Assets				
	(i) Investments	5,59,90,184.57	5,76,69,352.00	5,59,90,184.57	5,76,69,352.00
	(ii) Trade Receivables	42,53,822.74	31,04,653.00	42,53,822.74	31,04,653.00
	(iii) Cash and Cash Equivalents	39,870.00	95,834.00	39,870.00	95,834.00
	(iv) Bank Balance other than (iii) above	80,56,908.78	50,73,752.00	80,56,908.78	50,73,752.00
	(c) Current Tax Assets (net)	35,06,066.66	22,40,290.00	35,06,066.66	22,40,290.00
	(d) Other Current Assets	36,30,338.87	13,25,472.00	36,30,338.87	13,25,472.00
	<b>Total Assets</b>	<b>16,34,99,462.76</b>	<b>15,35,88,732.00</b>	<b>16,34,99,462.76</b>	<b>15,35,88,732.00</b>
	<b>EQUITY AND LIABILITY</b>				
	<b>Equity</b>				
	(a) Equity Share Capital	5,19,49,000.00	5,19,49,000.00	5,19,49,000.00	5,19,49,000.00
	(b) Other Equity	2,01,85,693.87	1,32,54,530.00	2,01,85,693.87	1,32,54,530.00
	<b>Liabilities</b>				
(1)	<b>Non-Current Liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	6,37,75,705.34	6,17,53,780.00	6,37,75,705.34	6,17,53,780.00
	(b) Provisions	78,95,106.24	74,28,778.00	78,95,106.24	74,28,778.00
	(c) Other Non-Current Liabilities	5,96,015.00	6,78,221.00	5,96,015.00	6,78,221.00
(2)	<b>Current Liabilities</b>				
	(a) Financial Liabilities				
	(i) Trade Payables	1,42,03,813.70	1,39,82,630.00	1,42,03,813.70	1,39,82,630.00
	(ii) Other Financial Liabilities	32,12,585.69	32,68,018.00	32,12,585.69	32,68,018.00
	(b) Other Current Liabilities	16,81,542.92	12,73,775.00	16,81,542.92	12,73,775.00
	(c) Current Tax Liabilities (Net)	-	-	-	-
	<b>Total Equity and Liabilities</b>	<b>16,34,99,462.76</b>	<b>15,35,88,732.00</b>	<b>16,34,99,462.76</b>	<b>15,35,88,732.00</b>

For Prima Agro Limited



S.K. Gupta

Chairman & Managing Director

Cochin  
29.06.2020

# PRIMA AGRO LIMITED



CORPORATE & REGD. OFFICE  
Industrial Development Area  
Muppathadam P. O., Edayar, Cochin - 683 110  
Kerala State, India  
Tel: 91-484-2551533, (4 Lines)  
CIN: L15331KL1987PLC0044833  
E-mail: primagroupcompanies@gmail.com  
www.primaagro.in

29<sup>th</sup> June 2020

To

The Corporate Relationship Department,  
Bombay Stock Exchange Ltd,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400 001

**Subject: Declaration Pursuant to Regulation 33(3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**Ref: Scrip Code No. 519262**

I, S.K.Gupta, DIN (00248760), Chairman & Managing Director of M/s Prima Agro Limited having its Registered Office at Door No V/679-C Industrial Development Area, Muppathadam P.O, Edayar, Cochin-683110, hereby declare that the Statutory Auditors of the Company M/s VBV & Associate, Chartered Accountant, (Firm Reg. No-013524S) have issued the Statutory Audit Report with an Un-Modified opinion on the Financial Results for the Quarter and Financial Year ended 31<sup>st</sup> March, 2020.

You are requested to take the above on your records.

Thanking you,

Yours faithfully,  
For Prima Agro Limited,

  
S.K. Gupta  
Chairman & Managing Director





**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF PRIMA AGRO LTD****Report on the Audit of the Standalone Financial Statement****Opinion**

We have audited the accompanying standalone financial statements of PRIMA AGRO LTD ("the Company"), which comprise the Balance Sheet as at March 31, 2020, 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 (herein after 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, 2020, 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 there under, 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.

**Emphasis of matter paragraph**

- We draw your attention to Note 14 of the financial statements, which states that total outstanding dues of micro enterprises and small enterprises and total outstanding dues of trade payables other than micro enterprises and small enterprises are not separately disclosed.
- We draw your attention to Note-21 of financial statements and " Key accounting judgments, Estimates and assumptions" in Significant accounting policies & Notes forming part of accounts, which states that computation as per Ind AS 19 "Employee Benefits" has not been applied for accounting for gratuity.

Our opinion is not modified in respect of these matters.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

### **Other Information**

The Companies Management and Board of Directors are responsible for the other information. The other Information comprises the information included in the company's annual report, but does not include the standalone financial statements and our auditor's report thereon.

### **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 are 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 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.

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge 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 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with 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.

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 except otherwise stated in the financials.

2. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **VBV ASSOCIATES**  
**Chartered Accountants**  
FRN: 013524S



*Vipin*  
CA VIPIN M, FCA  
Partner

Membership No: 215126

UDIN: 20215126AAAABX8886

Place: Cochin-16  
Date :29/06/2020

## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

*(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirement' section of our report of even date)*

**Report on the Internal Financial controls Over Financial Reporting under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act").**

We have audited the internal financial controls over financial reporting of Prima Agro Limited as on March 31, 2020 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 Company's management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria 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 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 judgment, 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 over Financial Reporting**

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposal of the company's assets that could have material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial

reporting and such internal financial controls system over financial reporting were operating effectively as at March 31, 2020, 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 VBV ASSOCIATES  
Chartered Accountants  
FRN: 013524S



*Vipin M*  
CA VIPIN M, FCA  
Partner

Membership No: 215126  
UDIN: 20215126AAAABX888

Place : Cochin-16

Date : 29/06/2020



## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

*(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)*

- i. In respect of fixed assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b) All the fixed assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c) As per the information and explanations provided to us, title deeds of immovable properties are in the name of the Company as at Balance Sheet date.
- ii. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii. The Company has granted the following loans to companies, firms and other parties covered in the register maintained under section 189 under the Companies Act.

S No	Name of the Company/Firm or Other Parties	Relationship	Loan Granted/ (Repaid) during the year	Year end Balance
1	Ayyappa Real Estate (P) Ltd	Entity in which Key Managerial Person have significant influence	-	8,478.00
2	Prima Alloys (P) Ltd		2,250.00	9,750.00
3	Prima Beverages (P) Ltd		1,19,493.00	11,057.56
4	PAPL Exim India Ltd		-	1,18,184.00
5	Prima Credits Ltd		-	15,200.00
6	Prima Industries Ltd		29,67,682.00	13,48,129.00
7	Ayyappa Roller Flour Mills Ltd.		83,26,665.00	2,91,47,016.08

- a) Due to lack of adequate information, we are unable to comment on the rate of interest, term of repayment and other terms and conditions on which loans have been taken from/ granted to companies, firm & other parties listed in the register maintained u/s 189 of the Companies Act, 2013 which are prima facie, prejudicial to the interest of the company since the terms are not defined.

- iv. In our opinion and according to the information and explanations given to us and subject to clause (iii) above, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, making investments and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the company has not accepted any deposit from the public hence the directions issued by the Reserve Bank of India and provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the Rules framed there under are not applicable to this company.
- vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act.
- vii. In respect of Statutory dues,
  - a) According to the information and explanations furnished to us and on the basis of our examination of records, the Company was generally regular in depositing with appropriate authorities undisputed statutory dues towards provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, customs duty, excise duty, cess and other statutory dues, wherever applicable. There were no arrears of statutory dues as on 31<sup>st</sup> March 2020 for a period of more than six months from the date they became payable.
  - b) According to the information and explanation given to us, there are no dues of sale tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanation given to us, the company during the year has not defaulted in repayment of dues or borrowings to financial institutions and banks. The Company did not have dues to government and debenture holders.
- ix. The company has not raised moneys by way of initial public offer or further public offer including debt instruments. In our opinion and according to the information and explanation given to us, moneys raised by way of term loans during the year have been applied by the Company for the purposes for which they were raised.
- x. To the best of our knowledge and according to the information and explanations given to us, no material fraud by or on the Company by its officers or employees has been noticed or reported during the year.

- xi. In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable, for all transactions with related parties and the details of related party transactions have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- xvi. In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause (xvi) of paragraph 3 of the Order is not applicable to the Company.



For VBV ASSOCIATES  
Chartered Accountants  
FRN: 013524S

*iching*  
CA VIPIN M, FCA  
Partner

Membership No: 215126  
UDIN: 20215126AAAA BX8886

Place : Cochin-16  
Date :29/06/2020