SAYAJI

MAIZE PRODUCTS
Maize Products
(A Division of Sayaji Industries Ltd.)

September 04, 2020

To,
General Manager
The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai
Maharashtra 400001

Subject : **Notice of 79TH Annual General Meeting ("AGM") alongwith Annual Report of the Company for Financial Year 2019-20.**

Ref : **Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Company Code : 540728

ISIN : **INE327G01032**

Dear Sir,

We wish to inform that AGM of the Members of the Company is scheduled to be held on Monday September 28, 2020 at 4:00 p.m. through Video Conferencing / Other Audio Visual Means in terms of general circulars dated April 08, 2020 and April 13, 2020 and May 05, 2020 issued by the Ministry of Corporate Affairs, to transact the business, as set out in the Notice of AGM.

We enclose herewith Notice of AGM alongwith the Annual Report of the Company for Financial Year 2019-20 for your kind records. The same is also available on Company's website at www.sayajigroup.in.

Further, the Company is pleased to provide e-voting facility to its Members holding shares in physical or dematerialised form, as on the cut-off date i.e. Monday, September 21, 2020 to cast their votes by electronic means on the resolutions set forth in the Notice of AGM.

Kindly take the same on your record and acknowledge receipt.

Thanking you.

Yours faithfully
For Sayaji Industries Ltd

R. H. Shah

SAYAJI INDUSTRIES LIMITED
P.o Kathwada,
Maize Products
AHMEDABAD - 382 430

(Rajesh H. Shah)
Company Secretary &
Sr. Executive Vice President
Encl.: As above

Sayaji Industries Ltd.
Regd. Office & Works:
Chinubhai Nagar, P.O. Kathwada,
Ahmedabad-382 430, Gujarat, India
T: +91-79-22900881-85, 22901581-85
E: maize@sayajigroup.in
W: www.maizeproducts.com

CIN No: L99999GJ1941PLC000471

2020

ANNUAL REPORT

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Visit: **www.sayajigroup.in**
to view our report online

CORPORATE INFORMATION

COMPANY INFORMATION

CIN - L99999GJ1941PLC000471

CHAIRMAN AND MANAGING DIRECTOR

Mr. Priyam B. Mehta

EXECUTIVE DIRECTORS

Mr. Varun P. Mehta
Mr. Vishal P. Mehta
Mr. Amit N. Shah (w.e.f. 13/07/2020)

NON EXECUTIVE DIRECTOR

Mrs. Sujata P. Mehta

NON EXECUTIVE INDEPENDENT DIRECTORS

CA Chirag M. Shah
Dr. Gaurang K. Dalal
Dr. Janak D. Desai
Mr. Premal D. Mehta
Mr. Jaysheel Hazarat

BOARD COMMITTEES

AUDIT COMMITTEE

CA Chirag M. Shah – Chairman
Mr. Priyam B. Mehta
Dr. Gaurang K. Dalal
Dr. Janak D. Desai

NOMINATION AND REMUNERATION COMMITTEE

CA Chirag M. Shah – Chairman
Dr. Janak D. Desai
Dr. Gaurang K. Dalal

STAKEHOLDERS RELATIONSHIP COMMITTEE

Dr. Gaurang K. Dalal – Chairman
Mrs. Sujata P. Mehta
Mr. Varun P. Mehta
Mr. Vishal P. Mehta

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Varun P. Mehta - Chairman
Dr. Gaurang K. Dalal
Dr. Janak D. Desai
Mrs. Sujata P. Mehta

COMPANY SECRETARY

Mr. Rajesh H. Shah
B. Com., LL.B., A.C.S.

AUDITORS

M/s. Shah & Shah Associates,
Chartered Accountants,
Ahmedabad.

LEGAL ADVISORS

M/s.Nanavati & Nanavati,
Advocates,
Ahmedabad.

BANKERS

Kotak Mahindra Bank

REGISTERED OFFICE

P.O.Kathwada-Maize Products,
Ahmedabad – 382 430.
Tel. +91 79-22901581 to 85
E-mail maize@sayajigroup.in
Web site : www.sayajigroup.in

REGISTRAR AND TRANSFER AGENTS

KFin Technologies Private Limited
Karvy Selenium Tower B, Plot 31-32,
Financial District, Nanakramguda,
Hyderabad - 500032
Phone: 040-44655000/040-44655188
e-mail : einward.ris@karvy.com

FACTORY

P.O. Kathwada,
Maize Products,
Ahmedabad - 382430, Gujarat.

79th Annual General Meeting on **Monday, 28th September, 2020** at **4.00 p.m.** through video conferencing to be conducted from the **Registered Office of the company at P.O. Kathwada, Maize Products, Ahmedabad - 382430.**

NOTICE

Notice is hereby given that the seventy ninth annual general meeting of Sayaji Industries Limited will be held on Monday, 28th September, 2020 at 4.00 p.m. through video conferencing. The company will conduct the meeting from the Registered Office at P.O. Kathwada, Maize Products, Ahmedabad - 382430 which shall be deemed to be the venue of the meeting to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited balance sheet as at 31st March, 2020 and the statement of profit and loss and cash flow statement (including the consolidated financial statements) for the year ended on that date together with the notes attached thereto, along with the report of directors and auditors thereon.
2. To appoint a director in place of Mr. Varun P. Mehta (holding DIN 00900734), who retires by rotation and being eligible offers himself for reappointment.

SPECIAL BUSINESS:

3. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution** :

   "**RESOLVED THAT** pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Dalwadi and Associates, Cost Accountants (FRN - 000338) appointed as Cost Auditors by the board of directors of the company to audit the cost records of the company for the financial year 2020-21, be paid a remuneration of Rs.1,00,000/- (Rupees one lakh only) plus goods and service tax and out of pocket expenses."

   "**RESOLVED FURTHER THAT** the board of directors of the company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution :**

   "**RESOLVED THAT** pursuant to the provisions of Sections 73, 76 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the company be and is hereby accorded to invite and accept deposits from general public and shareholders of the company."

   "**FURTHER RESOLVED THAT** board of directors of the company be and is hereby authorised to prepare and sign a circular or a circular in the form of advertisement in the form prescribed under the Companies (Acceptance of Deposits) Rules, 2014 for inviting and accepting the deposits from general public and shareholders of the company and file the same with the office of the Registrar of Companies for registration thereof duly signed by the majority of the directors of the company and one month thereafter issue the circular or circular in the form of an advertisement in English language in English newspaper and in vernacular language in one vernacular newspaper having wide circulation in Gujarat State and a copy of the same be uploaded on the website of the company ."

   "**FURTHER RESOLVED THAT** the circular or circular in the form of advertisement so issued shall remain valid until the expiry of six months from the date of closure of the financial year 2020-21 in which it is issued or until the date on which the financial statement is laid before the company in the annual general meeting or where the annual general meeting for any year has not been held, the latest day on which that meeting should have been held in accordance with the provisions of Companies Act, 2013, whichever is earlier."

   "**FURTHER RESOLVED THAT** the board of directors of the company be and is hereby authorised to determine whether to invite and accept secured or unsecured deposits and the board be and is hereby further authorised to create necessary security in favour of deposit holders in case it decides to accept secured deposits and execute necessary documents and comply with necessary formalities in this regards."

   "**FURTHER RESOLVED THAT** the board of directors of the company be and is hereby authorised to take all the steps to comply with the requirements of the provisions of Section 73, 76 and other applicable provisions of the

Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 before inviting and accepting deposits from general public and shareholders of the company and do all the necessary acts and things to ensure that all the compliances are done as required by the said Act and Rules."

5. 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, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("Act') read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and re-enactment(s) thereof for the time being in force), the consent of the members be and is hereby accorded for the appointment of Mr. Amit Nareshchandra Shah (DIN 0008789478) as the whole time director (Technical) of the company with effect from 13th July, 2020 till 31st March, 2023 on the terms and conditions including remuneration as set out in the explanatory statement annexed to the notice convening this annual general meeting and as recommended by nomination and remuneration committee ("committee") and approved by the board of directors with liberty to the board of directors (including committee) to alter and vary the terms and conditions of the said appointment/ remuneration in such manner as deemed necessary."

   "FURTHER RESOLVED THAT the remuneration payable to Mr. Amit Nareshchandra Shah, shall not exceed the overall ceiling of the total managerial remuneration (as provided under Section 197 and Schedule V of the Act, or such other limits as may be prescribed from time to time."

   "FURTHER RESOLVED THAT where in any financial year during the currency of his tenure, the company has no profits or its profits are inadequate, the remuneration payable to Mr. Amit Nareshchandra Shah, the whole time director by way of salary, perquisites and allowances shall not exceed the maximum remuneration payable in accordance with Section II of Part II of Schedule V of the Act, with liberty to the board/ committee to decide the breakup of the remuneration from time to time in consultation of the whole time director."

   FURTHER RESOLVED THAT Mr. Amit Nareshchandra Shah, whole time director be entitled with such powers and perform such duties as may from time to time be designated/ entrusted to him subject to the supervision and control of the board of directors."

   "FURTHER RESOLVED THAT his office shall be liable to determination by retirement of directors by rotation and if he is reappointed as a director, immediately on his retirement by rotation, he shall continue to hold the office of the whole time director and such reappointment as a director shall not be deemed to constitute a break in his appointment as the whole time director."

   "FURTHER RESOLVED THAT the board of directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution."

Place : Ahmedabad — **By order of the Board of Directors**
Date : August 31, 2020

Rajesh H. Shah
Company Secretary

DETAILS OF DIRECTORS SEEKING REAPPOINTMENT AT THE 79TH ANNUAL GENERAL MEETING OF THE COMPANY.

In terms of section 149,152 and other applicable provisions of the Companies Act, 2013 for the purpose of determining the directors liable to retire by rotation, the independent directors shall not be included in the total number of directors of the company. Mr. Varun P. Mehta, shall accordingly retire at the forthcoming annual general meeting and being eligible offers himself for reappointment.

Mr. Varun P. Mehta is presently the executive director of the company since approval of his appointment by the members of the company on 13th August, 2010. Mr. Varun P. Mehta holds a bachelor's degree in science (business administration) from Fordham University, USA. Mr. Varun P. Mehta has been actively involved in the day-to-day management of the company since his appointment as the executive director of the company and looks after important functions of the company like H. R., finance and plant operations. He has been instrumental in his efforts for debottlenecking and automation of manufacturing processes.

Mr. Varun P. Mehta is the chairman of corporate responsibility committee and a member of stakeholders relationship committee. Mr. Varun P.

Mehta is also the executive director in N B Commercial Enterprises Ltd. and a director in, Sayaji Corn Products Ltd. and Viva Texchem Private Ltd.

Upon his reappointment as a director, Mr. Varun P. Mehta shall continue to hold the office as the executive director of the company and such reappointment as director shall not be deemed to constitute break in his appointment as the executive director of the company.

Mr. Varun P. Mehta is interested in the resolution as it concerns his appointment. Mr. Priyam B. Mehta, Mrs. Sujata P. Mehta and Mr. Vishal P. Mehta being related to Mr. Varun P. Mehta may also be regarded as concerned or interested in the appointment of Mr. Varun P. Mehta. No other directors, key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise, in the appointment of Mr. Varun P. Mehta.

Place : Ahmedabad
Date : August 31, 2020

By order of the Board of Directors

Rajesh H. Shah
Company Secretary

NOTES:

1. In view of the prevailing lock down situation across the country due to outbreak of the COVID-19 pandemic and restrictions on the movements apart from social distancing, MCA (Ministry of Corporate Affairs) vide its Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 read with Circular No. 20/2020 dated May 05, 2020, has permitted the companies to hold their AGM through video conferencing (VC) / other audio-visual means (OAVM) for the calendar year 2020 without the physical presence of the members at a common venue. Accordingly, in compliance with applicable provisions of the Companies Act, 2013 read with aforesaid MCA circulars, the 79th Annual General Meeting of the company is being conducted through VC/ OAVM.

2. The company has engaged the services of M/s KFin Technologies Private Limited (KFintech), Registrars and Transfer Agents, as the authorized agency for conducting the annual general meeting through VC/ OAVM and providing e-voting facility.

3. Since the annual general meeting is being held pursuant to the MCA circulars, through VC/ OAVM, physical presence of members has been dispensed with. Accordingly, the facility for appointment of proxies will not be available for the annual general meeting and hence the proxy form and attendance slip are not annexed to this notice.

4. Corporate members are required to send a scanned copy (PDF/JPG format) of its board or governing body resolution/ authorization etc., authorizing its representative to attend the annual general meeting through VC/ OAVM on its behalf and to vote through remote e-voting to KFintech, the Registrar and Transfer agent, by e-mail through its registered e-mail address to praveendmr@kfintech.com.

5. In compliance with the aforesaid MCA circulars and SEBI circulate dated May 12, 2020, notice of the annual general meeting with the 79th annual report 2019-20 is being sent only through electronic mode to those members whose e-mail addresses are registered with the company or Central Depository Services (India) Limited (CDSL)/ National Securities Depository Limited (NSDL) (hereinafter referred to as "Depositories"). Members may note that the notice and the 79th annual report 2019-20 will also be available on the website of BSE Limited, www.bseindia.com and on the website of KFintech www.kfintech.com.

6. Members whose e-mail address, mobile nos. and bank details are not registered can register the same in the following manner :

   a. The shareholders may please contact and validate/update their details with the depository participant in case of shares held in electronic form. In case of shareholders holding shares in physical form, they may send an e-mail request at the e-mail address einward.ris@kfintech.com along with the scanned copy of the signed request letter providing the e-mail address, mobile number, self-attested PAN copy and copy of share certificate to company's Registrar and Share Transfer Agent, KFin Technologies Private Limited.

   b. Shareholders who have not registered their mail address and in consequence the annual report, notice of annual general meeting and e-voting notice could not be serviced, may temporarily get their email address and mobile number registered with the company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, by clicking the link: https://karisma.kfintech.com/emailreg for sending the same. Shareholders are requested to follow the process as indicated in the link to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, shareholder may write to einward.ris@kfintech.com.

   c. Shareholders are also requested to visit the website of the company www.sayajigroup.in or the website of the Registrar and Transfer Agent www.kfintech.com for downloading the annual report and notice of the annual general meeting.

7. Members attending the annual general meeting through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

8. Since the annual general meeting will be held through VC/ OAVM, the route map is not annexed to the notice.

9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013,

the register of contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to rhs@sayajigroup.in.

10. Members are requested to note that equity shares of the company are dematerialized and ISIN of the company is INE327G01032. As mandated by SEBI, effective from April 1, 2019, that securities of listed companies shall be transferred only in dematerialized form. In order to facilitate transfer of share(s) and to avail various benefits of dematerialization, members are advised to dematerialize share(s) held by them in physical form.

11. The instructions for attending the annual general meeting and e-voting are as follows :

A. Instructions for attending the annual general meeting:

1. Members will be able to attend the annual general meeting through VC/OAVM or view the live webcast of the annual general meeting provided by KFin Technologies Private Limited at https://emeetings.kfintech.com/ by clicking on the tab 'Video Conferencing' and using their remote e-voting login credentials wherein the name of the company and the event can be selected for company's annual general meeting. Members who do not have the user id and password or have forgotten the user id and password may retrieve the same by following the remote e-voting instructions mentioned under the heading C below.
2. Facility of joining the annual general meeting through VC/ OAVM shall open 15 minutes before the time scheduled for the AGM. Facility of joining annual general meeting will be closed on expiry of 15 minutes from the scheduled start time of the AGM.
3. Members who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker by visiting the URL https://emeetings.kfintech.com/ and clicking on the tab 'Speaker Registration' during the period starting from Saturday, 26th September, 2020 (from 9.00 a.m.) to Sunday, 27th September, 2020 (upto 5.00 p.m.). Only those members who have registered themselves as a speaker will be allowed to express their views/ ask questions during the annual general meeting. The company reserves the right to restrict the number of speakers depending on the availability of time for the annual general meeting. Please note that only questions of the members holding the shares as on cut-off date will be considered.
4. Facility of joining the annual general meeting through VC/ OAVM shall be available for 1000 members on first come first served basis. However, the participation of members holding 2% or more shares, promoters and institutional investors, directors, key managerial personnel, chairpersons of audit committee, stakeholders relationship committee and nomination and remuneration committee and auditors are not restricted on first come first served basis.
5. Members are encouraged to join the meeting through laptops with google chrome for better experience.
6. Further, members will be required to allow camera, if any, and hence use internet with a good speed to avoid any disturbance during the meeting.
7. While all efforts will be made to make VC/OAVM meeting smooth, parcipients connecting through mobile devices, tablets, laptops, etc., may, at times, experience audio/ video loss due to fluctuation in their respective networks. Use of a stable wi-fi or LAN connection can mitigate some of the technical glitches.
8. A video guide assisting the members attending the annual general meeting either as a speaker or participant is available for quick reference at https://emeetings.kfintech.com/
9. Members who need technical assistance before and during the annual general meeting can contact KFintech at emeetings@kfintech.com or on helpline -1800 345 4001.

B. General Instructions:

1. The board of directors have appointed Mr. Niraj Trivedi, Practicing Company Secretary (FCS No. 3844, PCS No. 3123) as the Scrutinizer to the e-voting process and voting at the annual general meeting in a fair and transparent manner.
2. The chairman shall formally propose to members participating through VC/OAVM facility to vote on the resolutions as set out in the notice of the 79th annual general meeting and announce the start of the casting vote through e-voting system of Kfintech.
3. The scrutinizer shall immediately after the

conclusion of e-voting at the annual general meeting, first count the votes cast at the meeting, thereafter unlock the votes through remote e-voting and make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the chairman.

4. The scrutinizer shall submit his report to the chairman who shall declare the resul of the voting. The results declared along with the scrutinizer's report shall be placed on the company's website www.sayajigroup.in and on website of KFintech - https://evoting.karvy.com/ and shall be communicated to BSE Limited. The resolution shall be deemed to be passed at the annual general meeting of the company.

C. Instructions for e-voting

i. In compliance with the provisions of Section 108 of the Act read with rules made thereunder and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is offering e-voting facility to all its members. A person, whose name is recorded in the register of members or in the register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on the cut-off date i.e. Monday, 21st September 2020 only shall be entitled to avail the facility of remote e-voting/ e-voting at the annual general meeting. KFintech will be facilitating remote e-voting to enable the members to cast their votes electronically. Members can cast their votes online from 9.00 a.m. (IST) on Friday, 25th September, 2020 to 5.00 p.m. (IST) on Sunday, 27th September, 2020. At the end of remote e-voting period, the facility shall forthwith be blocked.

ii. The procedure and instructions for e-voting are as follows:

a. Open your web browser during the remote e-voting period and navigate to https://evoting.karvy.com.

b. Enter the login credentials (i.e. user-id and password) mentioned in the letter. Your Folio No./ D P Id No./ Client Id No. will be your user-id.

User-id	**For members holding shares in Demat Form:**
For NSDL :-	8 Character DP ID followed by 8 digits client id
For CDSL :-	16 Digits beneficiary id
User-id	**For members holding shares in physical form:**
	Event number followed by Folio No. registered with the company
Password	Your unique password sent via e-mail forwarded through the electronic notice
Captcha	Please enter the verification code, i.e. the alphabets and numbers in the exact way as they are displayed for security reasons

c. After entering these details appropriately, click on "LOGIN"

d. Members holding shares in Demat/ Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, $, etc.). Kindly note that this password can be used by the demat holders for voting in any other company where they are eligible to vote, provided that the other company opts for e-voting platform. System will prompt you to change your password and update your contact details like mobile number, e-mail id etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

e. You need to login again with the new credentials.

f. On successful login, system will prompt you to select the 'Event' i.e. 'Sayaji Industries Limited'.

g. If you are holding shares in Demat form and had logged on to https://evoting.karvy.com and have cast your vote earlier for any company, then your existing login id and password are to be used.

h. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/ dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held shall not be counted under either head.

i. Members holding multiple folios/ demat accounts shall choose the voting process separately for each folios/ demat account.

j. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm. Else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

k. Corporate members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/ JPG format) of the relevant board or governing body resolution/ authorization together with attested specimen signature of the duly authorized signatory(ies) who is/are authorized to vote, to evoting@karvy.com' (Details are given in point 4 above). The file/ scanned image of the board resolution/ authority letter should be in the naming format ' Corporate Event no.'

iii. The voting rights of the members shall be in proportion to the number of shares held by them in the equity share capital of the company as on the cut-off date being Monday, 21st September, 2020.

In case of joint holders, the member whose name appears as the first holder in the order of names as per the register of members of the company shall be entitled to vote at the annual general meeting.

iv. 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 "Forget user details/ password?" or "physical user reset password?" option available on https://evoting.karvy.com/ to reset the password.

v. In case of any query pertaining to e-voting please visit HELP and FAQ section available on Kfintech website https://evoting.karvy.com or contact toll free no. 1800 345 4001.

D. Voting at annual general meeting :

i. Only those members/shareholders, who will be present in the annual general meeting through video conferencing facility and have not cast their votes through remote e-voting and are otherwise not barred from doing so are eligible to vote through e-voting at the annual general meeting.

ii. However, members who have voted through remote e-voting will be eligible to attend the annual general meeting.

iii. Members attending the annual general meeting shall be counted for the purpose or reckoning the quorum under Section 103 of the Companies Act, 2013.

iv. Upon declaration by the chairman about the commencement of e-voting, at the annual general meeting, members will click on the thumb sign on the left bottom corner of the video screen for voting at the annual general meeting, which will take them to the 'instapoll' page.

v. Members to click on 'instapoll' icon to reach the resolution page and follow the instructions to vote on the resolutions.

12. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to special business at the meeting is annexed hereto.

13. The register of members and share transfer books of the company will remain closed from Tuesday, the 22nd September, 2020 to Monday, the 28th September, 2020 (both days inclusive).

14. Members holding shares in electronic form are informed that bank particulars registered against their respective depository accounts will be used by the company for various purposes. The company or its Registrars cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the respective depository participant of the members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the company or its Registrars.

15. Under Section 124 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules, 2016), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its declaration is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government.

The company had, accordingly, transferred Rs.3,70,300/- being the unpaid and unclaimed dividend amount pertaining to dividend 2011-12 to the IEPF. The details of the unpaid or unclaimed dividend are also uploaded as per the requirements, on the company's website www.sayajigroup.in. Members, who have not encashed their dividend pertaining to the year 2012-13, are advised to write to the company immediately claiming dividend declared by the company.

16. Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the company to the designated demat account of the IEPF Authority ("IEPF Account") within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, additional 10,000 equity shares of the company on which the dividend remained unpaid or unclaimed for seven consecutive years with reference to the due date of 25th August, 2018 are transferred to IEPF Account, after following the prescribed procedure.

    Further, all the shareholders who have not claimed/ encashed their dividends in the last seven consecutive years from 2012-13 are advised to claim the same. In case valid claim is not received, the company will proceed to transfer the respective shares to the IEPF Account in accordance with the procedure prescribed under the IEPF Rules.

17. 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 the 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/ registrar and transfer agents.

18. The company has appointed M/s KFin Technologies Private Limited as the registrar and transfer agents for carrying out all the work relating to transfer, transmission, issue of duplicate share certificates in lieu of misplaced/ lost certificates, change of address etc., to establish connectivity with NSDL and CDSL and to process the Demat/ Remat requests received from the DPs with whom members have opened their respective beneficiary accounts. The members are requested to send all their requests for share transfer, transmission, issue of duplicate share certificates, change of address etc. to M/s KFin Technologies Private Limited at Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500032.

19. Members are requested to quote their folio numbers/ beneficiary account numbers in all their correspondence.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS

Item no.3

The board, on the recommendations of the audit committee has approved the re-appointment of M/s Dalwadi and Associates, Cost Accountants (FRN - 000338) as cost auditor at a remuneration of Rs.1,00,000/- (Rupees One Lakh only) plus Goods and service tax and out of pocket expenses as applicable to conduct the audit of the cost records of the company for the financial year ending 31st March, 2021.

In accordance with the provisions of Section 148 of the Companies Act, 2013, 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. 3 of the notice for ratification of the remuneration payable to the cost auditors for the financial year ending 31st March, 2021.

Certificate dated June 24, 2020 issued by the above firm regarding their eligibility for appointment as cost auditors will be available for inspection at the registered office of the company during 9.00 a.m. to 5.30 p.m. on all working days and shall also be available at the annual general meeting of the company.

None of the directors and key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item no. 3.

The board recommends the resolution as set forth at item no.3 of the notice for approval of the members.

Item no.4

The Companies Act, 2013 and Companies

(Acceptance of Deposits) Rules, 2014 allows the company to invite and accept deposits to the extent of 25% of its paid up capital and free reserves from general public and to the extent of 10% of its paid up capital and free reserves from its shareholders after passing a resolution at the annual general meeting of the company and after complying with various requirements as mentioned in Section 73 and Section 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014. The consent of the members of the company is accordingly sought for the purpose of inviting and accepting deposits by way of passing an ordinary resolution as mentioned in item no.4.

It is also proposed to authorize the board of directors of the company to invite and accept secured or unsecured deposits and take all the necessary steps and to ensure compliance of the provisions of Section 73 and 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 for the purpose of accepting and inviting such deposits from general public and shareholders as aforesaid and for the purpose of filing a circular or circular in the form of advertisement with registrar of companies before one month of issuance of such circular or advertisement and subsequently issuance of such circular or advertisement in the manner as indicated in the resolution.

None of the directors and key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item no.4.

The board recommends the resolution as set forth at item no.4 of the notice for approval of the members.

Item no.5

Based on the recommendation of the nomination and remuneration committee and keeping in view his vast experience and exposure in corn wet milling industry, the board of directors of the company, at its meeting held on 13th July, 2020 appointed Mr. Amit Nareshchandra Shah (holding DIN 0008789478) as the additional director on the board of directors of the company designated as the whole time director (technical), with effect from 13th July, 2020 till 31st March, 2023 subject to approval of the members of the company at this annual general meeting.

Mr. Amit Nareshchandra Shah, aged 59 years is a Bachelor of Engineering (Mechanical) from South Gujarat University. He joined the company in the year 1986 as Project Engineer and has held various positions like Manager(Projects), Manager (Wet Milling), Manager (Production & Technical Planning) He has more than 33 years of experience in the corn wet milling industry and before being elevated as the whole time director (technical), he was the Senior Executive Vice President (Technical) of the company. He is also holding position as the occupier under the provisions of Factories Act, 1948 for the plant of the company located at P.O. Kathwada, Maize Products, Ahmedabad - 382430.

The terms and conditions of his appointment are as under :

Period :

With effect from 13th July, 2020 till 31st March, 2023

Remuneration :

1. Basic Salary: Rs.2,09,375/- (Rupees Two Lakh Nine Thousand Three Hundred Seventy Five only) per month, with such increment(s)/ modification(s) as may be decided by the nomination and remuneration committee from time to time in accordance with the HR policy of the company;
2. He shall be entitled to the perquisites, benefits, and allowance as may be decided by the board and / or nomination and remuneration committee from time to time;
3. In addition to above, he shall be entitled for company' contribution to provident fund, super annuation fund, leave encashment and payment of gratuity as per the HR Policy of the company;
4. Overall Remuneration: The aggregate of salary, together with perquisites, allowance, benefits and amenities payable to Mr. Amit Shah in any financial year shall not exceed the limits prescribed from time to time under section 196, and 197 of the Act read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and re-enactment(s) thereof for the time being in force);
5. Mr. Amit Shah shall not be entitled to any sitting fees for attending meetings of the board or committees thereof;
6. The perquisites shall be valued in terms of actual expenditure incurred by the company and shall be evaluated wherever applicable as per Income Tax Act, 1961 or rules made thereunder and any modification thereof.

The above may be treated as a written memorandum of setting out the terms of appointment of Mr. Amit Nareshchandra Shah under Section 190 of the Companies Act, 2013.

Mr. Amit Nareshchandra Shah is interested in the resolution as set out at item no. 5 of the notice.

Save and except the above, none of the other directors/ key managerial personnel of the company or 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 recommends the resolution as set forth at item no.5 of the notice for approval of the members.

The statement of information as required by second proviso (iv) of Paragraph B of Section-II of Part - II of Schedule -V to the Companies Act, 2013

I. General Information

1. Nature of Industry

The company is engaged in the manufacture and sale of starches and its derivative products like liquid glucose, dextrose anhydrous, dextrose monohydrate, sorbitol and other by-products like maize oil, maize oil cake, maize gluten and maize wet and dry bran.

2. Date or expected date of commencement of commercial production

The company is having its manufacturing facilities at P.O. Kathwada, Ahmedabad and it is one of the oldest and largest manufacturer of starches, its derivatives and by-products in the country since last more than 79 years. The corn wet milling was commenced by the company in the year 1941 with a modest grinding capacity. However today the grinding capacity of the company has exceeded more than 700 Tons/Day with ambitious plans to expand its capacity further.

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. Financial performance based on given indicators :

(Rs. in Lakhs)

Particulars	FY 2017-18	FY 2018-19	FY 2019-20
Total income	59022.51	62631.86	62428.43
EBIDTA	2997.39	3283.65	2172.00
Profit Before Exceptional Item	1000.70	1181.58	(524.35)
Exceptional Item	--	2116.30	--
PBT	1000.70	3297.88	(524.35)
PAT	612.38	2520.03	(232.37)
EPS	9.69	39.87	(3.68)
Net Worth	5685.04	8042.83	7690.11

Foreign Investments or collaborations, if any:

The company has set up a limited liability partnership in the name of Alland & Sayaji LLP (formerly Sayaji Ingritech LLP) in collaboration with SOCIETE DEVELOPPEMENT PRODUITS AFRIQUE - SDPA, FRANCE, the holding company of Alland and Robert for manufacturing of Gum Arabic/ Gum Acacia, Gum Ghatti and Gum blends. The Joint Venture is a 50:50 venture between the company and SDPA.

II. INFORMATION ABOUT THE APPOINTEE

1. Background Details :

Mr. Amit Nareshchandra Shah, aged about 59 years holds a Bachelor of Engineering (Mechanical) from South Gujarat University He has more than 33 years of experience in the corn wet milling industry and before being elevated as the whole time director (technical), he was the Senior Executive Vice President (Technical) of the company. He is also holding position as the occupier under the provisions of Factories Act, 1948 for the plant of the company located at P.O. Kathwada, Maize Products, Ahmedabad - 382430

2. Past Remuneration :

Salary of Rs.2,09,375/- (Rupees Two Lakhs Nine Thousand Three Hundred Seventy Five only) per month and other allowances and perquisites.

3. Recognition or Awards :

The company has received in past no. of awards for its products, use of boiler and certifications in recognition of the company's environmental management systems, quality management systems and health and safety management system.

4. Job Profile and his suitability

Mr. Amit Nareshchandra Shah joined the company in the year 1986 as Project Engineer and has held various positions like Manager(Projects) , Manager (Wet Milling) and Manager (Production & Technical Planning). He has more than 33 years of experience in the corn wet milling industry and before being elevated as the whole time director (technical), he was the Senior Executive Vice President (Technical) of the company.

5. **Remuneration proposed :**

   The board based on the recommendations of nomination and remuneration committee has approved the appointment and remuneration of Mr. Amit Nareshchandra Shah as the whole time director of the company for the period from 13th July, 2020 to 31st March, 2023 in the manner as mentioned above.

6. **comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t the country of his origin) :**

   The proposed remuneration is comparable and competitive considering the industry, size of the company, the managerial position, the credentials and experience of the whole time director.

7. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any :**

   Mr. Amit Nareshchandra Shah is the whole time director of the company and thus receives managerial remuneration. Apart from this he does not have any material pecuniary relationship directly or indirectly with the company. He is not related to any other managerial personnel or key managerial person of the company.

III. OTHER INFORMATION

During the year under review, there was a decline in the maize grinding activity of the company due to substantially higher cost of maize and reduction in the demand of finished products. The supply of maize remained constrained. The cost of other inputs also went up. The company could not pass on the entire increase in the price to its customers which affected the bottom line of the company during the year under review. The activities started picking up in the last quarter of the year under review but again the same was impacted by the sudden outbreak of covid-19 pandemic in India and all over the world. The company continued its efforts to cut the costs at all levels and to further improve its technical parameters and its product mix to concentrate more on high value products like dextrose, anhydrous dextrose and sorbitol but the bottom line of the company was adversely affected during the year under review as compared to previous year. However, the company has commenced its activities since the first week of May, 2020 and there has been an increased capacity utilization after following all SOPs announced by the Government of India. The company continues its focus on the value added finished products, the capacities for which has been increased. The company has also reduced its costs and continues its efforts to further cut the costs at all levels. There has been reduction in the price of maize and all these together is expected to improve the bottom line of the company in the current year and in the years to come.

IV. DISCLOSURES

1. All elements of remuneration package such as salary, benefits, bonuses, stock option, pension etc. of all directors :

   Details of salary, benefits and sitting fees paid to the directors are disclosed in the annual report. The company did not give any bonuses and stock options to the directors.

2. Details of fixed components and performance linked incentives along with the performance criteria

   Details with regard to salary, benefits and sitting fees paid to the directors are disclosed in the annual report. The company does not give any performance linked incentives to the directors.

3. Service contracts, notice period, severance fees :

   Not Applicable

4. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and or which exercisable :

   Not Applicable

Place : Ahmedabad
Date : August 31, 2020

By order of the Board of Directors

Rajesh H. Shah
Company Secretary

DIRECTORS' REPORT

To
THE SHAREHOLDERS,

Your directors have pleasure in presenting the 79th annual report together with audited statements of accounts of the company for the financial year ended 31st March, 2020.

FINANCIAL RESULTS: **(Rs. in Lakhs)**

Particulars	Standalone		Consolidated	
	2019-20	2018-19	**2019-20**	2018-19
Total income	**62428.43**	62631.86	**64266.17**	64899.79
Operating profit before interest, depreciation and taxation	**2172.00**	3283.65	**2278.69**	3425.46
Gross profit	**594.33**	2117.87	**615.49**	2201.80
Profit before exceptional item & tax	**(524.35)**	1181.58	**(530.75)**	1206.22
Exceptional item	**--**	2116.30	**--**	2116.30
Profit after exceptional item but before tax	**(524.35)**	3297.88	**(530.75)**	3322.52
Tax expenses	**(291.98)**	777.85	**(296.03)**	792.72
Profit after tax	**(232.37)**	2520.03	**(234.72)**	2529.80
Other comprehensive income	**32.03**	(19.37)	**32.03**	(19.37)
Total comprehensive income	**(200.34)**	2500.66	**(202.69)**	2510.43
Earnings per share	**(3.68)**	39.87	**(3.71)**	39.87

YEAR IN RETROSPECT:

Impact of Covid-19 Pandemic

In the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the company, the focus immediately shifted to ensuring the health and well-being of all employees. Your company had halted the production at its plant in Kathwada, Ahmedabad from the last week of March, 2020. The production and other operations have been resumed in a staggered manner from first week of May, 2020 and the company has gradually increased its capacity utilization. The company is following all the guidelines and SOPs suggested by the Government and other bodies to maintain social distancing at work place and other hygiene practices such as sanitization tunnels, checking of temperature with infrared scanners etc. at the plant. All the administrative staff of the company was advised to work from home as far as possible and ensure smooth functioning of all operations. Since majority of company's workforce consists of locals, the company is protected from the possible labour shortages due to the migrant labour issue.

The supply chain remained constrained till the first half of May 2020 due to limited availability of means of transportation. However, the situation has improved a lot subsequent to unlocking of activities and there has also been a gradual pick up in the supply of maize and demand for the finished products of the company.

A) RESULTS ON STANDALONE BASIS :

Your directors report that during the year under review, the total income of your company was Rs. 62428.43 lakhs as against Rs. .62631.86 lakhs in the previous year. There was a decline in the maize grinding activity of the company due to substantially higher cost of maize and reduction in the demand of finished products. The supply of maize remained constrained. The cost of other inputs also went up. The company could not pass on the entire increase in the price to its customers which affected the bottom line of the company during the year under review. The activities started picking up in the last quarter of the year under review but again the same was impacted by the sudden outbreak of covid-19 pandemic in India and all over the world. The company continued its efforts to cut the costs at all levels and to further improve its technical parameters and its product mix to concentrate more on high value products like dextrose, anhydrous dextrose and sorbitol but the bottom line of the company was adversely affected during the year under review as compared to previous year for the reasons mentioned earlier in this para even after taking into consideration the exceptional item of profit on the sale of shares held by the company in Sethness Roquette (India) Limited (Formerly Sayaji Sethness Limited) in the previous year.

B) CONSOLIDATED BASIS :

The company has recorded a total income of Rs.64266.17 lakhs as against Rs.64899.79 lakhs in the previous year. The gross profit of the company stands at Rs. 615.49 lakhs as against. Rs.2201.80 lakhs in the previous year. During the year under review, due to various reasons indicated in the earlier para, the bottom line of the company ended in the red as compared to previous year.

Keeping in view the policy of the company to increase/ decrease the dividend payouts to the shareholders of the company and keeping in minds the requirements of funds to ensure timely payments to the suppliers and gradual increase in the activities of the company post unlocking the economy by the Government of India, your directors have thought it appropriate not to recommend any dividend on the equity shares of the company.

FUTURE OUTLOOK :

Your Directors are pleased to report that the situation has been improving day by day after relaxation of lockdown situation imposed due to covid-19 pandemic and no major issues are foreseen going forward unless the situation on the pandemic front again force the stalling of activities. The demand of sweetener group products such as liquid glucose, sorbitol, dextrose monohydrate and anhydrous dextrose is strong as they are mainly supplied to food, FMCG and pharma companies. The demand for starch which is supplied to textile, paper and packaging industry is also picking up with opening of the industries post unlocking.

The profitability remained impacted negatively in the first quarter of the current financial year due to lockdown and inadequate absorption of fixed costs. The management has actively taken steps to control and curtail costs at all levels including even reduction of fixed costs.

However, there has been gradual and consistent increase in the maize grinding of the company post unlocking of activities. There has been a substantial reduction in the cost of maize in the first half of the current year and this, with increased capacity utilization is expected to improve the profitability of the company in the remaining period of the current year.

The company has gradually increased its grinding capacity and is in the process of further increasing its grinding capacity with installation of a high tech, fully automated, most modern and sophisticated dextrose monohydrate plant, de-bottlenecking and automation of the existing production processes to manufacture sorbitol and HMCS, and improvement in effluent treatment facilities. As a result of this, production of the value added products like dextrose, sorbitol and anhydrous dextrose has increased and the quality has also further improved. This drive of automation, replacement of old equipment and modernization is expected to continue in future, which in turn will help the company to concentrate more on such products and improve its top and bottom line in the years to come.

AWARDS AND RECOGNITION :

The company has in the past received number of awards for its products, for efficient use of its utilities and certifications of recognitions of the various systems implemented by it in production, quality control, safety management and environment management.

TECHNICAL ASSISTANCE AGREEMENTS:

The company had in the past availed the benefits of technical expertise from M/s Tate & Lyle, Belgium and SIGMA Mudhendislik Makine Sanayi Ve Ticaret Auaturk Mahallesi, Girne Cad, Turkey. This has enabled it to further improve the technical parameters of the production processes and also improve the quality of its products.

EXPORTS:

Your directors report that the export turnover of the company reduced to Rs. 6600.00 Lakhs as compared to Rs.11111.31 lakhs which was due to effect of pandemic situation in the letter part of the financial year and high cost of maize and other inputs which affected the competitiveness of finished products in the international markets. There has been gradual improvement in the export turnover of the company in the current financial year. The company intends to continue with its long term export oriented marketing policy by penetrating more in its existing international market and exploring new avenues for its high value products.

MARKETING:

Your directors are pleased to inform you that Sayaji Industries Limited has not availed of any moratorium offered to it due to covid-19 pandemic and the liquidity position is adequate to service all interest and debt repayments. Due to the Lockdown and prevailing economic situation, the realization of receivables has been delayed in the last month of the year under review and in the first quarter of the current financial year. However, this situation is improving very fast due to extensive and effective efforts of the company's sole selling agents, M/s L G & Doctor Associates Private Limited. The company also continues to receive better price realization for its products as compared to its competitors. It is heartening to note that due to efforts on the part of the sole selling agents, total receivables at the end of the year remained in control.

The directors place on record their appreciation for the persistent untiring efforts of the sole selling agents to find new markets, pursue with the customers for additional orders and to ensure timely collection of dues.

PUBLIC DEPOSITS:

Deposits aggregating Rs. 16.08 lakhs due for repayment on or before 31st March, 2020 were not claimed by the depositors on that date. As on the

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99-152 CONSOLIDATED FINANCIAL STATEMENT

date of this report, from the aforesaid amount, deposits aggregating Rs. 4.11 lakhs have been claimed/paid.

Your company has accepted the deposits aggregating to Rs. 2133.49 lakhs during the year under review after complying with the provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014. There has been no default in repayment of deposits or payment of interest thereon during the year under review and there are no deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

Your directors appreciate the support which the company has received from the public and shareholders to its fixed deposit scheme.

INSURANCE:

All the properties and insurable interests of the company including buildings, plant and machinery, stocks, loss of profit and standing charges etc. are adequately insured.

GREEN INITIATIVE:

During the year under review, the company continued utilization of biogas captured while treating the effluents which are generated from the manufacturing processes of the company. This has resulted into generation of more power at a reduced power cost. Utilization of biogas for generation of electricity reduces emission of the green house gases into environment and thus supports green environment.

MATERIAL CHANGES :

There are no other material changes and commitments, affecting the financial position of the company which has occurred between the end of the financial year under review of the company to which the financial statements relate and the date of this report, except the impact on the financial position of the company due to covid-19 pandemic in the manner as indicated earlier in the report.

DIRECTORS:

Mr. Varun P. Mehta retires by rotation at the forthcoming annual general meeting and being eligible, offers himself for re-appointment.

A special resolution has been proposed for the approval of the members for appointment and remuneration of Mr. Amit Nareshchandra Shah as the whole time director (technical) of the company for the period from 13th July, 2020 to 31st March, 2023, the details of which are mentioned in the explanatory statement of the notice of the 79th annual general meeting. Mr. Amit Shah is also appointed as the occupier of the factory of the company located at P.O. Kathwada, Maize Products, Ahmedabad - 382430.

Mr. Priyam B. Mehta is the chairman and managing director of the company since November, 1982. He is assisted by Mr. Varun P. Mehta who is the executive director of the company since January, 2010 and Mr. Vishal P. Mehta who is also the executive director of the company since July, 2011. The appointment of the said whole time directors and their remuneration are recommended by the nomination and remuneration committee keeping in mind their contribution to the growth of the company, the financial position of the company, prevailing industry norms, provisions of the Companies Act, 2013 and as approved by the board of directors and members of the company from time to time.

The independent directors of the company are highly qualified and stalwarts in their respective filed with wide and varied experience. They actively participate in the discussions at the board meeting and their suggestions have helped the company to grow at a rapid pace. The independent directors are paid sitting fees for attending the board and committee meetings. The nomination and remuneration committee has in place their criteria for determination of qualifications, positive attributes and independence of the directors, which they have considered for the appointment of the new independent directors and reappointment of independent directors for the second term of consecutive five years.

Pursuant to the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the board has carried out an evaluation of its own performance, the performance of directors individually as well as the evaluation of working of its audit committee, nomination and remuneration committee, stakeholders relationship committee and corporate social responsibility committee. The manner in which the evaluation has been carried out has been explained in the corporate governance report.

The manner in which the remuneration is paid to the directors, executive directors and senior level executives of the company has also been explained in the corporate governance report.

During the year under review, four board meetings, and four audit committee meetings were convened and held the details of which are given in the corporate governance report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013 your directors would like to state that:

(i) in the preparation of the annual accounts, the applicable accounting standards have been followed;

(ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year as on 31st March, 2020 and of the loss of the company for that period;

(iii) the directors 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;

(iv) the directors have prepared the annual accounts on a "going concern" basis;

(v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN AND OTHER DISCLOSURES UNDER COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014 :

The extract of annual return in form no. MGT-9 as provided under Section 92 (3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management & Administration) Rules 2014 is annexed hereto as Annexure-1 and forms part of this report.

Further, the disclosure in the board report under Rule 5 of Companies (Appointment & Remuneration) Rules, 2014 is also annexed hereto as Annexure-2 and forms part of this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013 :

The details of loans, guarantees or investments under Section 186 of the Companies Act, 2013 at the beginning of the year, given/ made during the year and at the end of the financial year under review is as given below:

(Amount in Rs.)

Particulars of Loans / Guarantees / Investments	As at 1/4/2019	Given/ Made during the financial year	As at 31/3/2020
Investment in 2500 equity shares of Rapicut Carbide Ltd. at cost	5000/-	(5000/-)	Nil
Investment in 2360 equity shares of Punjab National Bank at cost	1,84,000/-	(1,84,000/-)	Nil
Investment in Sayaji Corn Products Ltd.	5,00,000/-	(5,00,000/-)	Nil
Investment in Sayaji Seeds LLP	2,40,00,000/-	2,40,00,000/-	4,80,00,000/-
Investment in Sayaji Ingritech LLP)	2,08,99,956/-	1,41,00,044/-	3,50,00,000/-
Corporate Guarantee given to Kotak Mahindra Bank for financial assistance to N B Commercial Enterprises Ltd	25,00,00,000/-	Nil	25,00,00,000/-
Corporate guarantee given to Kotak Mahindra Bank for financial assistance to Alland & Sayaji LLP (Formerly known as Sayaji Ingritech LLP)	8,25,00,000/-	Nil	8,25,00,000/-
Corporate guarantee given to Kotak Mahindra Bank for financial assistance to Sayaji Seeds LLP	9,00,00,000/-	Nil	9,00,00,000/-

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :

All related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of business. The company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable..

SUBSIDIARY COMPANIES:

The company has one subsidiary i.e. Sayaji Seeds LLP. Sayaji Corn Products Ltd. has applied to the Registrar of Companies, Gujarat for removing its name from the register of companies under the relevant provisions of Companies Act, 2013, which is under process of strike off as at the end of the financial year. The company has written off the entire cost of its investment in Sayaji Corn Products Limited as its net worth is fully eroded. In view of above, Sayaji Corn Products Ltd. has now ceased to be a subsidiary of the company and there is no consolidation of accounts of Sayaji Corn

Products Limited with the consolidated financial results of the company during the year under review. Pursuant to Section 129(3) of the Companies Act, 2013 a statement in Form AOC 1 containing the salient features of the financial statements of the subsidiary, except Sayaji Corn Products Limited is attached to the annual report.

CODE OF CONDUCT:

The board of directors has approved a code of conduct which is applicable to the members of the board and all executives one level below the board. The company believes in zero tolerance against bribery, corruption and unethical dealings/ behaviour of any form and the board has laid down the directives to counter such acts. The code of conduct has been posted on company's web site www.sayajigroup.in

The code lays down the standard procedure of business conduct which is expected to be followed by the directors and executives one level below the board in their business dealings and in particular on matters relating to integrity in the work place, in business practice and in dealing with stakeholders.

All the board members and executives one level below the board have confirmed compliance with the code.

STATEMENT ON DEVELOPMENT AND IMPLEMENATION OF RISK MANAGEMENT POLICY:

The statement on development and implementation of risk management policy is given under the management discussion and analysis report which is attached with this annual report.

INTERNAL FINANCE CONTROL:

Details in respect of adequacy of internal finance control with reference to the financial statements are stated in management discussion and analysis report which forms the part of this report.

CORPORATE SOCIAL RESPONSIBITY (CSR) POLICY AND CSR INITIATIVES:

The company has developed CSR policy with the objective to lay down guiding principles for proper functioning of CSR activities to attain sustainable development of nearby society. CSR policy is also available on the web-site of the company.

The company is contributing in the areas like promotion of education, public welfare and animal welfare.

The CSR policy developed by the company mentions the areas of its operation, the CSR activities, the allocation of funds and arrangements for carrying out such activities. The members of CSR committee include Mr. Varun P. Mehta as chairman, Dr. Gaurang K. Dalal, Dr. Janak D. Desai and Mrs. Sujata P. Mehta as members.

The company has spent a sum of Rs. 30.44 Lakhs on CSR activities during the year under review which is more than the prescribed limits of the amount of Rs. 18.42 Lakhs which it is required to spend on the said activities pursuant to the provisions of Section 135 of the Companies Act, 2013. The CSR activities were overseen by the CSR Committee and also by the board of directors on a regular basis. The report on CSR activities is annexed hereto as Annexure - 3 and forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The management discussion and analysis report as required under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been attached and forms part of this directors' report.

CORPORATE GOVERNANCE:

Your company has complied with the requirements of corporate governance as prescribed under Schedule V of the SEBI (LODR) Regulations, 2015. A separate report on corporate governance forms part of the annual report. A certificate from the Practicing Company Secretary, Amrish Gandhi regarding compliance of conditions of corporate governance also forms part of this report.

AUDITORS:

M/s Shah and Shah Associates, Chartered Accountants Ahmedabad (ICAI Registration No. 113742W) continue to act as the statutory auditors till the conclusion of 81st annual general meeting of the company to be held in the year 2022.

SECRETARIAL AUDIT:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Amish Gandhi, practicing company secretary (FCS No. 8193 and C P No. 5656) was appointed to undertake secretarial audit of the company. The secretarial audit report is annexed herewith as Annexure - 4 and forms part of this report.

COST AUDITORS:

The Company has received a letter dated June 24, 2020 from the cost auditors M/s Dalwadi & Associates, Cost Accountants to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for re-appointment. The board of directors of the company at its meeting held on June 29, 2020 appointed M/s Dalwadi & Associates Cost Accountants as the cost auditors of the company to conduct the audit of cost records maintained by the company as required by the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time.

The members are requested to ratify the remuneration to be paid to the cost auditors of the company.

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

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Rule 8(3) of the Companies (Accounts) Rules, 2014 is appended hereto as Annexure - 5 and forms part of this report.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the company will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto excluding the information on employees particulars which is available for inspection by members at the registered office of the company during the business hours on working days of the company upto the date of ensuing 79th annual general meeting of the company. If any member is interested in inspecting the same, the member may write to the company secretary in advance.

APPRECIATION:

Your directors express their deep sense of appreciation for the valuable and devoted services rendered by the chairman and managing director and the executive directors in the management and conduct of the affairs of the company. The directors also express their appreciation for the devoted services of the sole selling agents. Your directors also thank Kotak Mahindra Bank, bankers to the company for extending financial assistance by way of working capital facilities and term loans at competitive rates. Your directors also wish to place on record their deep sense of appreciation for the devoted services of the company's executives, staff, workers and all associated, directly and indirectly with the affairs of the company.

Place : Ahmedabad **For and behalf of the Board**
Date : August 31, 2020 **of Directors**

Priyam B. Mehta
Chairman and Managing Director

ANNEXURE 1 TO DIRECTORS' REPORT
Form No. MGT 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2020

[pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

1	CIN	**L99999GJ1941PLC000471**
2	Registration Date	**30th January, 1941**
3	Name of the Company	**Sayaji Industries Limited**
4	Category / Sub-Category of the Company	**Public Limited Company**
5	Address of the Registered Office and contact details	P.O. Kathwada, Maize Products, Ahmedabad-382430 Telephone no 079-22901581-85 e-mail : maize@sayajigroup.in Website : www.sayajigroup.in
6	Whether listed company	**Yes**
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500032 Phone: 040-44655000/040-44655188 e-mail : einward.ris@karvy.com Website : www.kfinetech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company are as given below:-

Sl. No.	Name and Description of main products /services	NIC Code of the Product/service	% to total turnover of the company
1	Maize Starch Powder	1108.12.00	23.20%
2	Sorbitol	2905.44.00	21.17%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

SR. NO	NAME AND ADDRESS OFTHE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	Sayaji Seeds LLP C-155, B/h C L High School, Village Kathwada, Taluka Daskroi Dist Ahmedabad-382430	AAF-1886	Subsidiary LLP	95.94	Section 2 (87) of the Companies Act, 2013
2	Alland & Sayaji LLP (Formerly Sayaji Ingritech LLP) 61, GVMM, Odhav, Ahmedabad - 382410	AAF-5992	Joint Venture LLP	50.00	Section 2(6) of the Companies Act,2013
3	Sayaji Corn Products Limited * P.O Kathwada, Maize Products, Kathwada, Ahmedabad-382430	U15129GJ2016PLC091578	Subsidiary Company	99.99	Section 2 (87) of the Companies Act, 2013

* Applied to the Registrar of Companies, Gujarat for removing its name from the register of companies under the relevant provisions of Companies Act, 2013, which is under process of strike off and so no longer a subsidiary of the company.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No of shares held at the beginning of the year				No of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A) Promoters									
1) Indian									
a) Individual/HUF	2426400	33440	2459840	38.92	2426400	33440	2459840	38.92	00
b) Central govt	00	00	00	00	00	00	00	00	00
c) state govt(s)	00	00	00	00	00	00	00	00	00
d) BodiesCorp.	2275120	80	2275200	36.00	2275120	80	2275200	36.00	00
e) Banks/FI	00	00	00	00	00	00	00	00	00
f) Any Other	800	2640	3440	0.06	800	2640	3440	0.06	00
Sub-total(A) (1):-	4702320	36160	4738480	4.98	4702320	36160	4738480	74.98	00
(2) Foreign									
a) NRI /Individuals	00	00	00	00	00	00	00	00	00
b) Other individuals	00	00	00	00	00	00	00	00	00
c) BodiesCorp.	00	00	00	00	00	00	00	00	00
d) Banks/FI	00	00	00	00	00	00	00	00	00
e) Any Other	00	00	00	00	00	00	00	00	00
Sub-total(A) (2):-									
Total Share holding of promoter(A) = (A)(1)+(A)(2)	4702320	36160	4738480	74.98	4702320	36160	4738480	74.98	00
B. Public Shareholding									
1) institutions	00	00	00	00	00	00	00	00	00
(a) Mutual Funds	00	00	00	00	00	00	00	00	00
(b) Banks/FI	800	320	1120	0.02	800	320	1120	0.02	00
(c) Central Govt.	00	00	00	00	00	00	00	00	00
(d) State Govt(s)	00	00	00	00	00	00	00	00	00
(e) Venture Capital Funds	00	00	00	00	00	00	00	00	00
(f) Insurance Companies	00	00	00	00	00	00	00	00	00
(g) FIIS	00	00	00	00	00	00	00	00	00
(h) Foreign Venture Capital Funds	00	00	00	00	00	00	00	00	00
(i) Others (specify)	00	00	00	0.00	00	00	00	0.00	0.00
Sub-total (B) (1)	800	320	1120	0.02	800	320	1120	0.02	0.00
2. Non- Institutional									
(a) Bodies Corp.									
(i) Indian	4645	1200	5845	0.09	3147	1200	4347	0.07	-0.02
(ii) Overseas	00	00	00	00	00	00	00	00	00
(b) Individual									
(i) Individual Shareholders holding nominal share capital upto Rs. 2 Lakh	684695	576620	1261315	19.96	783653	478740	1262393	19.97	0.01
(ii) Individual Shareholders holding nominal share capital in excess of Rs. 2 lakh	192240	0	192240	3.04	192240	0	192240	3.04	0.00
(c) Others -									
NRI	625	00	625	0.01	259	00	259	0.01	0.00
- Clearing Members	135	0	135	0.00	921	0	921	0.01	0.01
-IEPF	120240	0	120240	1.90	120240	0	120240	1.90	0
Sub-total (B)(2) :-	1002580	577820	1580400	25.00	1100460	479940	1580400	25.00	0.00
Total public Shareholding (B)=(B)(1)+ (B)(2)	1003380	578140	1581520	25.02	1101260	480260	1581520	25.02	00
Shares held by custodians for GDRs & ADRs	00	00	00	00	00	00	00	00	00
Grand Total (A+B+C)	5705700	614300	6320000	100	5803580	516420	6320000	100	00

(ii) ***Shareholding of Promoters***

Sr No	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative shareholding during the year (1/4/19 to 31/3/20)	
		No of Shares at the beginning (1/4/19) / end of the year (31/3/20)	% of total shares of the Company				No of shares	% of total shares of the company
1	C V Mehta Pvt . Ltd.	959520	15.18	1/04/2019	0	Nil movement during the year		
		959520	15.18	31/3/2020			959520	15.18
2	Priyam Commercial Enterprises Pvt. Ltd.	856400	13.55	1/04/2019	0	Nil movement during the year		
		856400	13.55	31/3/2020			856400	13.55
3	Mrs. Sujata Priyam Mehta	1137680	18.00	1/04/2019	0	Nil movement during the year		
		1137680	18.00	31/3/2020			1137680	18.00
4	Mr. Priyam Bipinbhai Mehta	729200	11.54	1/04/2019	0	Nil movement during the year		
		729200	11.54	31/3/2020			729200	11.54
5	Bini Commercial Enterprises Pvt. Ltd.	459200	7.27	1/04/2019	0	Nil movement during the year		
		459200	7.27	31/3/2020			459200	7.27
6	Mrs. Niramayiben Bipinbhai Mehta	306160	4.83	1/04/2019	0	Nil movement during the year		
		306160	4.83	31/3/2020			306160	4.84
7	Mr. Vishal Priyam Mehta	144000	2.28	1/04/2019	0	Nil movement during the year		
		144000	2.28	31/3/2020			144000	2.28
8	Mrs. Priyaben Amalbhai Kothari	29440	0.47	1/04/2019	0	Nil movement during the year		
		29440	0.47	31/3/2020			29440	0.47
9	Mr. Varun Priyam Mehta	109360	1.73	1/04/2019	0	Nil movement during the year		
		109360	1.73	31/3/2020			109360	1.73
10	Mr. Amal Kirtibhai Kothari	4000	0.06	1/04/2019	0	Nil movement during the year		
		4000	0.06	31/3/2020			4000	0.06
11	Dr. Janak D Desai	960	0.02	1/04/2019	0	Nil movement during the year		
		960	0.02	31/3/2020			960	0.02
12	CA Chirag M Shah	880	0.01	1/04/2019	0	Nil movement during the year		
		880	0.01	31/3/2020			880	0.01
13	Dr. Gaurang Kantilal Dalal	800	0.01	1/04/2019	0	Nil movement during the year		
		800	0.01	31/3/2020			800	0.01
14	CA Mahendrabhai Natvarlal Shah	800	0.01	1/04/2019	0	Nil movement during the year		
		800	0.01	31/3/2020			800	0.01
15	Shri Murli packing & Trading Co. Pvt Ltd	80	0.00	1/04/2019	0	Nil movement during the year		
		80	0.00	31/3/2020			80	0.001

(iii) ***Change in Promoters' Shareholding (please specify, if there is no change)***

SL NO		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% of total Shares of the Company	No of Shares	% of total Shares of the Company
1	At the beginning of the year	4738480	74.98	4738480	74.98
2	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/ decrease(e.g. allotment/ transfer/bonus/sweat equity etc);		There is no change in promoters' holding		
	At the end of the year	4738480	74.98	4738480	74.98

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No	Name of Shareholders	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative shareholding during the year (1/4/19 to 31/3/20)	
		No. of Shares at the beginning (1/4/19) / end of the year (31/3/20)	% of total shares of the Company				No of shares	% of total shares of the company
1	Mr. Suhasbhai V	146480	2.32	1/04/2019	0	Nil movement		
	Mehta	146480	2.32	31/3/2020		of shares	146480	2.32
2	IEPF	120240	1.90	1/04/2019	0	Nil movement		
		120240	1.90	31/3/2019		during the year	120240	1.90
3	Mr. Mahendra	45760	0.72	1/04/2019	0	Nil movement		
	Girdharlal	45760	0.72	31/3/2020		during the year	45760	0.72
4	Shri Kanhai	30560	0.48	1/04/2019	0	Nil movement		
	Siddhitbhai Jhaveri	30560	0.48	31/3/2020		during the year	30560	0.48
5	Unit Trust of India	27440	0.43	1/04/2019	0	Nil movement		
		27440	0.43	31/3/2020		during the year	27440	0.43
6	Mr. Dhavalkumar	23600	0.37	1/04/2019	0	Nil movement		
	Todarmal Sheth	23600	0.37	31/3/2020		during the year	23600	0.37
7	Mr. Jawahirlal N.	12080	0.19	1/04/2019	0	Nil movement		
	Jariwala	12080	0.19	31/3/2020		during the year	12080	0.19
8	Mr. Atit Tarangbhai	11400	0.1	1/04/2019	0	Nil movement		
	Shah	11400	0.19	31/3/2020		during the year	11400	0.19
9	Bhavna G. Desai	9280	0.15	1/04/2019	0	Nil movement		
		9280	0.15	31/3/2020		during the year	9280	0.15
10	Bhavna G. Desai	8320	0.13	1/04/2019	0	Nil movement		
		8320	0.13	31/3/2020		during the year	8320	0.13

(v) Shareholding of Directors and Key Managerial Personnel:

Sr No	Name of Directors and KMP	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative shareholding during the year (1/4/19 to 31/3/20)	
		No of Shares at the beginning (1/4/19) / end of the year (31/3/20)	% of total shares of the Company				No of shares	% of total shares of the company
1	Mr. Priyam Bipinbhai	729200	11.54	1/04/2019	0	Nil movement		
	Mehta	729200	11.54	31/3/2020		during the year	729200	11.54
2	Mr. Varun Priyam	109360	1.73	1/04/2019	0	Nil movement		
	Mehta	109360	1.73	31/3/2020		during the year	109360	1.73
3	Mr. Vishal Priyam	144000	2.28	1/04/2019	0	Nil movement		
	Mehta	144000	2.28	31/3/2020		during the year	144000	2.28
4	Mrs. Sujata Priyam	1137680	18.00	1/04/2019	0	Nil movement		
	Mehta	1137680	18.00	31/3/2020		during the year	1137680	18.00
5	Dr. Janak D Desai	960	0.02	1/04/2019	0	Nil movement		
		960	0.02	31/3/2020		during the year	960	0.02
6	Dr. Gaurang Kantilal	800	0.01	1/04/2019	0	Nil movement		
	Dalal	800	0.01	31/3/2020		during the year	800	0.01
7	CA Chirag M Shah	880	0.01	1/04/2019	0	Nil movement		
		880	0.01	31/3/2020		during the year	880	0.01
8	Mr. Premal Mehta	0	0	1/04/2019	0	Nil movement	0	0
		0	0	31/3/2020	0	during the year	0	0
9	Mr. Jaysheel Hazarat	0	0	1/04/2019	0	Nil movement	0	0
		0	0	31/3/2020	0	during the year	0	0
10	Mr. Rajesh H. Shah	0	0	1/04/2019	0	Nil movement	0	0
		0	0	31/3/2020		during the year	0	0
11	Mr. Manan R. Shah	0	0	1/04/2019	0	Nil movement	0	0
		0	0	31/3/2020		during the year	0	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs.in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	10163.63	590.15	2800.25	13554.03
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	36.33	0.00	0.00	36.33
Total (i+ii+iii)	**10199.96**	**590.15**	**2800.25**	**13590.36**
Change in Indebtedness during the financial Year·				
• Addition	152.26	0.00	228.51	380.77
• Reduction	735.92	118.15	0.00	854.07
Net change	(583.66)	(118.15)	228.51	(473.30)
Indebtedness at the end of the financial year				
(i) Principal Amount	9579.97	472.00	3028.76	13080.73
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest **accrued** but not due	31.61	0.00	0.00	31.61
Total (i+ii+iii)	**9611.58**	**472.00**	**3028.76**	**13112.34**

VI. A. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(Rs. in Lakhs)

SL No.	Particulars of remuneration	Name of MD/WTD/Manager			
		Chairman and Managing Director Mr. Priyam B. Mehta	Executive Director Mr. Varun P. Mehta	Executive Director Mr. Vishal P. Mehta	Total Amount
1.	**Gross Salary**				
	(a) Salary as per provisions Contained in section 17(1) of the Income - tax Act, 1961	96.00	120.00	116.00	332.00
	(b) value of perquisites u/s 17(2) Income-tax Act,1961	21.91	21.77	17.56	61.24
	(c) profits in lieu of salary under section 17(3) income tax Act 1961	--	--	--	--
2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission - as % of Profit - others, specify	--	--	--	--
5.	Others, please Specify	--	--	--	--
	Total (A)	**117.91**	**141.76**	**133.76**	**393.24**
	Ceiling as per Act	--	--	--	--

B. Remuneration to other directors:

(Rs. in Lakhs)

Sl. No.	Particulars of remuneration	CA Chirag M Shah	Dr. Gaurang K Dalal	Dr. Janak D Desai	Mr. Premal D Mehta	Mr. Jaysheel P. Hazarat	Smt. Sujata P Mehta	Total Amount
1.	**Independent Directors**							
	• Fee for attending board/ committee meetings	1.50	1.90	1.70	0.90	1.20	--	7.20
	• Commission	--	--	--	--	--	--	--
	• Others, please specify	--	--	--	--	--	--	--
	Total (1)	**1.50**	**1.90**	**1.70**	**0.90**	**1.20**	**--**	**7.20**
2.	**Other Non- Executive Directors**							
	• Fee for attending board committee meetings	--	--	--	--	--	1.60	--
	• Commission	--	--	--	--	--	--	--
	• Others, please specify	--	--	--	--	--	--	--
	Total (2)	**--**	**--**	**--**	**--**	**--**	**1.60**	**1.60**
	Total (B) = (1+2)	**1.50**	**1.90**	**1.70**	**0.90**	**1.20**	**1.60**	**8.80**
	Total Managerial Remuneration	**1.50**	**1.90**	**1.70**	**0.90**	**1.20**	**1.60**	**8.80**
	Overall Ceiling as per the Act	4.00	4.00	4.00	4.00	4.00	4.00	24.00

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Rs. in lakhs)

Sl. No.	Particulars of remuneration	CFO Mr. Manan R. Shah	Company Secretary Mr. Rajesh H Shah	Total
1.	**Gross Salary**			
	(a) Salary as per provisions Contained in section 17(1) of the Income - tax Act, 1961	26.72	41.45	68.67
	(b) value of perquisites u/s 17(2) Income-tax Act,1961	4.67	3.22	7.89
	(c) profits in lieu of salary under section 17(3) income tax Act 1961	--	--	--
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission - as % of profit - others, specify	--	--	--
5.	Others, please Specify	--	--	--
	Total (A)	**31.39**	**44.67**	**76.56**

VII. PENALTIES/PUNISHMENT/COMPUNDING OF OFFENCES:

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

ANNEXURE - 2 TO DIRECTOR'S REPORT
DISCLOSURE IN THE BOARD'S REPORT UNDER RULE5 OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014

I	The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year 2019-20	Director's name	Ratio to mean remuneration
		Mr. Priyam B. Mehta, Chairman & Managing Director	39.17 : 1
		Mr. Varun P. Mehta, Executive Director	47.10 :1
		Mr. Vishal P. Mehta, Executive Director	44.44 :1
		CA Chirag M. Shah, Director	0.50:1
		Dr. Gaurang K. Dalal, Director	0.63:1
		Dr. Janak D. Desai, Director	0.56:1
		Mr. Premal Mehta, Director	0.30:1
		Mr. Jaysheel Hazarat, Director	0.10:1
		Mrs. Sujata P. Mehta, Director	0.53:1
II	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2019-20 as compared to 2018-19	Director's CFO/CS Name	% increase in remuneration
		Mr. Priyam B. Mehta, Chairman & Managing Director	--
		Mr. Varun P. Mehta, Executive Director	20.95
		Mr. Vishal P. Mehta, Executive Director	16.39
		CA Chirag M. Shah, Director	(38.77)
		Dr. Gaurang K. Dalal, Director	(30.72)
		Dr. Janak D. Desai, Director	30.77
		Mr. Premal D. Mehta, Director	50.00
		Mr. Jaysheel Hazarat, Director	--
		Mrs. Sujata P. Mehta, Director	(20.00)
		Mr. Manan R. Shah, CFO	--
		Mr. Rajesh H. Shah CS	(3.76)
Iii	Percentage increase in the median remuneration of employees in the financial year 2019-20 as compared to 2018-19	2.50	
Iv	No. of permanent employees on the roll of the company	As on 31.3.2020	As on 31.3.2019
		884	825
V	Explanation on the remuneration between the average increase in the remuneration and the company performance	Increase in remuneration is to compensate the inflationary effect.	
VI	Comparison of the remuneration of the KMP against the performance of the company	There is an increase in the remuneration of KMP commensurate with industry norms.	

Vii	Variations	Details	31.3.2020		31.3.2019	
		Market Capitalization	5688 Lakhs		17696 Lakhs	
		P E Ratio	-		7.02	
		% increase / decrease of market quotation	NA		N A	
		Net worth	7690.11 Lakhs		8082.43 Lakhs	
Viii	Average percentile increase in salaries of employees other than managerial personnel	During 2019-20			During 2018-19	
		1.04 %			6.69%	
		Justification for increase with reason for any exceptional circumstances			Normal industry standards applied and also performance of the company	
IX	Comparison of remuneration of each KMP against the performance of the company	Name of the KMP	Remuneration for the year ended			Reason against performance of the company
			31.3.20	31.3.19	% change	
		Mr. Priyam B. Mehta CMD	117.91 Lakhs	117.12 Lakhs	--	The remuneration is as per industry standards and keeping in mind performance of the company.
		Mr. Manan R. Shah, CFO	31.39 Lakhs	--	--	
		Mr. Rajesh H. Shah, CS	44.67 Lakhs	46.43 Lakhs	--	
X	Key parameters for any variable components of remuneration availed by the directors	Nil				
XI	Ratio of the remuneration of the highest paid director to that of the employees who are not director but receive remuneration in excess of the highest paid director during the year	Nil				

The board of directors of the company affirms that the remuneration is as per the remuneration policy of the company.

01-48 STATUTORY REPORT
49-98 STANDALONE FINANCIAL STATEMENT
99-152 CONSOLIDATED FINANCIAL STATEMENT

ANNEXURE- 3 TO DIRECTORS REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **Brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or program.**

   The CSR policy was approved by the board of directors on 26th July, 2014.

   The objective of the company's CSR policy is to lay down guiding principles for proper functioning of CSR activities to attain sustainable development of the nearby society.

   The company has been engaged in CSR related activities since many years and has contributed generously in the areas like promotion of education, public welfare, animal welfare etc.

   The CSR policy adopted by the company intends to do CSR activities in various areas which include the areas like education, infrastructure support to education centers, skill development, community health care, (specialized in medical treatment, health camps etc.) Saving wild animals, animal welfare sanitation and public health, rain water harvesting construction, repair and maintenance of community centers, promotion of art and culture, taking measures for benefit of armed forces veterans etc.

   Web Link :

   https://www.sayajigroup.in/wp-content/uploads/2016/06/CSR.pdf

2. **Composition of CSR committee**

Name of the Member	Designation
Mr. Varun P. Mehta	Chairman
Dr. Gaurang K. Dalal	Member
Dr. Janak D. Desai	Member
Mrs. Sujata P. Mehta	Member

3. **Average net profit of the company for last three financial years :**

   Rs. 921.20 Lakhs

4. **Prescribed CSR Expenditure (2% of the amount as in item 3 above)**

   The company is required to spend Rs.18.42 Lakhs.

5. **Details of CSR expenditure done in the financial year under review :**

   a) Total sum spent for the financial year : Rs.30.44 Lakhs

   b) Amount unspent, if any : Nil

   c) Manner in which the amount is spent during the financial year is detailed below:

Sr. No.	Project Activities	Sector	Locations	Amount Outlay (Budget) Project or Program-wise (Rs.Lakhs)	Amount Spent on the project or Program (Rs. Lakhs)	Cumulative expenditure upto reporting period (Rs. Lakhs)	Amount Spent, direct or through Implementing agency (Rs. Lakhs)
1	Cleaning of Primary School, providing other facility to students and safety of students	Promotion of education	Kathwada Ahmedabad	6.00	**5.68**	**5.68**	**5.68**
2	Laying of water distribution pipeline in Singarva village from the tubewell to Gopalnagar area of the village for drinking water distribution to villagers	Making available clean drinking water	Singarva Ahmedabad	8.00	**7.86**	**7.86**	**7.86**
3	Contribution to green environment and community welfare	Public welfare	Ahmedabad City	7.50	**7.46**	**7.46**	**7.46**
4	Contribution to VIVA Charitable Trust for carrying out animal welfare activity being protection, safety and rehabilitation of rescue dogs	Animal Welfare	Kathwada Ahmedabad, Ahmedabad City	10.00	**9.44**	**9.44**	**9.44**
	Total			31.50	**30.44**	**30.44**	**30.44**

Note: The amounts as mentioned at point no.1, 2 and 3 was spent directly by the Company. The amount as mentioned at point no.4 of Rs.9.44 lakhs was given by the company to Viva Charitable Trust which has created facilities by way of construction of required premises for keeping of rescue animal, their cages etc. and for providing medical facilities, food etc. to the animals so saved. The company has received the compete account of the amount spent by the Viva Charitable Trust on the aforesaid CSR activity.

Reasons for lower than stipulated amount spent on CSR Activities : Not Applicable as the company has spent more than the amount required to be spent on the CSR activities.

ANNEXURE - 4 TO DIRECTORS REPORT
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Managerial Personnel) Rules, 2014]

To,

The Members,
Sayaji Industries Limited
P.O. Kathwada, Maize Products
Ahmedabad-382430

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sayaji Industries Limited (hereinafter called the company). Secretarial Audit was conducted in a 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 Sayaji Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 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 Sayaji Industries Limited ("The company") for the financial year ended on 31.03.2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

   d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; -Not Applicable during the period

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable during the period

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not Applicable during the period

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and; Not Applicable during the period

   i) The Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009;

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

During the period under review the company has complied with the provisions of the Act, 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.

The 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. During the period under review all the decisions in the board meetings were carried out unanimously in compliance with the provisions of the Act.

I have relied on the representation made by the company, its officers and reports of the statutory auditor for system and mechanism framed by the company for compliances under other Acts, Laws and Regulations applicable to the company as listed in Annexure I.

I further report 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. (As mentioned above and listed in Annexure I)

I further report that during the audit period, there were no specific event/instances having major bearing on the company's affair.

Place: AHMEDABAD **AMRISH GANDHI**
Date: 21/05/2020 FCS-8193, C.P.NO.5656

ANNEXURE I

Laws applicable to the Company

a. Ozone Depleting Substances (Regulations) Rules, 2000.

b. The Indian Boiler Act, 1923(Amended 1960)

c. The Chemical Accidents (emergency planning, preparedness and response) Rules, 1996.

d. Food Safety and Standard, Act, 2006

And also the following laws with its regulations:

(i) Employees Provident Fund and Miscellaneous Provisions Act, 1952

(ii) Employees State Insurance Act, 1948

(iii) Employers Liability Act, 1938

(iv) Environment Protection Act, 1986 and other environmental laws

(v) Equal Remuneration Act, 1976

(vi) Factories Act, 1948

(vii) Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rules, 2003

(viii) Indian Contract Act, 1872

(ix) Income Tax Act, 1961 and Indirect Tax Laws

(x) Goods and Services Tax Act

(xi) Indian Stamp Act, 1899

(xii) Industrial Dispute Act, 1947

(xiii) Maternity Benefit Act, 1961

(xiv) Minimum Wages Act, 1948

(xv) Negotiable Instrument Act, 1881

(xvi) Payment of Bonus Act, 1965

(xvii) Payment of Gratuity Act, 1972

(xviii) Payment of Wages Act, 1936 and other applicable Labour laws

ANNEXURE - 5 TO DIRECTORS' REPORT

Information under Rule 8 (3) of Companies (Accounts) Rules 2015 and forming part of the directors' report for the year ended 31st March, 2020.

A. Conservation of Energy

(i) Steps taken or impact on conservation of energy

(1) During the year, the company started recycling and reusing water in its various production processes as a result of which there has been lesser use of water per ton of grind, there has been reduction in power cost and lesser hydraulic load on the effluent treatment plants.

(2) Modification/ upgradation work of condensate recovery project was completed during the year under review which has further helped the company to reduce consumption of steam in its production processes.

(3) The company is now using fully automated process to manufacture DMH which has improved the efficiency of the plant resulting into better quality of the product with lesser operating costs.

Steps taken by the company for utilizing alternative source of energy.

(1) The company has modified its existing UASB Digesters and has installed a new digester which will enable the company to treat more effluents and generate biogas which will be utilized to generate power and reduce consumption of steam utilized in gluten dryer.

(ii) Capital investments on energy conservative equipment & proposals

(1) During the year under review, the company replaced conventional old floating aerators by new slow speed energy efficient aerators which consumes less power and provide better oxygenation in the secondary effluent treatment plant.

B. Technology absorption, adaption and innovation

(i) Effort in brief made towards technology absorption.

(1) Company installed high tech, fully automated, most modern and sophisticated new DMH plant with the help of advanced technology for producing dextrose monohydrate powder.

(2) Company introduced automation in Sorbitol & HMCS plant which were operated manually in the past.

(ii) Benefits derived as a result of the above efforts

(1) During the year under review, the company completed the automation of dextrose anhydrous plant which has resulted in savings of manpower, efficient process controls, improved productivity and efficient operation of the plant which has in turn resulted into savings of production costs at plant level.

(iii) In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished :

(a)	Technology Imported	The company continued its technical assistance agreements with SIGMA & Tate & Lyle till the year 2016-17. Both had shared their technical know-how and expertise in good faith for improvement of production efficiency of the plants of the company.
(b)	Year of Import	---
(c)	Has technology been fully absorbed.	---
(d)	If not fully absorbed, areas where this has not taken Place, reasons therefore and future plan of action.	---

[iv] Research and development (R & D)

The company has developed modified starch for food application, single shot textile sizing starch and new grade of sorbitol which has substituted imported starch and polyol and has opened a new market segment for the company. The company is continuing its research to increase range of polyol, develop cold water soluble starch for different applications and also develop high degree substituted cationic starch for paper application. The company has incurred expenditure of Rs. 9.28 Lakhs on R & D activities.

CORPORATE GOVERNANCE REPORT

OVERVIEW OF CORPORATE GOVERNANCE OF SAYAJI INDUSTRIES LTD. AT A GLANCE

Sayaji Industries Limited continues to follow good corporate governance practices to achieve highest standard of transparency, integrity, accountability and good corporate practices which help all the stakeholders like the shareholders, employees, creditors, lenders and society at large. The company has been prompt in discharging its statutory and social obligations. The board of directors supports the broad principles of corporate governance and is committed to align and direct the actions of the company to achieve the objectives of transparency, accountability and integrity.

At Sayaji, corporate governance has grown since almost 8 decades with its journey of efficient industrial entrepreneurship. Company is in continued compliance with guideline of corporate governance since many years as stipulated in Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

Above all, we believe that corporate governance must balance individual interest with corporate goals and operate within accepted norms of propriety, equity, fair play, sense of responsibility & justice. Achieving this balance depends upon how accountable and transparent the company is. Accountability improves decision making. Transparency helps to explain the rationale behind decisions and thereby builds stakeholders' confidence.

BOARD OF DIRECTORS

BOARD MEETINGS

The board of directors presently comprises of nine directors out of which three are executive directors and six are non-executive directors. Except Mrs. Sujata P. Mehta all other non-executive directors are independent directors and are leading professionals from varied fields whose input bring in independent judgment to the discussions and deliberations in the board meetings. During the year 2019-20 four Board meetings were held on 30/05/2019, 07/08/2019, 14/11/2019 and 04/02/2020.

Composition and attendance of each director at the meeting of the board of directors and at the last AGM

The composition of the board of directors and their attendance at the meetings of board of directors during the year and at last annual general meeting are given below :

Name of the director	DIN	Category of directorship	No. of board meetings attended	No. of directorships held in other Indian public limited companies	Attendance at the last AGM	Qualification shares held by non-executive director	Inter-se relationship
Mr. Priyam B. Mehta	00030933	Executive-chairman & managing director	4	1	Yes	-	Related to Mrs. Sujata Mehta, Mr. Varun Mehta & Mr. Vishal Mehta
Mr.Varun P. Mehta	00900734	Executive director	4	1	Yes	-	Related to Mr. Priyam Mehta, Mrs. Sujata Mehta and Mr. Vishal Mehta
Mr. Vishal P. Mehta	02690946	Executive director	4	1	No	-	Related to Mr. Priyam Mehta, Mrs. Sujata Mehta and Mr. Varun Mehta

CORPORATE GOVERNANCE REPORT

Name of the director	DIN	Category of directorship	No. of board meetings attended	No. of directorships held in other Indian public limited companies	Attendance at the last AGM	Qualification shares held by non-executive director	Inter-se relationship
CA Chirag M. Shah	00021298	Non executive – Independent director	4	-	Yes	880	Not related to any director
Dr. Gaurang K. Dalal	00040924	Non executive – Independent director	4	1	No	800	Not related to any director
Dr. Janak D. Desai	02565216	Non executive – Independent director	4	-	No	960	Not related to any director
Mr. Premal Mehta	01141650	Non executive- Independent director	3	-	No	--	Not related to any director
Mr. Jaysheel Hazarat	08234136	Non executive- Independent director	4	-	No	--	Not related to any director
Mrs. Sujata P. Mehta	00037746	Non executive	4	-	Yes	-	Related to Mr. Priyam Mehta, Mr. Varun Mehta and Mr. Vishal Mehta

- None of the directors except Dr. Gaurang K Dalal of the company holds any membership/ chairmanship in board committees of other companies.
- The independent directors of the company have been with the company for a sufficiently long period of time to be appraised of the company's working and its culture. The company however, also organized programs for familiarization of the directors in earlier years and the web link where details of familiarization programs imparted to independent directors is https://www.sayajigroup.in/wp-content/uploads/2018/05/Independent-directors-familiarization-program-2016-17.pdf
- All the information required to be furnished to the board of directors as per regulation 17 (7) of part (A) of Schedule II of SEBI (LODR) Regulations was made available to them along with the detailed notes. This information includes minutes of meeting of audit committee, nomination and remuneration committee, stakeholders relationship committee, corporate social responsibility committee, annual operating plans and budgets and updates thereof, quarterly results, information about recruitment of senior officers just below the board level, materially important litigations, show cause/ demand notices, prosecution and penalty, fatal or serious accidents or dangerous occurrences, material effluent or pollution problems if any, material default in financial obligations if any, sale of material nature of investments, sale of assets which are not in the normal course of business, details of joint venture, acquisition of companies or collaboration agreement, details of foreign exchange exposure and the steps taken by the management to limit the risks of adverse exchange rate movement, non compliance of any regulatory, statutory or listing requirements as well as shareholder services such as non-payment of dividends etc.

CORPORATE GOVERNANCE REPORT

AUDIT COMMITTEE

The company has formed the audit committee comprising of four directors. CA Chirag M. Shah is the chairman of the committee and Mr. Priyam B. Mehta, Dr. Gaurang K. Dalal and Dr. Janak D. Desai are members of the committee. During the year four audit committee meetings were held 30/05/2019, 07/08/2019, 14/11/2019 and 04/02/2020. The audit committee at the board level acts as a link between the independent auditors, internal auditors, the management and the board of directors and oversees the financial reporting process. The audit committee interacts with the internal auditors, independent auditors, secretarial auditors and cost auditors and reviews and recommends their appointment and remuneration. The audit committee is provided with all necessary assistance and information to enable it to carry out its functions effectively.

In general the audit committee reviews the audit and internal control procedures, accounting policies and the company's financial reporting process and ensures that the financial statements are correct, sufficient and credible and exercises the powers as recommended from time to time by SEBI, stock exchanges and/or under the Companies Act, 2013. Further audit committee also reviews the following information mandatorily:

1. Management discussion and analysis of financial conditions and results of operations.
2. Statement of significant related party transactions submitted by the management.
3. Management letters/ letters of internal control weaknesses if any, issued by the statutory auditors.
4. Internal audit report relating to internal control weaknesses if any, and implementation of action points arising therefrom.
5. The recommendation of appointment, remuneration and terms of appointment of auditors of the company.
6. Review and monitor the auditors' independence and performance and effectiveness of audit process.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Appointment, removal and terms of remuneration of the internal auditors.
9. Quarterly and annual financial statements
10. Risk assessment and minimization procedures.
11. Matters required to be included in the director's responsibility statement to be included in the board report in terms of section 134 of the Act.
12. Changes, if any, in accounting policies and practices and reason for the same.
13. Major accounting entries involving estimates based on the exercise of judgment by the management.
14. Significant adjustments made in the financial statements arising out of audit findings.
15. Compliance with listing and other legal requirements relating to financial statements.
16. Qualifications, if any, in the draft audit report.
17. Scrutiny of inter-corporate loans and investments.
18. Evaluation of internal financial controls.
19. Reviewing the findings of internal investigations, if any, by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
20. Reviewing functioning of whistle blower mechanism.
21. Carrying out any other function as mentioned in the terms of reference of audit committee.

The composition of audit committee and particulars of attendance at the audit committee meetings during the year under review are given below:

Name of director	Chairman / Member	Category of directorship	No. of meetings attended
CA Chirag M. Shah	Chairman	Non-executive – independent	4
Dr. Gaurang K. Dalal	Member	Non-executive – independent	4
Dr. Janak D. Desai	Member	Non-executive - independent	4
Mr. Priyam B. Mehta	Member	Executive – promoter	4

The Chief Financial Officer is the permanent invitee to the audit committee meetings. The company secretary acts as secretary to the audit committee. The chairman of the audit committee was also present at the 78th annual general meeting of the company held on 7th August, 2019.

CORPORATE GOVERNANCE REPORT

NOMINATION AND REMUNERATION COMMITTEE

The company has three whole time directors on the board whose remuneration is approved by the committee subject to approval of the board of directors, members and if required by the Central Government in compliance with the provisions of Companies Act, 2013 and relevant schedules under the said Act. Members of nomination and remuneration committee are CA Chirag M. Shah - Independent director as the chairman, Dr. Gaurang K Dalal and Dr. Janak D. Desai – Independent director as members.

The terms of reference of the committee, inter alia, include: (a) formulation of policy for determining qualification, positive attributes and independence of a director and remuneration for the directors, key managerial personnel and other employees and recommend the same to the board and (b) identification of persons who are qualified to become directors and who may be appointed in senior management cadre in accordance with the criteria as per the policy approved by the board. The policy of the company is to remain competitive in the industry, to attract and retain the best talent and appropriately reward executives for their individual performance and contribution to the business of the company.

During the year 2019-20, meetings of nomination and remuneration committee were held on 30/05/2019 and 04/02/2020. All the members attended all the meetings of Nomination and Remuneration Committee.

Details of remuneration paid to directors:

(Rs. in Lakhs)

Name of director	Salary	Perquisites	Sitting fees for attending meeting of board of directors and committee meetings
Mr. Priyam B. Mehta	96.00	21.91	Nil
Mr. Varun P. Mehta	120.00	21.77	Nil
Mr. Vishal P. Mehta	116.00	17.56	Nil
CA Chirag M. Shah	-	-	1.50
Dr. Janak D. Desai	-	-	1.70
Dr. Gaurang K. Dalal	-	-	1.90
Mr. Premal Mehta	-	-	0.90
Mr. Jaysheel Hazarat	-	-	1.20
Mrs. Sujata P. Mehta	-	-	1.60

SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

As per provisions of the Companies Act, 2013 and as provided in Regulation 17 of SEBI (LODR) Regulations, 2015 as amended from time to time, the company had appointed CA Chirag M. Shah, Dr. Gaurang K. Dalal and Dr. Janak D. Desai as independent directors for the second term of five consecutive years at its 78th Annual General Meeting till March 31, 2024. Mr. Premal Mehta and Mr. Jaysheel Hazarat were appointed as independent directors for five consecutive years from 3rd November, 2018 to 2nd November, 2023 at the 78th Annual General Meeting. All the independent directors of the company are highly qualified and are experts in their respective filed. They actively take part in the discussions at the board meetings and provide valuable independent inputs which enable board of directors of the company to take informed decisions on issues discussed at the meetings.

In case of appointment of new independent directors, the board and the independent directors satisfy themselves with regard to independent nature of the director vis-a-vis the company so as to enable the board to discharge its functions and duties effectively. It will also be ensured that the candidate identified for appointment as a director is not disqualified for appointment under section 164 of the Companies Act, 2013. The board and independent directors shall consider the attributes/ criteria like qualification, expertise and experience of the director in his respective field, personal, professional or business standing, and diversity of the board etc. and in case of reappointment of non executive director, the board shall take into consideration the performance evaluation of the director and his engagement level.

The non executive directors are entitled to receive sitting fees for each meeting of the board and committee attended by him of such sum as may be approved by the board within overall limits prescribed under the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Presently the company has three executive directors. Mr. Priyam B. Mehta is the chairman and managing director of the company and looks after the day-to-day management of the company and the domestic and international sales of the company. He has been with the company for almost four decades and has

CORPORATE GOVERNANCE REPORT

been instrumental in the progress of the company since the management of the company was taken over by him with his late father Mr. Bipin V. Mehta. The company has been one of the largest exporters in the corn wet milling industry and has been able to maintain its existing international market and has added new markets for its products due to sincere and dedicated efforts on the part of Mr. Priyam Mehta. Mr. Varun P. Mehta is the executive director of the company and he is looking after the all important functions like H R, finance and plant operations. Mr. Vishal P. Mehta is also the executive director of the company and is looking after the functions like production, purchase and plant operations since then. There has been a substantial increase in the turnover and profitability of the company due to efforts on the part of the managing director and executive directors of company.

At the time of appointment or re-appointment, the executive directors shall be paid remuneration as agreed between the company (which includes nomination and remuneration committee and the board of directors) and the executive directors within the overall limits prescribed under the Companies Act, 2013 and Schedule V to the Act. The remuneration shall be subject to the approval of the members of the company in general meeting and subject to approval of Central Government, if required.

The remuneration of the executive directors comprises only of fixed component. The fixed components comprise salary, allowances, amenities and other benefits.

PERFORMANCE EVALUATION POLICY

The company has adopted performance evaluation policy for evaluation of performance of its directors and the board of directors itself. The board of directors has carried out the annual performance evaluation of its own performance, the directors individually as well as the evaluation of performance of its audit committee, nomination and remuneration committee, corporate social responsibility committee and stakeholders relationship committee. A structured questionnaire was prepared after taking into consideration various aspects of the board's functioning such as effectiveness in decision making, effectiveness in developing corporate governance structure, effectiveness in providing suggestions and advices to the management, creation of environment for open discussion and meaningful participation at the meetings, effectiveness in considering the reports and financial statements of the company and efforts for improvement in the same etc.

A separate exercise was carried out to evaluate the performance of the individual directors including the chairman and managing director who were evaluated on the parameters like leadership initiatives, new ideas suggestions and planning, effectiveness in decision making, compliance with policies of the company, its code and ethics, timely inputs on minutes etc. The performance evaluation of independent directors was carried out by the board. The performance evaluation of executive directors and non-independent director was carried out by the independent directors. The directors expressed their satisfaction with the evaluation process.

INDEPENDENT DIRECTORS MEETING

During the year under review, no meeting of Independent Directors was held. The exemption from holding such meeting has been granted by Ministry of Corporate Affairs vide its circular dated 24th March, 2020 in view of the covid-19 pandemic situation prevailing in th country.

RISK MANAGEMENT

The company has identified the risks associated with the business of the company and has taken measures to minimize the same and the details, if required are presented to and discussed at the board meeting. The risk management issues are discussed in the management discussion and analysis report.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The terms of reference of the committee include the issues concerning resolving grievances of shareholders, investors, public deposit holders and other stakeholders of the company.

The members of company's stakeholders relationship committee are Dr. Gaurang K. Dalal- chairman, Mrs. Sujta P. Mehta -member, Mr. Varun P. Mehta- member and Mr. Vishal P. Mehta- member. During the year 2019-20, meetings of stakeholders relationship committee were held on 30/05/2019, 07/08/2019, 14/11/2019 and 04/02/2020. All the members attended all the meeting of Stakeholders Relationship Committee. Number of investor complaints received, solved and pending during the period from 1.4.2019 to 31.3.2020 are as given below.

CORPORATE GOVERNANCE REPORT

Nature of Complaints	Received	Solved	Pending
Non receipt of securities/ complaint relating to transfer of shares	31	31	0
Non receipt of dividend warrants	35	35	0
Correction of names on securities	13	13	0
Clarification regarding shares	160	160	0

CORPORATE SOCIAL RESPONSIBILITY COMMIITTEE

Pursuant to Section 135 of the Companies Act, 2013, the company has constituted corporate social responsibility committee, inter alia, to formulate and recommend to the board of directors, a corporate social responsibility (CSR) policy indicating activities to be undertaken by the company in compliance with provisions of the Companies Act, 2013 and rules made thereunder, to recommend the amount of expenditure to be incurred on the CSR activities and to monitor the implementation of the CSR Policy of the company from time to time.

The members of company's corporate social responsibility committee are Mr. Varun P. Mehta - chairman, Dr. Gaurang K. Dalal- member, Dr. Janak D Desai - member and Mrs. Sujata P. Mehta- member. During the year 2019-20, meetings of corporate social responsibility were held on 30/05/2019, 07/08/2019, 14/11/2019 and 04/02/2020. All the members attended all the meetings of corporate social responsibility committee.

Secretary of the company acts as the secretary of the corporate social responsibility committee.

WHISTLE BLOWER POLICY

The company has in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to the notified persons. The reports received from any employees will be reviewed by the audit committee. It is affirmed that no person was denied access to the audit committee in this respect. The directors and senior management are required to maintain confidentiality of such reporting and ensure that whistle blowers are not subject to any discriminatory practice.

GENERAL BODY MEETING

Location and time for the last three Annual General Meetings

Year ended	Date	Time	Venue	No, of special resolutions passed
31st March, 2019	7th August, 2019	9.00 a.m.	Banquet Hall, The Grand Vinayak Hotel, S. P. Ring Road, Odhav Circle, Odhav, Ahmedabad - 382410	5
31st March, 2018	10th August, 2018	9.00 a.m.	Banquet Hall, The Grand Vinayak Hotel, S. P. Ring Road, Odhav Circle, Odhav, Ahmedabad - 382410	2
31st March, 2017	28th July, 2017	9.30 a,m.	Banquet Hall, The Grand Vinayak Hotel, S. O. Ring Road, Odhav Circle, Odhav, Ahmedabad - 382410	3

DISCLOSURES

Disclosures on materially significant related party transactions, i.e. transactions of the company of material nature, with its promoters, the directors or management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the company at large :

All transactions with related parties are in the ordinary course of business and at arm's length. The company has not entered into any transactions of a material nature with any related parties which are in conflict with the interest of the company. The details of related party transactions are also disclosed in the note 29 to accounts in this annual report. web link where policy on dealing with related party transactions is https://www.sayajigroup.in/wp-content/uploads/2016/06/Related-party-transaction-policy.pdf

The detail of subsidiaries and associated company are given in the report of board of directors. The company has not advanced any loans or advances

CORPORATE GOVERNANCE REPORT

in the nature of loans to its subsidiaries or to associate company or to any other firms/ companies in which directors are interested except as given in the annual report. The company is not a subsidiary of any company.

Compliance with accounting standards

In the preparation of financial statements there is no deviation from the prescribed accounting standards.

Code of conduct

The code of conduct for all board members and senior management of the company has been prescribed by the company. Certificate of compliance to that effect is attached to this report.

Compliance with corporate governance requirements

The company has complied with corporate governance requirements specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Cases of non-compliance/ penalties

There are no non-compliances by the company on any matter related to the capital markets during the last three years. Similarly, there are no penalties or strictures imposed on the company by the stock exchange, SEBI or any other statutory authorities on any matter related to capital markets during the last three years.

MEANS OF COMMUNICATION

The company normally publishes the quarterly and annual results in leading English & Gujarati dailies.

The company has its own web-site www.sayajigroup.in on which the quarterly results are displayed.

The management discussion and analysis report is attached to the directors' report and forms part of the annual report.

GENERAL SHAREHOLDER INFORMATION

Annual general meeting

Day and date : Monday, 28th September, 2020

Time : 4.00 p.m.

Venue : through video conferencing to be conducted from the Registered Office of the company at P.O. Kathwada, Maize Products, Ahmedabad - 382430.

Financial calendar (tentative)

Financial year : April-March

First quarter results : 2nd week of August, 2020

Half yearly results : 2nd week of November, 2020

Third quarter results : 2nd week of February, 2020

Fourth quarter/ annual results : 2nd/3rd week/ end of May, 2021

Book closure date : Tuesday, the 22nd September, 2020 to Monday, the 28th September, 2020 (both days inclusive).

Listing in stock exchange(s)

Company's shares are listed at BSE Limited located at P J Towers, Dalal Street, Mumbai- 400001.

Notes regarding payment of annual listing fees

The annual listing fee for the year 2020-21 has been already paid by the company to The BSE Limited.

Stock code at The BSE Limited: 540728

ISIN with NSDL and CDSL : INE327G01032

CIN: L99999GJ1941PLC000471

MARKET PRICE DATA AND STOCK PERFORMANCE

The equity shares of the company are listed at the BSE Limited and the market price data and volume of the company's share of the face value of Rs.5/- ech, traded in the BSE Limited from April, 2019 to March 2020 were as under.

Month	Share Price BSE		BSE Sensex		Volume
	High Rs.	Low Rs.	High	Low	No. of Shares
Apr. 19	280.15	252.20	39487.45	38460.25	2503
May 19	270.00	218.00	40124.96	36956.10	4879
Jun. 19	240.00	181.95	40312.07	38870.96	4102
Jul. 19	207.00	146.30	40032.41	37128.26	5256
Aug.19	155.40	125.00	37807.55	36102.35	4641
Sep. 19	150.00	130.10	39441.12	35987.80	2570
Oct. 19	151.00	125.25	40392.22	37415.83	5583
Nov. 19	145.90	121.25	41163.79	40014.23	3865
Dec. 19	130.75	109.00	41809.96	40135.37	7779
Jan. 20	120.00	95.00	42273.87	40476.55	8273
Feb. 20	119.95	92.05	41709.30	38219.97	6490
Mar. 20	106.70	82.10	39083.17	25638.90	2294

CORPORATE GOVERNANCE REPORT

Compliance Officer
Rajesh H. Shah
Company secretary &
Sr. Executive Vice President
Sayaji Industries Limited
P.O. Kathwada, Maize Products,
Ahmedabad-382430.
Phone : +91(79) 22901581-85
e-mail : rhs@sayajigroup.in

Registrar and transfer agents
KFin Technologies Private Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli Financial District,
Nanakramguda, Hyderabad - 500008
Phone No : 040-44655000/040-44655188
e-mail : einward.ris@karvy.com

Share transfer systems

Since the company's shares are traded in the demat segment on stock exchange, bulk of the transfer takes place in the electronic form. The transfer of physical shares are handled by M/s KFin Technologies Private Limited at the address as mentioned above.

Pattern of shareholding as on 31st March, 2020

Sr. No.	Category	No. of shares held	% of total shareholding
1	Promoters	4738480	74.98
2	Mutual fund	0	0.00
3	Banks, financial institutions, insurance companies	1120	0.02
4	Foreign institutional investors	0	0
5	Private bodies corporate	4347	0.07
6	Indian Public	1575794	24.93
7	NRIs/ OCBs	259	0.00
8	GDR/ ADR	0	0
	Grand total	6320000	100.00

Distribution of shareholding as on 31st March, 2020

No. of equity shares	No. of folios	% of total folios	No. of shares	% of total shareholding
1 to 5000	3639	94.15	713099	11.28
5001 to 10000	129	3.34	183150	2.90
10001 to 20000	54	1.40	156405	2.47
20001 to 30000	17	0.44	86500	1.37
30001 to 40000	2	0.05	14726	0.23
40001 to 50000	2	0.05	17600	0.28
50001 to 100000	3	0.08	41640	0.66
100001 and above	19	0.49	5106880	80.81
Total	3865	100.00	6320000	100.00

Dematerialization of shares and liquidity

The company's equity shares are available for dematerialization on both National Securities Depository Limited and Central Depository Services (India) Limited. Equity shares of the company are traded in demat form on stock exchange. 58,03,580 equity shares being 91.83% of the capital have been dematerialized by investors and bulk of transfer takes place in the demat form.

Outstanding GDRs/ ADRs/ Warrants or any convertible instruments and conversion rate and likely impact on equity : Nil

Plant location
P.O. Kathwada,
Maize Products, Ahmedabad-382 430.

Address for correspondence

Shareholders may correspond with the company at its registered office at
The Secretarial department
Sayaji Industries Limited
P.O. Kathwada,
Maize Products,
Ahmedabad-382 430.

CORPORATE GOVERNANCE REPORT

Practicing Company Secretary's Report on Corporate Governance:

To,
The Members of Sayaji Industries Limited
Ahmedabad

- We have examined the compliance of conditions of Corporate Governance by SAYAJI INDUSTRIES LIMITED ("the Company"), for the year ended on March 31, 2020 as stipulated in Regulation 17 to 27 & 23(4), of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from April1, 2019 to March 31, 2020.

1. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
2. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under the paragraph 1 above, during the year ended March 31, 2020.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in SEBI Listing Regulations.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency of effectiveness with which the management has conducted the affairs of the Company.

Amrish N. Gandhi
Practicing Company Secretary
Membership No. F8193
Certificate of Practice No. 5656

Place: Ahmedabad
Date: June 24, 2020

To,

The Shareholders
Sayaji Industries Limited

Declaration by the chairman & managing director Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Priyam B. Mehta, chairman and managing director of Sayaji Industries Limited declare that to the best of my knowledge and belief, all the members of the board of directors and senior management personnel have affirmed compliance with code of conduct for the year ended 31st March, 2020.

Place : Ahmedabad.
Date : August 31, 2020

Priyam B. Mehta
Chairman &
Managing Director

CORPORATE GOVERNANCE REPORT

To
The Board of Directors
Sayaji Industries Limited
Ahmedabad

CERTIFICATE

We have reviewed the financial results and the cash flow statement of Sayaji Industries Limited for the financial year ended 31st March, 2020 and certify that

(a) This results and statements, to the best of our knowledge and belief :

(i) do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

(b) 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 company's code of conduct;

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and audit committee, deficiencies in the design or the operation of such internal controls, if any, of which we are aware, and the steps we have taken or propose to take to rectify this deficiency;

(d) We have also indicated to the auditors and to the audit committee :

(i) significant changes in the internal controls with respect to the financial reporting during the year;

(ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) to the best of our knowledge and belief, there are no instance of significant fraud of which we have become aware involving either the management or employee having a significant role in the company's internal control systems over financial reporting.

Place : Ahmedabad
Date: August 31, 2020

Manan R. Shah
Chief Financial Officer

Priyam B. Mehta
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

Your directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2020.

ECONOMIC OVERVIEW

Global Economy

Coronavirus pandemic has adversely affected the global economy. The world continues to wage its war against COVID-19. This novel strain - dubbed SARS-CoV2 - that originated from Wuhan, took the world by a storm. With global spread reaching staggering numbers, losses - both to human lives and economy - are irrecoverable. Several countries across the world resorted to lockdowns to "flatten the curve" of the infection. These lockdowns meant confining millions of citizens to their homes, shutting down businesses and ceasing almost all economic activity. According to the International Monetary Fund (IMF), the global economy is expected to shrink by over 3 per cent in 2020 - the steepest slowdown since the Great Depression of the 1930s.

The IMF's estimate of the global economy growing at -3 per cent in 2020 is an outcome "far worse" than the 2009 global financial crises. Economies such as the US, Japan, the UK, Germany, France, Italy and Spain are expected to contract this year by 5.9, 5.2, 6.5, 7, 7.2, 9.1 and 8 per cent respectively. Advanced economies have been hit harder, and together they are expected to grow by -6 per cent in 2020. Emerging markets and developing economies are expected to contract by -1 per cent. According to an assessment by the World Economic Forum (WEF), supporting SMEs and larger businesses is crucial for maintaining employment and financial stability. Many advanced economies in the world have rolled out support packages. While India's economic stimulus package is 10 per cent of its GDP, Japan's is 21.1 per cent, followed by the US (13 per cent), Sweden (12 per cent), Germany (10.7 per cent), France (9.3 per cent), Spain (7.3 per cent) and Italy (5.7 per cent).

Indian Economy

For India, despite after initial slower curve of infection due to Covid-19, the impact has been ruthless in many ways. The economy is visibly mired in a demand drought that is unlikely to abate any time soon. Private consumption spending, which accounts for 55-60% of GDP, extended a downtrend as growth slid to 2.7%. Investment activity contracted for a third consecutive quarter and shrank 6.5%. Data coming in for the current fiscal are revealing the devastating impact that the lockdown has had. Output at the eight core industries that represent 40% of the Index of Industrial Production contracted by an alarming 38% in April. Merchandise exports shrank 60% in the same month. The RBI, which cut interest rates on May 22, was categorical in its assessment that a recovery would likely start only from the October quarter. For even that to materialize, the Centre has responded with a stimulus package of Rs. 20 Lakh Crores under Atmanirbhar Bharat Abhiyan. However, the package so far has been focused on credit enhancement measures that ease supply side constraints and structural reforms that may bear fruit over a longer horizon. But the imperative now is to bite the bullet and opt for a massive fiscal stimulus that actually puts cash in the hands of consumers and the millions of jobless youth in order to help revive demand.

Prime Minister Narendra Modi expressed his confidence at his inaugural address at the Confederation of Indian Industry's annual session, 2020 that India will tide over the coronavirus pandemic and will get its growth back with the government's decisive policies. He said that corona has pushed us back but India has pushed back as well after the lockdown. India entered Unlock Phase 3, as a great part of the economy has been opened up and more will open in time to come. He expressed his confidence in India's capabilities and crisis management, India's talent and technology, innovation and intellect of India, the farmers of India, MSME's, entrepreneurs and on industry leaders. He said that getting the economy back on track is among one of his government's highest priorities and that his government has taken decisions that will help the country in the long term as well. However, with continuous increase in the number of Covid-19 positive cases, the shadow of slowdown will always loom over the growth till an effective vaccine for his pandemic comes to the market to boost the confidence of people.

INDUSTRY OVERVIEW

Starch Industry - Global

Starch is a naturally occurring biopolymer and a major source of energy stored in cereal grains. Maize is the primary raw material for starch owing to the high content of starch found in it - at nearly 60%. Starch derivatives are derived by treating starch physically, chemically and enzymatically so as to obtain compounds with better properties than native starches. Owing to their safety, bio-

MANAGEMENT DISCUSSION AND ANALYSIS

degradability, low-cost and excellent physiochemical properties, starch products find extensive usage across a wide spectrum of industries.

Key Application areas of Starch and its Derivatives:

- Textile, Paper and Packaging Industries
- Food & Beverages
- Pharmaceuticals
- Animal feed

The global starch market valued at 38740 million USD in 2020 is expected to reach 50440 million USD by the end of 2026, growing at a CAGR of 3.8% during 2021-2026. The Food & Beverages sector dominates the market for starch derivatives, accounting for 54% of the market share. Growing consumption of convenience foods, due to burgeoning global population and sharp growth in textile and paper industries across the world have been the most important growth drivers of the global market.

The Asia Pacific countries, especially India and China, are expected to lead the global market. Growth can be attributed to the increasing utilization of modified starch due to rapid industrialization and upsurge in the spending capacity of people in these emerging economies. Further, sustained investments in R&D and capacity expansion by leading industry players are boosting growth of the starch derivatives market.

Starch Industry - India

The starch and starch derivatives industry in India has been affected till the first 8 months of FY 2019-2020 due to high maize prices and the reduced demand. However the industry was witnessing a healthy demand from major user industries such as food, paper, FMCG, pharmaceuticals and textile for starches, since December, 2019 and the prices of maize also started to reduce. However, the industry faced complete stoppage of production due to covid-19 pandemic since last week of March 2020 till the beginning of May, 2020. The supply chain remained a constrained in the first half of May 2020 due to limited availability of means of transportation but the situation has improved after unlocking of sectors in phased manner. The demand of sweetener group product such as liquid glucose, sorbitol, dextrose monohydrate and anhydrous dextrose is strong as they are mainly supplied to food, FMCG and Pharma companies. The demand for Starch which is also supplied to Textile, Paper and packaging industry which was soft as compared to the rest of product basket is also picking up gradually. There has also been reduction in the prices of maize which will support the industry in the times to come.

Over the years, the number of corn wet millers has grown significantly with new capacity additions. However, there is a possibility of this remaining unutilized due to underutilization of capacities in the starch industry. The industry has witnessed elimination of smaller players who have a limited product profile and largely cater to the unorganized market

Growth Drivers

Outlook for Maize: Maize is the major raw material for producing starch and its derivatives in India. However, better crop in Kharif 2019 season coupled with good monsoon rains in key producing states such as Maharashtra, Karnataka and Telangana has increased the maize output since third quarter of the year 2019-20. Monsoon is also expected to be normal during the current financial year which may keep the price of maize under check for the benefit of industry at large.

Government Support: The Minimum Support Price (MSP) of maize has been increased to Rs. 1,850 per quintal for the 2020-21. Increase in MSP, coupled with announcement of farm relief package, may encourage farmers to enhance maize farming provided there is sufficient rain in the major maize growing areas. This, in turn, may further improve the supply of raw materials to maize-based starch industries. Additionally, the revision in modified starch regulation by the Food Safety and Standards Authority of India (FSSAI) may result in higher dosage of modified starch in its user applications which may benefit the industry.

Demand: Growing consumer awareness about health and nutrition, along with evolving preferences for quality food may propel demand for starch and its derivatives in food. This is further complemented by the fast expanding population and increasing income levels. With fast resumption in the manufacturing activities of industries after unlock-1 since June, 2020 the consumption of sweeteners and additives in confectionary, soups, baby food, bakery, noodles, and others is likely to go up.

COMPANY OVERVIEW

Sayaji Industries, the flagship company of the Sayaji Group is one of the leading manufacturers of maize

MANAGEMENT DISCUSSION AND ANALYSIS

starch and its derivatives. Established in 1941, the company was initially set up as a corn wet milling unit with modest corn crushing capacity of one ton/ day in Ahmedabad, primarily to serve the city's textile units. Within a span of almost eight decades, the company has emerged as one of the largest corn refiners in India. With an annual capacity of 750 Metric Tonnes Per Day (MTPD), the company runs one of the largest corn wet milling plants in India, making it among the foremost corn starch producers in the country.

Supported by its state-of-the-art manufacturing facilities and cutting-edge R&D prowess, the company delivers quality modified starches and other derivatives to a wide range of industries, including textiles, paper, pharmaceutical, food processing, consumer products, animal nutrition, among others. Globally, the company has a market in more than 40 countries and is one of the largest exporters in India's starch industry. Its commendable export work has been credited with the Export House Status by the government of India. Besides, the company has a strong distribution network in India, with over 4 branches and other agents to fulfil the requirements of its extensive customer base.

Product Portfolio

Products Covered	Industries Served
Starch	Paper, food products (soups, ketchup, jellies, custard powders, mayonnaises, salad dressing), gypsum board, pharmaceutical formulations
Liquid Glucose	Used in food products like jams, jellies, chewing gums, canned fruits to prevent spoilage
Fabrilose	Textile sizing - to provide elasticity to yarn, gypsum board
Dextrose Anhydrous	Used in special food preparations and is the best sweetener for water sensitive systems such as chocolate. Also used in medical critical conditions like comas and operations
Dextrose Monohydrate	Used in quality yeast for bakery, confectionary, dairy products, carbonated beverages, formulations with vitamins and minerals
Sorbitol	For use in mints, cough syrups, tooth paste, cigarettes and baked food items to maintain freshness, softness and flexibility
By Products	For use in food products, cattle feed and poultry farming

REVIEW OF FINANCIAL & OPERATIONAL PERFORMANCE

Due to unprecedented rise in the price of maize, being the major input cost for the company and increase in the cost of other inputs till December, 2019 and disruption in the activities of the company in the last week of March 2020 due to Covid-19 pandemic, the bottom-line of the company remained adversely impacted. Adverse market conditions prevented the company to pass on all the increased costs to its customers. The company tried to reduce costs at all levels and further improved its technical parameters and product mix to concentrate on high value products. However despite all these efforts, the margins of the company remained stressed and the company posted a net loss of Rs. 232.37 Lakhs.

RISKS AND THREATS

Competition Risk

The corn starch industry has been witnessing increased capacity expansion by existing players and growing availability of substitute materials. Due to the abrupt increase in maize prices in the domestic market, the company is facing pricing pressure in the international Market (where the prices of maize have remained steady). This, in turn, may impact the export market share of the company.

Mitigation

Over the years, the company has cemented its reputation as a leading manufacturer and supplier of high-quality corn starch products at right prices to diverse industries. Further, its consistent focus on capacity expansion for production of high-margin products and cost optimization are likely to drive the overall profitability and sustain the market position.

Raw Material Risk

Maize is an agricultural product and its supply is subject to forces of nature. Shortage of corn production due to adverse weather, pests and

MANAGEMENT DISCUSSION AND ANALYSIS

regulatory changes may lead to high production costs and under-utilization of capacities in the industry. It may also result in increased usage of substitute raw materials to meet the demand. This, coupled with increase in the cost of power, which is the other major input for starch manufacturing, may impact the company's margins and profitability.

Mitigation

The company has an effective maize procurement policy in place for continuous supply of quality corn at competitive prices. Its storing facilities are situated in the vicinity of its manufacturing plants, thereby ensuring maintenance of adequate quantities of raw materials for sustained production. Besides, the company has set up a power generating turbine and has also installed biogas engine which utilizes the methane gas obtained while treating its effluents for generating power at a comparatively lower rate. It also procures power from the open market to mitigate the impact of rising cost of power.

Demand Risk

Factors such as a volatile macro-economic environment, social and political unrest and inflationary pressures can affect consumer demand. A declining consumer demand may have an adverse impact on the company's products.

Mitigation

The company has diversified its product portfolio across various industries including food, paper, paints, pharmaceuticals, textiles and others. This diversification empowers the company to offset the risk of subdued demand from any particular industry. Moreover, with the Indian economy growing at an accelerated pace, these industries are likely to witness strong growth.

Geographic Risk

The company is located far from the maize growing area, resulting in increased logistics cost and reduced margins.

Mitigation

The company is situated in close proximity to the end-user industries consuming its products. This strategic location negates the geographical risk and gives it a significant competitive advantage.

Environmental Risk

Failure to meet the environmental laws and regulations may damage the company's reputation and impact its operations.

Mitigation

The company has robust effluent treatment facilities to treat the emissions generated from its manufacturing processes. Additionally, it generates electricity from the biogas processed, while treating its effluents in bio digestors. It undertakes all the relevant measures to minimize its environmental footprint and ensure adherence to the emission limits prescribed by the pollution control authorities.

OUTLOOK

Owing to the pandemic of Covid-19 and the ensuing Lockdown throughout the country, the company had halted the production at its plant in Kathwada, Ahmedabad since end of the financial year under review. The production and other operations have been resumed in a staggered manner from beginning of May, 2020. The supply chain was a little constrained in the first half of May 2020 due to limited availability of means of transportation but the situation has improved since the second half of May, 2020. The company does not foresee major issues going forward, unless some stern steps are taken by the Government to curtail the fast increasing Covid-19 positive cases. The demand of sweetener group product such as liquid glucose, sorbitol, dextrose monohydrate and anhydrous dextrose is strong as they are mainly supplied to food, FMCG and pharma companies. The demand for starch which is supplied to textile, paper and packaging industry has also started to pick up with resumption of activities which will increase the capacity utilization at the plant of the company. The profitability will be impacted negatively in the first quarter due to the Lockdown and inadequate absorption of fixed costs. However, with increased utilization of plant capacities due to improved demand from all the aforesaid sectors and effective cost reduction measures taken by the management, the margins of the company is expected to improve. The company is hopeful to benefit also from a good reduction in raw material prices which will further cushion the profitability of the company in the longer run.

The company offers quality products to consumers worldwide by combining customer insights with scientific and technical excellence. To remain competitive, the company has invested in modernizing its plant and machinery and reducing the bottlenecks in the production process. The company has aggressively focused on strengthening

MANAGEMENT DISCUSSION AND ANALYSIS

its cost competitiveness and raising production of higher-margin value-added products to enhance profitability. The company is hopeful that normal monsoon in the maize growing areas like Karnataka, Maharashtra, Telangana, MP, etc. in this monsoon season coupled with culmination of the aforesaid factors will offer sustainable growth opportunities to the company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has an adequate internal control framework commensurate with the size, nature and complexity of its business operations. The internal control systems are formulated as part of the principles of good governance and ensure proper recording and reporting of transactions, safeguarding of assets and protection against losses from any unauthorized use or disposition and misappropriation of funds.

The internal audit department of the company comprising internal auditors ensures, checks and reviews the internal controls and proactively recommends measures for strengthening them. The internal controls are supplemented by documented policies and procedures, which provide reasonable assurance about the reliability of financial and operational information, fraud control, compliance with applicable statutes and internal policies. The audit committee of the board periodically reviews the internal audit reports to ensure the effectiveness of the internal controls. The management as well as the statutory auditors of the company review the internal audit findings and undertake relevant action.

HUMAN RESOURCES

Human capital is pivotal for the company's growth and success. Keeping this in mind, it endeavours to provide a safe and conducive workplace to its employees. The skill-building programs and activities at the company are aimed at sharpening the skills and capabilities of its workforce. Moreover, it periodically conducts expert visits at its plants and factories to ensure high levels of employee engagement and foster a knowledge-sharing environment. The company continues to offer encouraging opportunities to its people to ensure that they grow professionally and deliver best results. During the year, the company maintained a cordial and harmonious relationship with its employees.

Form AOC-I (Part "A": Subsidiaries)

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013
read with the rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries

(Rs. in lakhs)

Sr. No.	Particulars	Sayaji Seeds LLP
1	Share Capital/ Partners capital account	**500.30**
2	Other equity/Partners current account	**(18.02)**
3	Total Assets	**1,929.35**
4	Total Liabilities	**1,447.08**
5	Investments	**0.00**
6	Turnover/Total Income	**1,843.60**
7	Profit/(Loss) Before Tax	**(12.99)**
8	Provision for Tax (Including Deferred Tax)	**(4.05)**
9	Profit/(Loss) After Tax	**(8.94)**
10	Proposed Dividend	**0.00**
11	% of Shareholding	**95.94%**

Note: Sayaji Corn Products Ltd., a wholly owned subsidiary of the company has applied to the Registrar of Companies, Gujarat for removing its name from the register of companies under the relevant provisions of Companies At, 2013 which is under the process of strike off as at the end of the financial year. The company has written off entire cost of its investment in Sayaji Corn Products Limited as its net worth is fully eroded. Since Sayaji Corn Products is not the subsidiary of the company its salient features of financial statement are not shown in the aforesaid statement.

(Part "B": Associates and Joint Ventures)

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Venture

Sr. No.	Particulars	Alland & Sayaji LLP (Formerly Sayaji Ingritech LLP) (Joint Venture)
1	Latest Audited Balance Sheet Date	31/03/2020
2	Shares of Associate/ Joint Venture held by the Company on the year end	Capital contribution of INR 350.00 Lakhs
	Amount of Investment in Associate/ Joint Venture	INR 350.00 Lakhs
	Extent of holding in percentage	50%
3	Description of how there is significant influence	There is joint control due to capital contribution of firm
4	Reason why the associate/ joint venture is not consolidated	Not applicable as the consilidated has been done
5	Net worth attributable to shareholding as per latest audited balance sheet	INR 259.08 Lakhs
6	Profit/ Loss for the year	
I	Considered in consolidation	INR (90.92) Lakhs
Ii	Not considered in consolidation	INR 58.16 Lakhs

There are no associates or joint ventures which are yet to commence operations. There are no associates or joint ventures which are liquidated or sold during the year.

Ahmedabad
Dated: August 31,2020

INDEPENDENT AUDITOR'S REPORT

To,

The Members of

SAYAJI INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **SAYAJI INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit & Loss (including other comprehensive Income), the statement of changes in equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "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 read together with significant accounting policies and accompanying notes thereon 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 (financial position) of the Company as at March 31, 2020, and its Losses (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 entity in accordance with the Code of Ethics issued by ICAI together with the ethical requirement 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 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 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.

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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.

Responsibilities of Management for the Standalone 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 standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions 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 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, the Board of Directors 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 the Board of Directors 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 the Standalone 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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.

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 (Auditors' Report)

Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that :

   a) We have sought & 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 appears from our examination of those books

   c) The Balance sheet, statement of Profit & Loss (including other comprehensive income), the statement of Changes in equity and the Cash Flows Statement dealt with by this report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2016.

   e) On the basis of the written representation received from the directors as on March 31, 2020 taken on record by Board of Directors, none of the director is disqualified as on March 31, 2020, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013.

   f) With respect to the adequacy of the internal financial control 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, the managerial remuneration for the year ended March 31, 2020 has been paid/ provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

   h) With respect to other matters to be included in the Auditors' 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 disclosed the impact of pending litigations on its financial position in its standalone financial statements.

      ii) The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

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

For, **Shah & Shah Associates**
Chartered Accountants
Firm's Registration Number: 113742W

Bharat A. Shah
Partner
Membership Number: 030167
UDIN: 20030167AAAAAX5439

Ahmedabad, Gujarat: June 29, 2020

"Annexure A" to the Independent Auditors' Report of even date on the Standalone Financial Statements of SAYAJI INDUSTRIES LIMITED,

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2020:

1. In respect of its fixed assets:
   a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
   b) As explained to us, all the fixed assets have been physically verified by the management in a phased manner, 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
2. Physical verification of inventory has been conducted by the management at reasonable intervals. The discrepancies noticed on such verification between the physical stocks and book records were not significant and the same have been properly dealt with in the books of account.
3. The company has not granted any loans, secured or unsecured to companies, Firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. According to the information and explanations given to us, the company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014 (as amended). According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or The Reserve Bank of India or any Court or any other Tribunal.
6. In respect of business activities of the Company, maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company and are of the opinion that prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made detailed examinations of the records with a view to determining whether they are accurate or complete.
7. a) As per information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, Goods and Service tax, cess and other material statutory dues applicable to it to the appropriate authorities.
   b) There are no outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.
   c) According to the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, Goods & service tax and cess which have not been deposited on account of any dispute except in case of income tax, the details of which is as under:

Name Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹ in lakhs)	Amount Unpaid (₹ in lakhs)
The Gujarat VAT Act, 2006	Gujarat VAT	Honorable Gujarat Value Added tax Tribunal	F.Y 2010-11	9.03	6.22

Name Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹ in lakhs)	Amount Unpaid (₹ in lakhs)
Maharashtra CST Act, 1956	Maharashtra CST	Honorable Maharashtra Central Sales Tax Tribunal	F.Y 2012-13	56.31	53.31

8. According to the records of the Company

examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government. The Company has not issued any debentures.

9. The company has not raised money by way of initial public offer or further public offer including debt instruments and term loans.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that we have not come across any instances of fraud by the Company or any fraud on the Company by its officers or employees that have been noticed or reported during the year nor have we been informed of such a case by management.
11. 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.
12. The Company is not a Nidhi Company. Therefore, the provision of clause 3(xii) of the Order is not applicable to the Company.
13. The Company has entered in to transactions with related parties in compliance with Sections 177 and 188 of the Companies Act 2013 where applicable, and the requisite details have been disclosed in the financial statements.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the company.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the company.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For, **Shah & Shah Associates**
Chartered Accountants
Firm's Registration Number: 113742W

Bharat A. Shah
Partner
Membership Number: 030167

Ahmedabad, Gujarat: June 29, 2020

"Annexure B" to the Independent Auditors' Report of even date on the Standalone Financial Statements of SAYAJI INDUSTRIES LIMITED,

Referred to in paragraph 2(f) under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2020.

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 over financial reporting of **SAYAJI INDUSTRIES LIMITED,** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of

Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit or internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 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 material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgments, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Control 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 expenditure 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 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, 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 31st March, 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 ICAI.

For, **Shah & Shah Associates**
Chartered Accountants
Firm's Registration Number: 113742W

Bharat A. Shah
Partner
Membership Number: 030167

Ahmedabad, Gujarat: June 29, 2020

STANDALONE FINANCIAL STATEMENT

Standalone Balance Sheet

As at March 31, 2020

(₹ in lakhs unless otherwise stated)

	Particulars	Note	As at March 31, 2020	As at March 31, 2019
I	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	4	20,095.67	19,817.64
	(b) Capital work-in-progress	4	962.97	389.04
	(c) Other Intangible assets	5	33.10	52.15
	(d) Financial assets			
	(i) Investments	6	724.21	455.24
	(ii) Other financial assets	9	238.71	11.21
	(e) Non-current tax assets (net)	19	131.91	227.49
	(f) Other non-current assets	10	494.80	279.54
	Total non-current assets		**22,681.37**	**21,232.31**
	Current assets			
	(a) Inventories	11	4,740.91	4,478.39
	(b) Financial assets			
	(i) Trade receivables	7	4,691.05	3,963.43
	(ii) Cash and cash equivalents	8	33.50	61.83
	(iii) Bank balances other than (ii) above	8	49.02	217.34
	(iv) Other financial assets	9	435.70	573.76
	(c) Current tax assets (net)	19	121.03	-
	(d) Other current assets	10	355.84	450.65
	Total current assets		**10,427.05**	**9,745.40**
	Total Assets		**33,108.42**	**30,977.71**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	12	316.00	316.00
	(b) Other equity	13	7,374.11	7,726.83
	Total equity		**7,690.11**	**8,042.83**
	Liabilities			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	4,771.27	5,602.43
	(ii) Other financial liabilities	16	2.20	12.99
	(b) Provisions	18	171.07	265.52
	(c) Deferred tax liabilities (net)	19	1,110.53	1,388.71
	Total non-current liabilities		**6,055.07**	**7,269.65**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	6,706.27	6,682.34
	(ii) Trade payables	15		
	(a) Total outstanding dues of micro enterprises and small enterprises		39.94	5.81
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		9,350.04	5,186.52
	(iii) Other financial liabilities	16	2,330.38	2,257.25
	(b) Other current liabilities	17	737.05	1,208.82
	(c) Provisions	18	199.56	324.49
	Total current liabilities		**19,363.24**	**15,665.23**
	Total liabilities		**25,418.31**	**22,934.88**
	Total Equity and Liabilities		**33,108.42**	**30,977.71**

The accompanying notes form an integral part of the Standalone financial statements.

As per attached report of even date

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership Number : 030167
UDIN: 20030167AAAAAX5439

Ahmedabad, Gujarat: June 29, 2020

For and on behalf of the Board of Directors

Priyam B. Mehta
Chairman & Managing Director
DIN : 00030933

Varun P. Mehta
Exectuive Director
DIN : 00900734

Vishal P. Mehta
Executive Director
DIN : 02690946

Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat: June 29, 2020

Standalone Statement of Profit and Loss

For the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

	Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
	Income:			
I	Revenue from operations	21	62,020.13	62,122.95
II	Other Income	22	408.30	508.91
III	**Total income (I+II)**		**62,428.43**	**62,631.86**
IV	**Expenses:**			
	(a) Cost of materials consumed	23.a	45,253.70	42,713.74
	(b) Purchases of stock-in-trade	23.b	271.78	43.48
	(c) Changes in Inventories of finished goods and work-in-progress	23.c	(337.33)	(605.74)
	(d) Employee benefit expenses	24	4,512.86	4,770.19
	(e) Finance costs	25	1,577.67	1,165.78
	(f) Depreciation and amortisation expenses	4-5	1,118.68	936.29
	(g) Other expenses	26	10,555.42	12,426.54
	Total expenses		**62,952.78**	**61,450.28**
V	**Profit/(loss) before exceptional items and tax (III-IV)**		**(524.35)**	**1,181.58**
VI	**Exceptional items - gain/(loss)**	41	-	2,116.30
VII	**Profit/(loss) before tax (V+VI)**		**(524.35)**	**3,297.88**
VIII	**Tax expense/(credit):**	19		
	(a) Current tax		-	409.52
	(b) Short/(excess) provision of earlier years		0.74	(6.33)
	(c) Deferred tax charge/(credit)		(292.72)	374.66
	Total tax expenses		**(291.98)**	**777.85**
IX	**Profit/(Loss) for the year (VII-VIII)**		**(232.37)**	**2,520.03**
X	**Other comprehensive income**			
	A (a) Item that will not be reclassified to profit and loss			
	- Measurements of defined employee benefit plans	20	46.55	(29.07)
	A (b) Income tax related to Item that will not be reclassified to profit and loss		(14.52)	9.70
	B (a) Item that will be reclassified to profit and loss		-	-
	B (b) Income tax related to Item that will be reclassified to profit and loss		-	-
	Total other comprehensive income (net of tax)		**32.03**	**(19.37)**
XI	**Total comprehensive income for the year (IX+X)**		**(200.34)**	**2,500.66**
XII	**Earnings per equity share of face value of ₹ 5 each:**	35		
	(a) Basic (in ₹)		(3.68)	39.87
	(b) Diluted (in ₹)		(3.68)	39.87

The accompanying notes form an integral part of the Standalone financial statements.

As per attached report of even date

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership Number : 030167
UDIN: 20030167AAAAAX5439

Ahmedabad, Gujarat: June 29, 2020

For and on behalf of the Board of Directors

Priyam B. Mehta
Chairman & Managing Director
DIN : 00030933

Varun P. Mehta
Exectuive Director
DIN : 00900734

Vishal P. Mehta
Executive Director
DIN : 02690946

Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat: June 29, 2020

Standalone Statement of Cash Flows

for the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A	**Cash flow from operating activities:**		
	Net profit before tax	(524.35)	3,297.88
	Adjustments for:		
	(a) Depreciation and amortisation	1,118.68	936.29
	(b) Interest expenses	1,577.67	1,165.78
	(c) Dividend income	(0.04)	(292.85)
	(d) Interest income	(13.89)	(13.25)
	(e) Share of (profit)/loss in Alland & Sayaji LLP	88.91	(33.29)
	(f) Share of (profit)/loss in Sayaji Seeds LLP	8.58	8.32
	(g) Provision for credit impaired of trade receivable/doubtful advances	158.66	8.46
	(h) Loss/(Profit) on sale of property, plant and equipment	(151.98)	23.21
	(i) Loss/(Profit) on sale of investments/written off	5.99	(2,116.30)
	(j) MTM loss/fair value on/of long term investment	-	0.11
	(k) MTM (gain) of derivative financial instruments	-	(0.37)
	(l) Unrealised exchange fluctuation loss/(gain)	49.77	(81.54)
	Operating profit before working capital changes:	**2,318.00**	**2,902.45**
	Adjustments for:		
	(a) Trade and other receivables	(709.61)	(862.99)
	(b) Inventories	(262.52)	(733.72)
	(c) Trade and other payables	3,289.43	1,792.04
	Cash generated from operations activities:	**4,635.30**	**3,097.78**
	Less: Income taxes paid (net)	26.19	546.96
	Net cash (used in) / generated from operating activities - (A)	**4,609.11**	**2,550.82**
B	**Cash flow from investing activities:**		
	(a) Purchase of property, plant and equipment	(2,198.04)	(6,074.13)
	(b) Sale of property, plant and equipment	189.61	38.05
	(c) Purchase of investments	(374.95)	(60.00)
	(d) Sale of investments of joint venture/mutual fund	2.51	2,255.86
	(e) Dividend received	0.04	292.85
	(f) Interest received	13.89	13.25
	(g) Bank deposits received/(placed)	40.07	9.60
	(h) Margin money or security deposits received/(placed)	(102.50)	-
	(i) Balance in earmarked accounts	3.25	(2.49)
	Net cash (used in) / generated from investing activities – (B)	**(2,426.12)**	**(3,527.00)**
C	**Cash flow from financing activities:**		
	(a) (Repayment)/Proceeds of borrowings	(473.30)	2,234.17
	(b) Interest paid	(1,582.39)	(1,139.48)
	(c) Dividend & tax thereon paid	(155.63)	(140.38)
	Net cash (used in)/generated financing activities – (C)	**(2,211.32)**	**954.31**
	Net increase/(decrease) in cash and cash equivalents – (A+B+C)	**(28.33)**	**(21.88)**
	Add: Cash and cash equivalents at the beginning of the year	61.83	83.71
	Cash and cash equivalents at the year ended	**33.50**	**61.83**

Standalone Statement of Cash Flows (Contd...)

for the year ended March 31, 2020

Note:

1 The above standalone Statement Cash Flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".

2 Cash and cash equivalents includes: (₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Notes :		
1 **A) Components of cash and cash equivalents:**		
(a) Cash on hand	10.66	2.56
(b) Balance with banks in current accounts	22.84	59.27
	33.50	**61.83**
2 **B) Cash and cash equivalent not available for immediate use:**		
(a) Bank deposits having maturity beyond 3 months	17.66	182.73
(b) Earmarked balances with bank In unpaid dividend accounts	31.36	34.61
	49.02	**217.34**
Cash and Cash Equivalents as per Note 8 (A+B)	**82.52**	**279.17**

3 **Reconciliation of movements of cash flows arising from financing activities:**

The amendments to the Ind AS-7 Cash Flow Statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendments has become effective from April 01, 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendments.

(₹ in lakhs unless otherwise stated)

Particulars	As at April 01, 2019	Cash Flows	Non-cash changes	As at March 31, 2020
(a) Borrowings - Non-current	5,602.43	(843.67)	12.51	4,771.27
(b) Borrowings - Current	6,682.34	23.93	-	6,706.27
(c) Other financial liabilities (Current position of non-current borrowings)	1,269.26	333.93	-	1,603.19
Total	**13,554.03**	**(485.81)**	**12.51**	**13,080.73**

4 The previous year's figures have been regrouped wherever necessary.

The accompanying notes form an integral part of the Standalone financial statements.

As per attached report of even date

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership Number : 030167
UDIN: 20030167AAAAAX5439

Ahmedabad, Gujarat: June 29, 2020

For and on behalf of the Board of Directors

Priyam B. Mehta
Chairman & Managing Director
DIN : 00030933

Varun P. Mehta
Exectuive Director
DIN : 00900734

Vishal P. Mehta
Executive Director
DIN : 02690946

Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat: June 29, 2020

Standalone Statement of Changes in Equity

for the year ended March 31, 2020

A) Equity share capital

(₹ in lakhs unless otherwise stated)

Particulars	Amount
Balance as at April 1, 2018	316.00
Changes in equity share capital during the year	-
Balance as at March 31, 2019	**316.00**
Balance as at April 1, 2019	316.00
Changes in equity share capital during the year	-
Balance as at March 31, 2020	**316.00**

B) Other equity

(₹ in lakhs unless otherwise stated)

Particulars	Reserve and Surplus			Total
	General Reserve	Security Premium	Retained Earnings	
Balance as at April 1, 2018	3,715.15	92.09	1,561.80	5,369.04
Profit/(loss) for the year	-	-	2,520.03	2,520.03
Items of other comprehensive income, net of tax	-	-	(19.37)	(19.37)
Dividend including dividend distribution tax	-	-	(142.87)	(142.87)
Balance as at March 31, 2019	**3,715.15**	**92.09**	**3,919.59**	**7,726.83**
Balance as at April 1, 2019	3,715.15	92.09	3,919.59	7,726.83
Profit/(loss) for the year	-	-	(232.37)	(232.37)
Items of other comprehensive income, net of tax	-	-	32.03	32.03
Dividend including dividend distribution tax	-	-	(152.38)	(152.38)
Balance as at March 31, 2020	**3,715.15**	**92.09**	**3,566.87**	**7,374.11**

The accompanying notes form an integral part of the Standalone financial statements.

As per attached report of even date

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership Number : 030167
UDIN: 20030167AAAAAX5439

Ahmedabad, Gujarat: June 29, 2020

For and on behalf of the Board of Directors

Priyam B. Mehta
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Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat: June 29, 2020

Notes forming part of the Standalone financial statements

for the year ended March 31, 2020

Note 1 : Corporate Information

The Standalone financial statements comprise of financial statements of Sayaji Industries Limited (the "Company") for the year ended March 31, 2020. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company's shares are listed on Bombay stock exchange (BSE), a recognised Stock Exchange, in India. The registered office of the Company is located at Maize Products, Chinubhai Nagar P.O. Kathwada, Ahmedabad - 382430, India.

The Company is engaged in the business of manufacture of Starches, Modified Starches as well as other derivatives like Liquid Glucose, Dextrose Monohydrate, Dextrose Anhydrous, Sorbitol and its bye-products like Maize Oil, Maize Gluten at Kathwada, Ahmedabad. The Company caters its product to Textile, Pharmaceutical, Food Processing, Paper & Packaging, Confectionary, Soaps & Detergent industries.

Note 2 : Basis of preparation

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss for the year ended March 31, 2020, the Statement of Cash Flows for the year ended March 31, 2020 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements' or 'Separate Financial Statements' or 'financial statements').

The standalone financial statements have been prepared on a historical cost basis, on the accrual basis of accounting except for certain financial assets & liabilities which are measured at fair value (refer accounting policy regarding financial instruments).

The Standalone Financial Statements have been presented in Indian Rupees (₹), which is the Company's functional currency. All financial information presented in ₹ has been rounded off to the nearest two decimals of lakhs (₹ 00,000), unless otherwise stated. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

Note 3 : Significant accounting policies and key accounting estimates

(A) Significant accounting policies

1 Current / non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification. An asset is treated as current when it is:

a) expected to be realised or intended to be sold or consumed in normal operating cycle;

b) held primarily for the purpose of trading;

c) expected to be realised within twelve months after the reporting period; or

d) cash or cash equivalent 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.

A liability is treated as current when it is:

a) expected to be settled in normal operating cycle;

b) held primarily for the purpose of trading;

c) due to be settled within twelve months after the reporting period; or

d) 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 classified 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/materials for processing and their realisation in cash and cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

2 Foreign exchange translation

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognised in profit or loss. Monetary balances arising from the transactions denominated in foreign currency are translated to functional

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

currency using the exchange rate as on the reporting date. Any gains or loss on such translation, are generally recognised in profit or loss. Foreign exchange differences are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for:

a) Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

b) Exchange differences on transactions entered into in order to hedge certain foreign currency risks.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and 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.

3 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:"a) In the principal market for the asset or liability, or"b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved, wherever required, for valuation of significant assets, such as properties, unquoted financial assets and significant liabilities. Involvement of external valuers is decided upon by the Company after discussion with and approval by the Company's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Company, after discussions with its external valuers, determines which valuation techniques and inputs to use for each case.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

by agreeing the information in the valuation computation to contracts and other relevant documents. The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value measurement. Other fair value related disclosures are given in the relevant note.

4 Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shutdown and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

It includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy based on Ind AS 23 – Borrowing costs. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use.

Pre-operative expenditure comprising of revenue expenses incurred in connection with project implementation during the period upto commencement of commercial production are treated as part of the project costs and are capitalized. Such expenses are capitalized only if the project to which they relate, involve substantial expansion of capacity or up-gradation.

Depreciation and useful life

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation on Property, plant and equipment purchased/acquired during the year is provided on pro-rata basis according to the period each asset was put to use during the year. Similarly, depreciation on assets sold/discarded/demolished during the year is provided on pro-rata basis.

Useful life considered for calculation of depreciation for various assets class are as follows-

Assets Class	Economic Useful Life
Factory Building	30 years
Plant & Machinery	15-25 years
Computers	3 years
Furniture and Fixtures	10 years
Office Equipment's	5 years
Vehicles	8 years

The residual values are not more than 5% of the original cost of the asset. The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Impairment

The Company assesses at each reporting date using external and internal sources, whether there is an indication that an asset may be impaired. An impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is

01-48 STATUTORY REPORT
49-98 STANDALONE FINANCIAL STATEMENT
99-152 CONSOLIDATED FINANCIAL STATEMENT

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above.

De-recognised

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

5 Leases

As a Lessee

At inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is, or contains, a lease if a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

a the contract conveys the right to use an identified asset;

b the Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and

c the Company has the right to direct the use of the identified asset.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability is measured by discounting the lease payments using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

As a Lessor

Lease income from operating leases where the Company is a lessor is recognised in the statement of profit and loss on a straight- line basis over the lease term.

6 Borrowing costs

Borrowing costs, general or specific, that are directly attributable to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

7 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

Useful life and amortisation

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and impairment losses. Amortisation is recognised on a straight-line basis over the useful lives of the asset from the date of capitalisation as below:

Computer Software: - 6 Years

The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively

De-recognised

Intangible assets are de-recognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit and loss in the period of de-recognition.

8 Inventories

Inventories are valued at lower of cost and net realisable value, except by-products which is valued at 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 (FIFO) basis except for Stores, Spares (including Packing Materials & Chemicals), where monthly weighted average cost basis method is adopted. Cost includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Finished Goods and Process Stock are valued at cost or net realisable value whichever is lower. Cost thereof is determined on absorption costing method. Obsolete, slow moving and defective inventories are identified and provided for.

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

9 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is any indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations.

Impairment losses are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses on assets no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

10 Revenue recognition

The Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

Revenue from contract with customer is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is reduced for estimated customer returns, rebates and other similar allowances. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue is recognised to the extent 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. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products

The Company earns revenue primarily from sale of goods. It has applied the principles laid down in Ind AS 115. In case of sale to domestic customers, revenue from the sale of goods is recognised when control of the goods have passed to the buyer, usually on delivery of the goods. In case of export sales, revenue is recognised on shipment date, when performance obligation is met.

Export Incentives

Export benefits are accounted for in the year of the exports based on the eligibility and when there is no uncertainty in receiving the same.

Dividend and Interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Insurance Claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in operating income in the statement of profit and loss due to its operating nature.

11 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.

Financial assets

Initial recognition and measurement

All financial assets, except investment in subsidiaries and associate, are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Investments in subsidiaries and Joint Venture are carried at cost as per Ind AS 27 'Separate Financial Statements'.

Subsequent measurement

For purposes of subsequent measurement, financial assets are primarily classified in three categories:

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

a) Debt instruments at amortised cost;

b) Debt instruments at fair value through other comprehensive income (FVTOCI); and

c) Other financial instruments measured at fair value through profit and loss (FVTPL).

a) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

b) Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

ii) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

c) Other financial instruments measured at fair value through profit and loss (FVTPL)

Any financial asset that does not qualify for amortised cost measurement or measurement at FVTOCI must be measured subsequent to initial recognition at FVTPL.

d) Forward Contracts measured at fair value through other comprehensive income or fair value through profit and loss

Forward contract which meet the criteria of hedge effectiveness are cash flow hedge which are measured at FVTOCI and which fails to meet the effectiveness criteria are measured at FVTPL.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

b) Financial assets that are debt instruments and are measured as at FVTOCI;

c) Lease receivables under Ind AS 17; and

d) Financial guarantee contracts which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or as those measured at amortised cost.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit and 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 are recognized in OCI. These gains/ loss are not subsequently transferred to the statement of profit & loss. 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 and loss. The Company has not designated any financial liability as at fair value through profit and loss.

b) Financial liabilities at amortised cost

Financial liabilities at amortised cost include loans and borrowings and payables.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the 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.

De-recognition

A financial liability is de-recognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

12 Derivative financial instruments

Derivative financial instruments classified as fair value through profit or loss

This category includes derivative financial assets or liabilities which are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated as hedge or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the profit or loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realised within 12 months after the balance sheet date.

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

13 Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

14 Taxes on Income

Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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 re-assessed 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 assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternate Tax (MAT)

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with asset will be realised.

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

15 Employee benefits

Short Term Employee Benefits

The undiscounted amount of short term

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post- Employment Benefits

Defined Contribution Plans

The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plans

The Company pays gratuity to the employees who have completed five years of service with the company at the time of resignation / superannuation. The gratuity is paid @ 15 days salary for every completed year of service as per the payment of Gratuity Act 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Income Tax authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

AS per IND AS 19, when a company pays insurance premiums to fund a post-employment benefit plan, the company shall treat such a plan as a defined contribution plan unless the company will have (either directly, or indirectly through the plan) a legal or constructive obligation either: (a) to pay the employee benefits directly when they fall due; or (b) to pay further amounts if the insurer does not pay all future employee benefits relating to employee service in the current and prior periods. If the company retains such a legal or constructive obligation, the company shall treat the plan as a defined benefit plan.

Other Long Term Employment Benefits

Provision in respect of accumulated leave encashment/compensated absences is made as per actuarial valuation report.

16 <u>Segments reporting</u>

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets including goodwill.

17 <u>Earnings per share</u>

Basic earnings per share

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share

Diluted earnings per share is computed by dividing the profit after tax after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

18 <u>Dividend distribution</u>

The Company recognises a liability to make cash distributions to equity holders, when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

19 Provisions & contingent liabilities

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 resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability arises when the Company has:

a) a possible obligation 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 entity; or

b) a present obligation that arises from past events but is not recognised because:

(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recorded in the financial statement but, rather, are disclosed in the note to the financial statements.

20 Exceptional items

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

21 Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

(B) Key accounting estimates

1 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value are measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 29 for further disclosures.

2 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the budget and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

3 Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

4 **Defined benefit plan**

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter that is subject to change the most is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are after considering the expected future inflation rates for the country.

Refer note 20 for further details.

5 **Property, Plant and Equipment**

Refer to Note 3 (A) - 4 for the estimated useful life of Property, Plant and Equipment. The carrying values of Property, plant and equipment have been disclosed in Note 4.

6 **Intangible assets**

Refer to Note 3 (A) - 7 for the estimated useful life of Intangible assets. The carrying values of Intangible assets have been disclosed in Note 5.

7 **Allowance for doubtful trade receivables**

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Estimated irrecoverable amounts are derived based on a provision matrix which takes into account various factors such as customer specific risks, geographical region, product type, currency fluctuation risk, repatriation policy of the country, country specific economic risks, customer rating, and type of customer, etc. Individual trade receivables are written off when the management deems them not to be collectable.

Note 4: Property, plant and equipment and capital work-in-progress

(₹ in lakhs unless otherwise stated)

Particulars	Free hold land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Other Agriculture Equipment's	Total	Capital Work-in-Progress
Gross carrying amount:									
Balance as at April 1, 2018	0.80	3,815.70	19,555.95	208.18	287.41	804.28	0.35	24,672.67	399.35
Additions during the year	-	1,252.63	4,495.97	31.16	31.62	188.80	-	6,000.17	5,989.86
Deductions during the year	-	-	-	-	-	113.78	-	113.78	-
Capitalised from/reduction in CWIP	-	-	-	-	-	-	-	-	6,000.17
Balance as at March 31, 2019	**0.80**	**5,068.33**	**24,051.92**	**239.34**	**319.03**	**879.29**	**0.35**	**30,559.06**	**389.04**
Balance as at April 1, 2019	0.80	5,068.33	24,051.92	239.34	319.03	879.29	0.35	30,559.06	389.04
Additions during the year	175.64	250.47	974.18	1.89	13.11	-	-	1,415.29	1,989.22
Deductions during the year	-	2.62	429.63	-	-	15.04	-	447.29	1,415.29
Balance as at March 31, 2020	**176.44**	**5,316.18**	**24,596.47**	**241.23**	**332.14**	**864.25**	**0.35**	**31,527.06**	**962.97**
Accumulated depreciation:									
Balance as at April 1, 2018	-	991.43	8,344.75	142.99	198.22	198.97	0.34	9,876.70	-
Depreciation for the year	-	124.80	659.43	13.78	29.12	90.10	-	917.24	-
Deductions during the year	-	-	-	-	-	52.52	-	52.52	-
Balance as at March 31, 2019	**-**	**1,116.23**	**9,004.18**	**156.77**	**227.34**	**236.55**	**0.34**	**10,741.42**	**-**
Balance as at April 1, 2019	-	1,116.23	9,004.18	156.77	227.34	236.55	0.34	10,741.42	-
Depreciation for the year	-	158.32	798.72	14.34	28.94	99.31	-	1,099.63	-
Deductions during the year	-	1.56	397.10	-	-	11.00	-	409.66	-
Balance as at March 31, 2020	**-**	**1,272.99**	**9,405.80**	**171.11**	**256.28**	**324.86**	**0.34**	**11,431.39**	**-**
Net Carrying Amount:									
Balance as at March 31, 2019	**0.80**	**3,952.10**	**15,047.74**	**82.57**	**91.69**	**642.74**	**0.01**	**19,817.64**	**389.04**
Balance as at March 31, 2020	**176.44**	**4,043.19**	**15,190.67**	**70.12**	**75.86**	**539.39**	**0.01**	**20,095.67**	**962.97**

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

Note:

(a) Buildings include ₹ 313.42 lakhs (previous year ₹ 313.42 lakhs) being the cost of ownership premises in a co-operative housing society including cost of fifteen shares of the face value of ₹ 750/- received under the Bye-laws of the society in the name of the company.

(b) Buildings include ₹ 4.50 lakhs (previous year ₹ 4.50 lakhs) being the cost of ownership premises in a cloth market association including cost of one share of the face value of ₹ 100/- received under rules and regulation of the association in the name of the company.

(c) Additions for the year includes ₹ 63.13 lakhs (previous year ₹ 112.70 lakhs) being interest capitalised.

Note 5: Intangible assets

(₹ in lakhs unless otherwise stated)

Particulars	Computer Software's
Gross carrying amount:	
Balance as at April 1, 2018	120.32
Additions	-
Deductions	-
Balance as at March 31, 2019	**120.32**
As at April 1, 2019	120.32
Additions	-
Deductions	-
Balance as at March 31, 2020	**120.32**
Accumulated amortisation:	
Balance as at April 1, 2018	49.12
Amortisation for the year	19.05
Deductions	-
Balance as at March 31, 2019	**68.17**
As at April 1, 2019	68.17
Amortisation for the year	19.05
Deductions	-
Balance as at March 31, 2020	**87.22**
Net carrying amount:	
Balance as at March 31, 2019	**52.15**
Balance as at March 31, 2020	**33.10**

Note 6: Non-current investments

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(A) Investment at Cost		
(a) In limited liability partnership (LLP)		
Subsidiary		
(i) Sayaji Seeds LLP	463.12	231.69
(ii) Alland & Sayaji LLP (refer below note (a))	-	215.05
(b) Joint venture		
Alland & Sayaji LLP (refer below note (a))	261.09	-
(c) In unquoted equity instruments		
Subsidiary Company		
Nil Equity Shares (49,994 Equity shares at March 31, 2019) of Sayaji Corn Products Limited of ₹ 10/- each (refer below note (b))	-	5.00
Total (A)	**724.21**	**451.74**

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

Particulars	As at March 31, 2020	As at March 31, 2019
(B) Investment at fair value through profit and loss (FVTPL):		
In quoted equity instruments		
i) Nil Equity Shares (2,500 Equity shares at March 31, 2019) of ₹ 10/- each of Rapicut Carbide Limited.	-	1.25
ii) Nil Equity Shares (2,360 Equity shares at March 31, 2019) of Punjab National Bank of ₹ 2/- each.	-	2.25
Total (B)	**-**	**3.50**
Total (A+B)	**724.21**	**455.24**
Aggregate value of quoted investments and market value thereof.	**-**	**3.50**
Aggregate value of unquoted investments and market value thereof.	**724.21**	**451.74**

Notes:

a) With effect from April 01, 2019, the share in profit/(loss) of the company in Alland & Sayaji LLP was reduced from 75.99% to 50%. Therefore Alland & Sayaji LLP ceased to be subsidiary of a company and is now a joint venture. (Also refer foot note below c)

b) Sayaji Corn Products Limited has applied in February, 2020 for striking off its name from Register of company as the net worth of the company has been eroded. Therefore, investment of ₹ 5.00 lakhs has been written off during the year ended March 31, 2020.

c) Details of Interest in Limited Liability Partnerships:

Name of LLP	Name of Partners	Total Fixed Capital (₹ in lakhs)	Share of Profit /(Loss) of Each Partners
Sayaji Seeds LLP	(a) Sayaji Industries Limited	480.00	95.94%
	(b) Mr. Priyam Mehta	6.80	1.36%
	(c) Mr. Vishal Mehta	6.60	1.32%
	(d) Mr. Varun Mehta	6.60	1.32%
	(e) Mrs. Kavisha Mehta	0.10	0.02%
	(f) Mrs. Priyanka Mehta	0.10	0.02%
	(g) Mrs. Sujata Mehta	0.10	0.02%
		500.30	**100.00%**
Alland & Sayaji LLP	(a) Sayaji Industries Limited	350.00	See note below
	(b) Societe Developpment Products Afrique (SDPA), France	350.00	
		700.00	**100.00%**

Note: With effect from April 01, 2019, the share of profit/(loss) of the partners of Alland & Sayaji LLP is 50% each in respect of gum business which is primary & of long term nature of business activity and 100% of the company and 0% of SDPA in respect of non-gum business which is subsidiary & of short term nature of business activity carried on by Alland & Sayaji LLP.

d) The differences in Investment in LLPs vis-à-vis capital balances in LLP is on account of profit/(loss) sharing or current account balance of LLP's.

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

Note 7: Trade receivables

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Trade receivables considered good- Secured	-	-
(b) Trade receivables considered good- Unsecured	4,691.05	3,963.43
(c) Trade receivables - which have significant increase in credit Risk	-	-
(d) Trade receivables - Credit impaired	117.33	108.62
Less : Allowance for expected credit loss	117.33	108.62
Total	**4,691.05**	**3,963.43**

In determining allowance for credit losses of trade receivables, the Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of the receivables and rates used in the provision matrix.

Trade receivables includes debts due from related parties:

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Sayaji Seeds LLP	1.21	-
(b) Alland & Sayaji LLP	43.90	-

Summary of movement in allowance for credit impaired of trade receivables:

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	108.62	100.16
Charge/(release) during the year	8.71	8.46
Utilised during the year	-	-
Balance as at the end of the year	**117.33**	**108.62**

Note 8: Cash and cash equivalents and bank balances other than cash and cash equivalents

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Cash on hand	10.66	2.56
(b) Balances with banks in current accounts	22.84	59.27
Total cash and cash equivalents	**33.50**	**61.83**
Other bank balances (Bank balances other than (ii) above)		
(a) Bank deposits having maturity beyond 3 months	17.66	182.73
(b) Earmarked balances with bank in unpaid dividend accounts	31.36	34.61
Total other bank balances	**49.02**	**217.34**
Total	**82.52**	**279.17**

Note 9: Other financial assets, Non-current / current

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
[Unsecured and considered good, unless otherwise stated]		
Non-current		
(a) Security deposits	113.71	11.21
(b) Bank deposits with more than 12 months maturity	125.00	-
	238.71	**11.21**
Current		
(a) Advances recoverable in cash or in kind including from related parties	337.85	265.41
(b) Financial derivative asset	-	78.82
(c) Export incentive receivable	93.00	228.86
(d) Interest receivable	3.63	0.67
(e) Other receivable	1.22	-
	435.70	**573.76**
Total	**674.41**	**584.97**

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

Note 10: Other Non-current / current assets

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
[Unsecured and considered good, unless otherwise stated]		
Non-current		
(a) Capital advances	488.36	279.54
(b) Deposit with government authorities (GST)	6.44	-
	494.80	**279.54**
Current		
(a) Prepaid expenses	187.63	140.17
(b) Advances to employees	6.29	3.02
(c) Balances with government authorities	19.51	34.18
(d) Advance to suppliers		
Considered good	141.92	268.64
Considered doubtful	149.96	-
Less: Allowance for bad and doubtful advances	149.96	-
	141.92	**268.64**
(e) Others	0.49	4.64
	355.84	**450.65**
Total	**850.64**	**730.19**

Summary of movement in allowance for bad and doubtful advances

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	-	1,063.00
Charge/(release) during the year	149.96	-
Utilised during the year	-	1,063.00
Balance as at the end of the year	**149.96**	**-**

Note 11: Inventories

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Raw materials	1,491.16	1,367.55
(b) Chemicals and packing material	138.55	134.21
(c) Work-in-progress	499.47	691.02
(d) Finished goods	1,785.75	1,260.09
(e) Stock in transit - finished goods	130.48	185.51
(f) By-products	330.84	272.59
(g) Stores, spares and fuel	360.78	567.42
(h) Stock-in-Trade	3.88	-
Total	**4,740.91**	**4,478.39**

Note 12: Share capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	₹ in lakhs	Number of Shares	₹ in lakhs
(a) Authorised				
Equity shares of ₹ 5/- each with voting rights	1,00,00,000	500.00	1,00,00,000	500.00
(b) Issued, Subscribed and fully paid up				
Equity shares of ₹ 5/- each with voting rights	63,20,000	316.00	63,20,000	316.00
Total	**63,20,000**	**316.00**	**63,20,000**	**316.00**

Notes forming part of the Standalone financial statements (Contd...)
for the year ended March 31, 2020

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening Balance	Changes if any during the year in the Share Capital	Closing Balance
Equity Shares with voting rights			
Year ended March 31, 2020			
- Number of shares	63,20,000	-	63,20,000
- Amount (₹ in lakhs)	316.00	-	316.00
Year ended March 31, 2019			
- Number of shares	31,60,000	31,60,000	63,20,000
- Amount (₹ in lakhs)	316.00	-	316.00

(ii) Details of Shareholders holding more than 5% shares:

Particulars	As at March 31, 2020		As at March 31, 2019	
Class of Shares/Name of Shareholder	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Sujata Priyam Mehta	11,37,680	18.00	11,37,680	18.00
C.V. Mehta Private Limited	9,59,520	15.18	9,59,520	15.18
Priyam Commercial Enterprises Private Limited	8,56,400	13.55	8,56,400	13.55
Priyam B. Mehta	7,29,200	11.54	7,29,200	11.54
Bini Commercial Enterprises Private Limited	4,59,200	7.27	4,59,200	7.27

The company has issued only one class of shares referred to as equity shares having a par face value of ₹ 5/-. All equity shares carry one vote per share without restrictions and are entitled to dividend, as and when declared. All equity shares rank equally with regards to the company's residual assets.

Note 13 : Other equity

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) General reserve	3,715.15	3,715.15
(b) Security premium	92.09	92.09
(c) Retained earnings	3,566.87	3,919.59
Total	**7,374.11**	**7,726.83**

Nature and purpose of reserves:

General reserve:

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Security premium:

The amount received in excess of face value of the equity shares, in relation to issuance of equity, is recognised in Securities Premium.

Retained earnings:

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to the shareholders.

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

Note 14: Borrowings (Non-current / current)

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current Borrowings		
Secured		
(a) Term loans from banks	2,630.20	3,179.15
(b) Vehicle loan from banks/financial Institutions	91.80	207.09
Unsecured		
(a) Public deposits*	1,710.77	1,837.69
(b) Inter corporate deposits from related parties	338.50	378.50
	4,771.27	**5,602.43**
Current maturities of long-term debt (Refer note 16)		
(a) Term loans from banks	561.46	540.36
(b) Vehicle loan from banks/financial institutions	115.29	195.56
(c) Public deposits*	926.44	533.34
	1,603.19	**1,269.26**
Current Borrowings		
Secured		
Working capital loan from banks	6,181.22	6,041.47
Unsecured		
(a) Public deposits*	53.05	50.72
(b) Working capital loan from banks	472.00	590.15
	6,706.27	**6,682.34**
Total	**13,080.73**	**13,554.03**

* Public Deposits includes deposits accepted from directors amounting to ₹ 572.85 lakhs (As at March 31, 2019 ₹ 584.50 lakhs)

Note:

(i) Term Loan - 2 from Kotak Mahindra Bank of ₹ Nil (As at March 31, 2019 ₹ 400.00 lakhs) is secured by way of Hypothecation of all existing and future current assets as well as moveable fixed assets of the company and further secured by way of mortgage of land and Building of the Kathwada Unit. The said loan is repayable in 20 equal quarterly instalments starting from May 27, 2015.

(ii) Term Loan - 3 from Kotak Mahindra Bank of ₹ 3,228.38 lakhs (As at March 31, 2019 ₹ 3,368.74 lakhs) is secured by way of Hypothecation of all existing and future current assets as well as moveable fixed assets of the company and further secured by way of mortgage of land and Building of the Kathwada Unit. The said loan is repayable in 24 equal quarterly instalments starting from January, 2020.

(iii) Vehicle loan from Banks & Financial Institutions amounting to ₹ 207.09 lakhs (As at March 31, 2019 ₹ 402.65 lakhs) are secured by way of hypothecation of respective motor vehicles purchased. The said loans are repayable in 36 equal monthly instalments.

(iv) Working Capital loans from Kotak Mahindra Bank Limited are secured by way of Hypothecation of all existing and future current assets as well as moveable fixed assets of the company and further secured by way of mortgage of land and Building of the Kathwada Unit.

(v) Rate of Interest on the above loans ranges from 8.00% to 11.50% p.a.

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

Note 15: Trade payables

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	39.94	5.81
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	9,350.04	5,186.52
Total	**9,389.98**	**5,192.33**

Information relating to Micro and Small enterprises (MSME)s:

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act, 2006):		
(a) Principal	39.94	5.81
(b) Interest	0.13	0.16
(ii) Amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year:		
(a) Principal	-	-
(b) Interest	-	-
(iii) Amount of interest due and payable for the year of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act, 2006:		
(a) Principal	-	-
(b) Interest	-	-
(iv) Amount of interest accrued and remaining unpaid at the end of the accounting year:	0.29	0.16
(v) Amount of further interest remaining due and payable in succeeding years until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006		

Note: The above information has been compiled in respect of parties to the extent to which they could be identified as Micro and Small Enterprises on the basis of information available with the Company.

Note 16: Other financial liabilities - Non-current / current

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
(a) Trade/security deposits	2.20	12.99
	2.20	**12.99**
Current		
(a) Current maturities of long term debt (Refer note 14)	1,603.19	1,269.26
(b) Unclaimed dividend	31.36	34.61
(c) Unclaimed matured public deposits and interest thereon	26.27	95.72
(d) Creditors for capital goods	111.53	204.89
(e) Interest accrued but not due on borrowings	31.61	36.33
(f) Financial derivative liability	57.03	-
(g) Other payables	469.39	616.44
	2,330.38	**2,257.25**
Total	**2,332.58**	**2,270.24**

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

Note 17: Other current liabilities

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Statutory dues (including provident fund, tax deducted at source, goods and services tax and others)	438.43	545.08
(b) Advance from customers	298.62	662.20
(c) Other payables	-	1.54
Total	**737.05**	**1208.82**

Note 18: Provisions

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Non-current		
(a) Provision for gratuity	-	44.36
(b) Provision for compensated absences	171.07	221.16
	171.07	**265.52**
Current		
(a) Provision for gratuity	107.92	217.04
(b) Provision for compensated absences	91.64	107.45
	199.56	**324.49**
Total	**370.63**	**590.01**

Note 19: Income taxes

1. Tax expenses recognised in the statement of profit and loss

The major component of Income tax expenses for the year ended on March 31, 2020 and March 31, 2019 are as follows:

(₹ in lakhs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Current Tax		
(a) Current income tax	-	409.52
(b) Adjustment of tax relating to earlier periods	0.74	(6.33)
	0.74	**403.19**
Deferred Tax		
(a) Deferred tax	(286.13)	758.96
(b) MAT credit entitlement	(6.59)	(384.30)
	(292.72)	**374.66**
Income tax expenses as per statement of Profit & Loss	**(291.98)**	**777.85**

2. A reconciliation between the statutory income tax rate applicable to the group and the effective income tax rate as follows:

(₹ in lakhs unless otherwise stated)

Reconciliation of effective tax rate	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Profit before tax	**(524.35)**	**3,297.88**
Enacted income tax rate in India applicable to the Company	31.20%	34.94%
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	**(163.60)**	**1,152.41**

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Adjustment for :		
(a) Expenses not allowed as deduction	10.95	16.91
(b) MAT credit not recognised / created	-	(209.85)
(c) Income exempted from income taxes	(30.43)	(111.06)
(d) Impact of earlier years tax	0.74	(6.33)
(e) Tax rate differences/non recognition of deferred tax	(113.51)	(75.57)
(f) Others	3.87	11.34
Total Tax Expenses/(Benefit)	**(291.98)**	**777.85**

3. The movement in deferred tax assets and liabilities for the year ended March 31, 2019

(₹ in lakhs unless otherwise stated)

Particulars	As at April 1, 2018	Credit/(Charge) in the Statement of Profit & Loss	Credit/(Charge) in the Other Comprehensive Income	As at March 31, 2019
Deferred tax assets/(liabilities)				
(a) Accelerated depreciation for tax purpose	(2,161.41)	(366.99)	-	(2,528.40)
(b) Deferred tax imposed on employee benefits	215.59	(28.32)	9.70	196.97
(c) Provision for doubtful debt/advances	384.57	(348.31)	-	36.26
(d) Unamortisation of loan processing fees	(1.10)	(15.34)	-	(16.44)
(e) MAT credit entitlements*	538.60	384.30	-	922.89
Total	**(1,023.75)**	**(374.66)**	**9.70**	**(1,388.71)**

3. The movement in deferred tax assets and liabilities for the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

Particulars	As at April 1, 2019	Credit/(Charge) in the Statement of Profit & Loss	Credit/(Charge) in the Other Comprehensive Income	As at March 31, 2020
Deferred tax assets/(liabilities)				
(a) Accelerated depreciation for tax purpose	(2,528.40)	(266.45)	-	(2,794.85)
(b) Deferred tax imposed on employee benefits	196.97	(66.80)	14.52	115.63
(c) Provision for doubtful debt/advances	36.26	47.13	-	83.39
(d) Unabsorbed depreciation	-	567.28	-	567.28
(e) Unamortisation of loan processing fees	(16.44)	4.98	-	(11.46)
(f) MAT credit entitlements*	922.89	6.59	-	929.48
Total	**(1,388.71)**	**292.72**	**14.52**	**(1,110.53)**

Note: MAT credit entitlements recognised in the statement of profit and loss of the year current year of ₹ 6.59 lakhs is in respect of previous year.

4. Deferred tax liabilities

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Deferred tax liability	2,040.01	2,311.60
(b) MAT credit entitlement*	(929.48)	(922.89)
Total	**1,110.53**	**1,388.71**

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

5. Current /Non-Current tax assets and liabilities

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Advance tax (net of income tax provisions)	131.91	227.49
Current		
(a) Current tax assets (net)	121.03	-
(b) Provision for income tax (net of advance tax)	-	-

Note: *The company has accounted for MAT credit aggregating to ₹ 929.48 lakhs as on March 31, 2020 comprising of various years.

Based on the future projections of portability and tax liabilities computed in accordance with the provisions of Income Tax Act, 1961, the management of the company believes that there will be sufficient future taxable profit that the company shall be required to pay normal taxes within the period specified u/s. 115JAA of the Income Tax Act and entire amount of MAT Credit can be set off / utilised. Therefore in accordance with the Guidance Note on Minimum Alternate Tax under the Income Tax Act, 1961 issued by the Institute of Chartered Accountants of India, such MAT credit has been continued to be recognised as asset.

Note: Pursuant to the Taxation Laws (Amendment) Act, 2019, effective from April 01, 2019, domestics companies have an option to pay corporate income tax at the rate 22% plus applicable surcharge and cess (New Tax Rate) subject to certain conditions. The Company has made an assessment of the impact on the Taxation Laws (Amendment) Act, 2019 and decided to continue with the existing tax structure until utilisation of accumulate minimum alternative tax (MAT) credits and unabsorbed depreciation.

Note 20: Employee Benefits

A. Defined contribution plans:

The Company deposits amount of contribution to government under Provident Fund and other schemes operated by government amount of ₹ 310.90 lakhs (P.Y. : ₹ 360.73 lakhs) is recognised as expenses and included in note 24 "Employee benefit expense".

(₹ in lakhs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Provident and other funds	310.90	360.73
Total	**310.90**	**360.73**

B. Defined benefit plans (Gratuity):

The Company has following post employment benefits which are in the nature of defined benefit plans:

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The benefit vests only after five years of continuous service, except in case of death / disability of employee during service. The vested benefit is payable on separation from the Company, on retirement, death or termination.

(₹ in lakhs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
i. Expenses recognized in statement of profit and loss:		
i. Expenses recognized in statement of profit and loss:		
Current service cost	71.16	66.43
Interest cost (net)	20.10	26.87
Past service cost	(2.37)	-
Component of defined benefit costs recognised in Statement of Profit and Loss	**88.89**	**93.30**
Remeasurement of the net defined benefit liability:		
Actuarial losses/(gains)	(26.03)	41.54
Return on plan assets excluding interest income amounts	(20.53)	(12.47)
Component of defined benefit costs recognised in other comprehensive income	**(46.55)**	**29.07**

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
ii. Reconciliation of Opening and Closing balances of changes in present value of the Defined Benefit Obligation:		
Opening defined benefit obligation as on April 1, 2019	1,652.05	1,561.30
Interest cost	127.04	123.03
Current service cost	71.16	66.43
Past Service cost	(2.37)	-
(Liability Transferred Out/ Divestments)	(44.72)	-
Actuarial losses (gains)- Due to change in Demographic Assumptions	(31.95)	-
Actuarial losses (gains)- Due to change in Financial Assumptions	(28.46)	15.58
Actuarial losses (gains)- Due to Experience	34.38	25.96
Benefits paid	(417.55)	(140.25)
Closing defined benefit obligation as at March 31, 2020	**1,359.58**	**1,652.05**
iii. Reconciliation of Opening and Closing balances of changes in fair value of the assets:		
Opening fair value of plan assets as at April 1, 2019	1,390.65	1,220.30
Interest Income	106.94	96.17
Contributions by employer	195.82	201.96
(Liability Transferred Out/ Divestments)	(44.72)	-
Benefits paid	(417.55)	(140.25)
Expected return on plan assets	20.53	12.47
Closing balance of fair value of plan assets as at March 31, 2020	**1,251.66**	**1,390.65**

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
iv. Net Liability recognized in the Balance Sheet		
Defined Benefit Obligation	1,359.58	1,652.05
Fair Value of plan assets	1,251.66	1,390.65
Net liability/(asset) recognized in the balance sheet	**107.92**	**261.40**

v. Actuarial Assumptions

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
(a) Discount rate	6.87%	7.69%
(b) Expected Return on Plan Assets	6.87%	7.69%
(c) Future salary increase	1.25% p.a. for the next 4 years, 3.25% p.a. for the next 4 years, starting from the 5th year and 4.50% p.a. thereafter, starting from the 9th year	4.00%
(d) Attrition rate	For service 2 years and below 20.00% p.a., For service 3 years to 4 years 5.00% p.a. and For service 5 years and above 1.00% p.a.	2.00%
(e) Mortality rate during employment	Indian assured lives Mortality (2006-08)	Indian assured lives Mortality (2006-08)

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

vi. Quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in lakhs unless otherwise stated)

Particulars	Sensitivity level	For the year ended March 31, 2020	For the year ended March 31, 2019
Gratuity			
Discount rate	1% increase	(79.63)	(77.95)
	1% decrease	92.27	88.74
Salary increase	1% increase	91.85	91.17
	1% decrease	(81.50)	(81.27)
Withdrawal Rates	1% increase	23.08	25.54
	1% decrease	(25.61)	(28.66)

vii. The followings are the expected future benefit payments for the defined benefit plan:

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gratuity		
1st following year	259.86	456.73
2nd following year	110.22	77.17
3rd following year	104.60	214.59
4th following year	114.61	122.73
5th following year	292.60	120.54
Sum of years 6 to 10	379.27	689.00

viii. Weighted average duration (years) of defined plan obligation:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gratuity	8	7

C. Other Long term employee benefit plans

Compensated Absences

Salaries, Wages and Bonus include ₹ 102.18 lakhs (P.Y.: ₹ 127.96 lakhs) towards provision made as per actuarial valuation in respect of accumulated leave encashment/compensated absences.

The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
(a) Discount rate	6.87%	7.69%
(b) Expected rate(s) of salary increase	1.25% p.a. for the next 4 years, 3.25% p.a. for the next 4 years, starting from the 5th year, 4.50% p.a. thereafter, starting from the 9th year	4%
(c) Attrition rate	For service 2 years and below 20.00% p.a., For service 3 years to 4 years 5.00% p.a. and For service 5 years and above1.00% p.a.	2.00% p.a. for all service groups.
(d) Mortality tables	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
(e) Actuarial Valuation method	Projected Unit Credit Method	Projected Unit Credit Method

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

The amount included in Balance sheet arising from the entity's obligation in respect of its defined benefit obligation plans are as follows:

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of funded defined benefit obligation	262.71	328.61
Fair value of plan assets	-	-
Net liability/(asset) arising from defined benefit obligation	**262.71**	**328.61**

Note 21: Revenue from operations

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Sale of products	61,743.14	61,754.23
(b) Other operating revenues		
i) Export incentives	268.36	368.72
ii) Others	8.63	-
	276.99	**368.72**
Total	**62,020.13**	**62,122.95**

Note 22: Other income

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Dividend Income		
i) Joint venture company	-	292.80
ii) Others	0.04	0.05
(b) Net gain on foreign currency transactions and translation	79.40	99.00
(c) Rental income	13.06	5.28
(d) Sundry balances written back (net)	126.37	54.80
(e) Interest income	13.89	13.25
(f) Commission income	16.08	5.68
(g) Share of profit in Alland & Sayaji LLP	-	33.29
(h) Profit on sale of property, plant and equipment (net)	151.98	-
(i) Miscellaneous income	7.48	4.76
Total	**408.30**	**508.91**

Note 23.a: Cost of materials consumed

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Raw material Consumed	41,568.60	38,199.54
(b) Chemicals and packing material consumed	3,685.10	4,514.20
Total	**45,253.70**	**42,713.74**

Note 23.b: purchase of traded goods

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Starches & Others	271.78	43.48
Total	**271.78**	**43.48**

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

Note 23.c: Changes in inventories of finished goods and work-in-progress

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventories at the end of the Year		
(a) Finished goods & By-products	2,116.59	1,532.68
(b) Stock in transit - finished goods	130.48	185.51
(c) Work in progress	499.47	691.02
Total (A)	**2,746.54**	**2,409.21**
Inventories at the beginning of the Year		
(a) Finished goods & By-products	1,532.68	1,149.75
(b) Stock in transit - finished goods	185.51	61.20
(c) Work in progress	691.02	592.52
Total (B)	**2,409.21**	**1,803.47**
Net (increase) / decrease in inventory (B-A)	**(337.33)**	**(605.74)**

Note 24: Employee's benefits expense

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Salaries and wages	3,896.10	4,025.09
(b) Contribution to provident and other funds	385.84	444.83
(c) Staff welfare expenses	230.92	300.27
Total	**4,512.86**	**4,770.19**

Note 25: Finance cost

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest costs on borrowing	1,548.16	1,129.09
(b) Other borrowing costs	29.51	36.69
Total	**1,577.67**	**1,165.78**

Note 26: Other expenses

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Consumption of stores, spare parts	310.15	227.88
(b) Power and fuel	4,417.38	5,242.84
(c) Rent including lease rentals	30.77	72.17
(d) Repairs and maintenance - Buildings	32.37	78.45
(e) Repairs and maintenance - Machinery	331.77	618.81
(f) Repairs and maintenance - Others	147.08	135.43
(g) Operation and maintenance charges	230.59	201.33
(h) Contract labour charges	936.38	1,022.42
(i) Insurance	52.33	59.66
(j) Rates and taxes	11.56	25.61
(k) Commission and brokerage	558.96	534.90
(l) Freight outward and clearing charges	1,518.24	2,135.87
(m) Selling and distribution expenses	205.45	211.30
(n) Donations and contributions	4.53	19.54
(o) Corporate social responsibilities expenses (refer note 37)	30.44	27.08
(p) Loss on sale of property, plant and equipment (net)	-	23.21

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(q) Payment to auditors (refer note 39)	10.23	11.48
(r) Provision for doubtful debts and advances	158.66	8.46
(s) Bad debts written off	-	4.54
(t) Loss on sale of Investment/written off	5.99	-
(u) Share of loss in Sayaji Seeds LLP	8.58	8.32
(v) Share of loss in Alland & Sayaji LLP	88.91	-
(w) Directors' sitting fees	9.10	11.05
(x) Managerial remuneration	452.71	402.15
(y) General charges	1,003.24	1,344.04
Total	**10,555.42**	**12,426.54**

Note 27: Related party transactions

Related party disclosures, as required by Ind AS 24, " Related Party Disclosures", are given below.

(A) <u>List of Related Parties and Relationships:</u>

Subsidiary Company/LLP:	Sayaji Seeds LLP
	Sayaji Corn Products Limited (till February 04, 2020)
	Alland & Sayaji LLP (till March 31, 2019)
Joint Venture:	Alland & Sayaji LLP (w.e.f. April 01, 2019)
Entities under Common Control:	C. V. Mehta Pvt. Ltd.
	Bini Commercial Enterprises Pvt. Ltd.
	N.B. Commercial Enterprises Ltd.
	Varun Travels Pvt. Ltd.
	Priyam Commercial Enterprises Pvt. Ltd.
	Viva Tex Chem Pvt. Ltd.
	Sayaji Properties LLP
	Sayaji Agrosciences LLP
	Sayaji Samruddhi LLP
	Viva Public Charitable Trust
	Sayaji Agritech LLP
	Sayaji Agricare Pvt. Ltd.
Key Managerial Personnel:	Shri Priyam B. Mehta (Managing Director)
	Shri Varun P. Mehta (Executive Director)
	Shri Vishal P. Mehta (Executive Director)
	Shri Rajesh H Shah (Company Secretary)
	Shri Narayansingh J. Deora (CFO till April 05, 2019)
	Shri Manan R Shah (CFO w.e.f. April 05, 2019)
Relatives of Key Managerial Personnel:	Smt. Niramayi B. Mehta
(With whom transactions have taken place)	Smt. Kavisha V. Mehta
	Smt. Priyanka Mehta
	Smt. Sujata P. Mehta
	(Non-Executive Director - Non Independent Director)
	Priyam B Mehta - HUF

(B) Related party transaction and balances :

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in an arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash except in case of advances. Outstanding advances are either settled through supply of goods or services.

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

The details of material transactions and balances with related parties are given below:

(₹ in lakhs unless otherwise stated)

a)	Transactions during the year	For the year ended March 31, 2020	For the year ended March 31, 2019
i)	**Sales of goods & services:**		
	To subsidiary		
	Alland & Sayaji LLP	-	12.54
	Sayaji Seeds LLP	1.56	26.53
	To joint Venture		
	Sayaji Sethness Ltd	-	0.91
	Alland & Sayaji LLP	34.29	-
	To entities under common Control		
	N.B. Commercial Enterprises Ltd.	61.79	47.84
	Varun Travels Pvt. Ltd.	-	0.07
ii)	**Corporate Guarantee Income:**		
	From subsidiary		
	Alland & Sayaji LLP	-	2.90
	Sayaji Seeds LLP	3.60	2.78
	From entities under common Control		
	N.B. Commercial Enterprises Ltd.	10.00	8.50
	From joint Venture		
	Alland & Sayaji LLP	2.48	-
iii)	**Dividend Income:**		
	From joint Venture		
	Sayaji Sethness Ltd	-	292.80
iv)	**Sale of investments:**		
	joint Venture		
	Sayaji Sethness Ltd	-	2,278.71
v)	**Expenses Recovered on Reimbursement Basis:**		
	From subsidiary Company/LLP		
	Alland & Sayaji LLP	-	12.78
	Sayaji Seeds LLP	3.62	17.68
	From joint Venture		
	Sayaji Sethness Ltd	-	32.00
	Alland & Sayaji LLP	18.21	-
	From entities under common Control		
	N.B. Commercial Enterprises Ltd.	52.66	43.74
	Sayaji Properties LLP	0.07	-
vi)	**Rent Income:**		
	From joint Venture		
	Alland & Sayaji LLP	1.67	-
	From subsidiary		
	Sayaji Seeds LLP	1.20	-
vii)	**Purchase of goods & services:**		
	From subsidiary		
	Alland & Sayaji LLP	-	54.79
	From entities under common Control		
	N.B. Commercial Enterprises Ltd.	263.08	-
	Varun Travels Pvt. Ltd.	125.25	178.30
	From joint Venture		
	Alland & Sayaji LLP	18.10	-

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

a)	Transactions during the year	For the year ended March 31, 2020	For the year ended March 31, 2019
viii)	**Interest Paid:**		
	To joint Venture		
	Sayaji Sethness Ltd	-	13.50
	To Entities under common Control		
	Priyam Commercial Enterprise Pvt. Ltd.	17.95	9.53
	C. V. Mehta Pvt. Ltd.	2.60	2.60
	Bini Commercial Enterprises Pvt. Ltd.	9.28	5.03
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	13.66	15.66
	Shri Varun P. Mehta	8.73	8.78
	Shri Vishal P. Mehta	7.24	7.27
	To Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	25.08	21.45
	Smt. Niramayi B. Mehta	6.62	6.29
	Smt. Kavisha V. Mehta	1.99	2.02
	Smt. Priyanka Mehta	1.60	-
	Priyam B Mehta - HUF	1.47	1.47
ix)	**Rent Expenses:**		
	To entities under common Control		
	Sayaji Properties LLP	7.20	6.60
x)	**Corporate Social Responsibility Expenses:**		
	To Entities under common Control		
	Viva Public Charitable Trust	9.44	8.00
xi)	**Remuneration:**		
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	135.21	134.76
	Shri Varun P. Mehta	163.10	134.83
	Shri Vishal P. Mehta	154.41	132.55
	Shri Rajesh H Shah	50.32	52.16
	Shri Narayansingh J. Deora	15.76	49.18
	Shri Manan R Shah	30.90	-
	To Relatives of Key Managerial Personnel		
	Smt. Kavisha V. Mehta	33.84	33.84
	Smt. Priyanka Mehta	33.84	33.84
xii)	**Directors Sitting Fees:**		
	To Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	1.60	2.00
xiii)	**Deposits Received:**		
	From Key Managerial Personnel		
	Shri Priyam B. Mehta	-	38.00
	Shri Varun P. Mehta	-	10.00
	Shri Vishal P. Mehta	-	17.00
	From Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	74.50	77.00
	Smt. Niramayi B. Mehta	-	46.00
	Smt. Kavisha V. Mehta	-	5.00
	Smt. Priyanka Mehta	20.00	-
xiv)	**Deposits Paid:**		
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	52.00	28.00
	Shri Varun P. Mehta	-	10.00
	Shri Vishal P. Mehta	-	17.00

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

a)	Transactions during the year	For the year ended March 31, 2020	For the year ended March 31, 2019
	To Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	57.50	45.00
	Smt. Niramayi B. Mehta	-	31.00
	Smt. Kavisha V. Mehta	-	5.00
xv)	**Loan Received:**		
	From entities under common Control		
	Priyam Commercial Enterprise Pvt. Ltd.	-	230.00
	Bini Commercial Enterprises Pvt. Ltd.	-	110.00
xvi)	**Loan Repaid:**		
	To joint Venture		
	Sayaji Sethness Ltd	-	700.17
	To entities under common Control		
	Priyam Commercial Enterprise Pvt. Ltd.	40.00	-
xvii)	**Investment made:**		
	In subsidiary		
	Sayaji Seeds LLP	240.00	60.00
	In joint Venture		
	Alland & Sayaji LLP	141.00	-
xviii)	**Transferred of liabilities in respect of employee benefits:**		
	To entities under common Control		
	N.B. Commercial Enterprises Ltd.	7.48	-
	To joint Venture		
	Alland & Sayaji LLP	6.65	-

(₹ in lakhs unless otherwise stated)

b)	Balances at the end of the year	As at March 31, 2020	As at March 31, 2019
i)	**Outstanding Receivables:**		
	From subsidiary		
	Sayaji Seeds LLP	1.21	-
	From joint Venture		
	Alland & Sayaji LLP	43.90	-
ii)	**Other Recoverable:**		
	From subsidiary		
	Sayaji Seeds LLP	1.20	-
	Alland & Sayaji LLP	-	265.41
	From joint Venture		
	Alland & Sayaji LLP	239.35	-
	From Entities under common Control		
	Sayaji Properties LLP	0.08	-
	Viva Public Charitable Trust	0.86	-
	N.B. Commercial Enterprises Ltd.	1.80	-
	Varun Travels Pvt. Ltd.	7.22	-
iii)	**Outstanding Payables:**		
	To Entities under common Control		
	Varun Travels Pvt. Ltd.	-	5.75
	Sayaji Properties LLP	1.94	-
	N.B. Commercial Enterprises Ltd.	310.43	-

Notes forming part of the Standalone financial statements (Contd...)
for the year ended March 31, 2020

b)	Balances at the end of the year	As at March 31, 2020	As at March 31, 2019
iv)	**Loan payable:**		
	To Entities under common Control		
	Priyam Commercial Enterprise Pvt. Ltd.	190.00	230.00
	C. V. Mehta Pvt. Ltd.	32.50	32.50
	Bini Commercial Enterprises Pvt. Ltd.	116.00	116.00
v)	**Deposits payable:**		
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	104.00	156.00
	Shri Varun P. Mehta	81.00	81.00
	Shri Vishal P. Mehta	68.00	68.00
	To Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	236.50	219.50
	Smt. Niramayi B. Mehta	63.00	63.00
	Smt. Kavisha V. Mehta	19.00	19.00
	Smt. Priyanka Mehta	20.00	-
	Priyam B Mehta - HUF	14.00	14.00
vi)	**Investments Balances:**		
	In subsidiary		
	Sayaji Seeds LLP	463.12	231.69
	Alland & Sayaji LLP	-	215.05
	Sayaji Corn Products Limited	-	5.00
	In Joint Venture		
	Alland & Sayaji LLP	261.09	-
vii)	**Remuneration payable:**		
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	3.54	3.74
	Shri Varun P. Mehta	3.85	3.10
	Shri Vishal P. Mehta	4.90	3.00
	Shri Rajesh H Shah	1.87	1.47
	Shri Narayansingh J. Deora	-	2.17
	Shri Manan R Shah	1.71	-
	To Relatives of Key Managerial Personnel		
	Smt. Kavisha V. Mehta	1.82	1.49
	Smt. Priyanka Mehta	1.82	1.49

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

Note 28: Financial assets and liabilities

Financial assets by category:

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020				As at March 31, 2019			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Investments in								
- Subsidiaries, LLP & Joint Venture	724.21	-	-	-	451.74	-	-	-
- Equity Shares- quoted	-	-	-	-	-	3.50	-	-
Bank deposits with more than 12 months maturity	-	-	-	125.00	-	-	-	-
Trade receivables	-	-	-	4,691.05	-	-	-	3,963.43
Cash & cash equivalents (including other bank balances)	-	-	-	82.52	-	-	-	279.17
Other financial assets								
- Security deposits	-	-	-	113.71	-	-	-	11.21
- Advances recoverable in cash or in kind including from related parties	-	-	-	337.85	-	-	-	265.41
- Financial derivative asset	-	-	-	-	-	78.82	-	-
- Export Incentive receivable	-	-	-	93.00	-	-	-	228.86
- Interest receivable	-	-	-	3.63	-	-	-	0.67
- Other receivable	-	-	-	1.22	-	-	-	-
Total Financial assets	**724.21**	**-**	**-**	**5,447.98**	**451.74**	**82.32**	**-**	**4,748.75**

Financial liabilities by category:

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020				As at March 31, 2019			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Borrowings	-	-	-	11,477.54	-	-	-	12,284.77
Trade payables	-	-	-	9,389.98	-	-	-	5,192.33
Other financial liabilities								
- Security deposits	-	-	-	2.20	-	-	-	12.99
- Current maturities of long-term borrowings	-	-	-	1,603.19	-	-	-	1,269.26
- Unclaimed dividend	-	-	-	31.36	-	-	-	34.61
- Unclaimed matured public deposits and interest thereon	-	-	-	26.27	-	-	-	95.72
- Creditors for capital goods	-	-	-	111.53	-	-	-	204.89
- Interest accrued but not due on borrowings	-	-	-	31.61	-	-	-	36.33
- Financial derivative liability	-	57.03	-	-	-	-	-	-
- Other payables	-	-	-	469.39	-	-	-	616.44
Total Financial liabilities	**-**	**57.03**	**-**	**23,143.07**	**-**	**-**	**-**	**19,747.34**

Note 29: Fair values

Quantitative disclosures fair value measurement hierarchy for assets/liability:

Quantitative disclosures fair value measurement hierarchy for assets/liabilities as at March 31, 2020 (Valuation date - March 31, 2020)

(₹ in lakhs unless otherwise stated)

Particulars	Date of valuation	Fair value measurement using			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Liabilities measured at fair value					
Financial derivative liabilities	March 31, 2020	-	57.03	-	57.03

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

Quantitative disclosures fair value measurement hierarchy for assets/liabilities as at March 31, 2019 (Valuation date - March 29, 2019)

(₹ in lakhs unless otherwise stated)

Particulars	Date of valuation	Fair value measurement using			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value					
FVTPL investments					
(a) Equity shares-quoted	March 29, 2019	3.50	-	-	3.50
(b) Financial derivative asset	March 29, 2019	-	78.82	-	78.82

Note 30: Financial risk management

The Company's principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The loans and borrowings are primarily taken to finance and support the Company's operations. The Company's principal financial assets include investments, loans, cash and cash equivalents, trade receivables and other financial assets.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in financial instruments for speculative purposes may be undertaken.

1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk or Net asset value ("NAV") risk in case of investment in mutual funds. Financial instruments affected by market risk include investments, trade receivables, trade payables, loans and borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2020 and March 31, 2019.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in lakhs unless otherwise stated)

Particulars	Increase / (decrease) in basis points	Increase / (decrease) in profit before tax
March 31, 2020		
Rupee borrowings	+50	(50.44)
	-50	50.44
March 31, 2019		
Rupee borrowings	+50	(53.52)
	-50	53.52

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

'The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk:

'Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, i.e. when revenue or expense is denominated in a foreign currency.

Given below is the foreign currency exposure arising from the non derivative financial instruments:

Particulars	Foreign Currency Amount (in lakhs)		Reporting Currency Amount (₹ in lakhs)	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Financial Assets				
Trade Receivables				
USD	3.70	8.10	278.66	560.16
AED	-	3.51	-	66.36
Financial Liabilities				
Trade Payables				
EUR	-	0.01	-	0.72
Net foreign currency exposure	**3.70**	**11.60**	**278.66**	**625.80**

Foreign currency sensitivity:

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and AED exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in lakhs unless otherwise stated)

Particulars	Change in rates	Effect on profit before tax
March 31, 2020	+5%	13.93
	-5%	(13.93)
March 31, 2019	+5%	31.29
	-5%	(31.29)

2 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and foreign exchange transactions.

Trade receivables:

Customer credit risk is managed by the Company's internal policies, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an credit rating scorecard and credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Trade receivables are non-interest bearing and are generally on 0 days to 60 days credit term. Credit limits are established for all customers based on internal rating criteria. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

Cash deposits:

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

approved counterparties who meet the minimum threshold requirements under the counterparty risk assessment process. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the group adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the Balance sheet as of March 31, 2020, March 31, 2019 is the carrying amount as disclosed in Note 7 except for financial guarantees.

In respect of financial guarantees provided by the Company to banks/financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

3 Liquidity Risk

The Company monitors its risk of shortage of funds through using a liquidity planning process that encompasses an analysis of projected cash inflow and outflow.

The Company's objective is to maintain a balance between continuity of funding and flexibility largely through cash flow generation from its operating activities and the use of bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's financial liabilities (including future interest payable) based on contractual undiscounted payments.

(₹ in lakhs unless otherwise stated)

Particulars	Less than 1 year	More than 1 year	Total
As at year ended			
March 31, 2020			
(a) Borrowings (including current maturities of long-term borrowings)	8,309.46	4,771.27	13,080.73
(b) Trade payables	9,389.98	-	9,389.98
(c) Other financial liabilities	727.19	2.20	729.39
	18,426.63	**4,773.47**	**23,200.10**
March 31, 2019			
(a) Borrowings (including current maturities of long-term borrowings)	7,951.60	5,602.43	13,554.03
(b) Trade payables	5,192.33	-	5,192.33
(c) Other financial liabilities	987.99	12.99	1,000.98
	14,131.92	**5,615.42**	**19,747.34**

Note 31: Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the achievement of long-term and short-term goals of the Company.

The Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes, within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

Notes forming part of the Standalone financial statements (Contd...)
for the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest-bearing loans and borrowings (Note 14)	13,080.73	13,554.03
Less: cash and cash equivalent and other bank balances (Note 8)	82.52	279.17
Net debt (A)	**12,998.21**	**13,274.86**
Equity share capital (Note 12)	316.00	316.00
Other equity (Note 13)	7,374.11	7,726.83
Total capital (B)	**7,690.11**	**8,042.83**
Capital and net debt C=(A+B)	**20,688.32**	**21,317.69**
Gearing ratio (%) (A/C)	**62.83%**	**62.27%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2020.

Note 32: Contingent liabilities & assets

i) Contingent liabilities not provided for in respect of:

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Guarantees given by the bankers on behalf of the parent company.	81.62	81.62
(b) Disputed demand of Value added tax, Central sales tax and Goods and services tax as the company expects to succeed in the appeal.	71.78	65.34
(c) Guarantee to Bank against credit facilities (fund based & non-fund based limits) extended to the other companies/LLP. (To the extent of credit facilities enjoyed as at the date of balance sheet)	2,267.99	2,863.96

ii) Contingent assets

There are no contingent assets recognised as at March 31, 2020.

Note 33: Commitments and obligations

Capital commitments

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	152.80	486.58

Note 34: Segment reporting

The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 3 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in this standalone financial statements.

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

Note 35: Earnings per share

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Basic and Diluted EPS		
a) Computation of profit (Numerator)		
Profit available to equity shareholders	(232.37)	2,520.03
b) Weighted average number of Equity Shares of ₹ 5/- each (PY ₹ 5/- each) used for calculation of basic and diluted earnings per share.	63,20,000	63,20,000
c) Basic and Diluted EPS (in ₹)	**(3.68)**	**39.87**

Note 36: Dividend on equity shares

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Dividend declared and paid during the year		
Final Dividend of ₹ 2.00 per equity share face value of ₹ 5/- each for the year ended March 31, 2019 (₹ 3.75 per equity share face value of ₹ 10/- each for the year ended March 31, 2018)	126.40	118.50

Note 37: Expenditure for corporate social responsibility activities

During the year ended March 31, 2020, the company has spent ₹ 30.44 lakhs towards Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013 and Rules thereunder by way of contribution to various Trusts/NGOs/Societies/Agencies.

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(1) Gross Amount required to be spent as per Section 135 of the Act	**18.50**	**11.53**
(2) Amount Spent during the year on:		
(i) Construction / Acquisition of any asset	-	-
(ii) On purpose other than above (i)	30.44	27.08
Total	**30.44**	**27.08**

Note 38: Disclosure regarding derivative instruments

i) The Company has taken derivatives to hedge its trade receivable. The outstanding position of derivative instruments is as under:

Nature	Purpose	As at March 31, 2020 ₹ in lakhs	As at March 31, 2020 Foreign Currency in lakhs (USD)
Forward contracts	Hedging of trade receivable	187.73	2.49

Nature	Purpose	As at March 31, 2019 ₹ in lakhs	As at March 31, 2019 Foreign Currency in lakhs (USD)
Forward contracts	Hedging of trade receivable	397.08	5.74

Notes forming part of the Standalone financial statements (Contd...)

for the year ended March 31, 2020

ii) **The details of foreign currency exposures not hedged by derivative instruments are as under:**

Nature	Currency	As at March 31, 2020	
		₹ in lakhs	Foreign Currency in lakhs
Trade receivables	USD	90.92	1.21

Nature	Currency	As at March 31, 2019	
		₹ in lakhs	Foreign Currency in lakhs
Trade receivables	USD	163.08	2.36
Trade receivables	AED	66.36	3.51

Note: The company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to twelve months.

Note 39: Other notes

Payment to auditors

Details of payment to auditors are as follows:

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Statutory audit fees	6.00	6.00
(b) Tax audit fees	1.15	1.15
(c) Certification and other services	3.06	4.08
(d) Reimbursement of expenses	0.02	0.25
Total	**10.23**	**11.48**

Note 40: COVID-19

The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activities. COVID-19 has caused interruption in production, supply chain disruption, unavailability of personnel, etc. during the last week of March, 2020 and thereafter. The management of company has exercised due care in concluding significant accounting judgements and estimates in preparation of financial results. In assessing the recoverability of Trade Receivables, the company has considered subsequent recoveries, past trends, credit risk profile of the customers and internal and external information available up to the date of issuance of these financial results. In assessing the recoverability of Inventories, the company has considered the latest selling prices, customers orders on hand and margin. Based on the above assessment, the company is of the view that the carrying amounts of trade receivables and inventories are expected to be realised to the extent shown in financial results. The impact of COVID-19 may be different from the estimates as at the date of approval of these financial results and the company will continue to closely monitor the development.

Note 41: Exceptional Items

Exceptional items of ₹ 2,116.30 lakhs is in respect of profit on sale of shares held by the company in Sayaji Sethness Limited, a Joint Venture Company in September, 2018.

Note 42: Approval of financial statements

The standalone financial statements were authorised for issue in accordance with a resolution of the Board of Directors on June 29, 2020.

As per attached report of even date

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership Number : 030167
UDIN: 20030167AAAAAX5439

Ahmedabad, Gujarat: June 29, 2020

For and on behalf of the Board of Directors

Priyam B. Mehta
Chairman & Managing Director
DIN : 00030933

Varun P. Mehta
Exectuive Director
DIN : 00900734

Vishal P. Mehta
Executive Director
DIN : 02690946

Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat: June 29, 2020

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
SAYAJI INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of **SAYAJI INDUSTRIES LIMITED** ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group") which includes Group's share of loss in its joint venture, which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit & Loss (including other comprehensive Income), the Consolidated statement of changes in equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on a separate financial statements of subsidiary and joint venture referred to in the Other Matters section below, the aforesaid Consolidated financial statements read together with significant accounting policies and accompanying notes thereon give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at March 31, 2020, and its consolidated Losses (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 and joint venture in accordance with the Code of Ethics issued by ICAI together with the ethical requirement that are relevant to our audit of the consolidated 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 the Code of Ethics. We believe that the audit evidence obtained by us and the audit evidences obtained by other auditors in terms of their report referred to in para (a) and (b) of Other Matters section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

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

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary and its joint venture audited by the other auditors to the extent it relates to these entities and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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.

Responsibilities of Management for the Consolidated Financial Statements

The Parent'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 consolidated financial statements that give a true and fair view of the consolidated financial position and consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 director of the Parent, as aforesaid.

In preparing the financial statements, the respective Board of Directors of the entity included in the group (including its joint venture) are responsible for assessing the Group'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 the Board of Directors either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group and its joint venture are also responsible for overseeing the financial reporting process of the Group including joint venture.

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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the parent 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.

Other Matters:

(a) We did not audit the financial statements of a subsidiary whose financial statements reflect total assets of ₹ 1,461.84 lakhs as at March 31, 2020, total revenues of ₹ 1,837.74 lakhs, total comprehensive loss of ₹ 2.35 lakhs for the year ended on March 31, 2020, and net cash inflow of ₹ 1.49 lakhs for the year ended on March 31, 2020, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditors and procedures performed by us as stated in "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section.

(b) The financial statements includes the Group's Share of net loss of ₹ 90.92 lakhs for the year ended on March 31, 2020, as considered in the consolidated financial statements, in respect of a joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture, is based solely on the reports of the other auditors and procedures performed by us as stated in "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" paragraph.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, based on our audit and on the basis of the report of the other auditors on the separate financial statements of its subsidiary and joint venture, referred to in the Other Matters paragraph above we report, to the extent applicable that:

a) We have sought & 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 the preparation of consolidated financial statements have been kept so far as appears from our examination of those books and reports of the other auditors;

c) The consolidated Balance sheet, consolidated statement of Profit & Loss (including other comprehensive income), the consolidated statement of Changes in equity and the Consolidated Cash Flows Statement 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 Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2016.

e) On the basis of the written representation received from the directors as on 31st March, 2020 taken on record by Board of Directors of Company and the reports of the statutory auditors of its subsidiary and joint venture incorporated in India, none of the director of Group is disqualified as on 31st March, 2020 from being appointed as a director in terms of section 164(2) of the Companies Act, 2013.

f) With respect to the adequacy of the internal financial control over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "**Annexure**" which is based on the auditor's report of the parent, subsidiary and its joint venture incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group'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, the managerial remuneration for the year ended March 31, 2020 has been paid/ provided by the Parent to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

h) With respect to other matters to be included in the Auditors' 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 Group has made disclosure of pending litigations which would impact its consolidated financial statements.

ii) The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

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

For, **Shah & Shah Associates**
Chartered Accountants
Firm's Registration Number: 113742W

Bharat A. Shah
Partner
Membership Number: 030167
UDIN: 20030167AAAAAY5577

Ahmedabad, Gujarat: June 29, 2020

"Annexure" to the Independent Auditors' Report of even date on the Consolidated Financial Statements of SAYAJI INDUSTRIES LIMITED,

Referred to in paragraph 2(f) under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Consolidated financial statements of the Company for the year ended March 31, 2020.

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 over financial reporting of **SAYAJI INDUSTRIES LIMITED,** ("the Patent"), its subsidiary and joint venture which are entities incorporated in India as of March 31, 2020 in conjunction with our audit of the consolidated financial statements for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The respective board of directors of the Parent, Subsidiary and its joint venture are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective entities considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (IFCOFR) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 to express an opinion on the internal financial controls over financial reporting of the parent, its subsidiary and joint venture which are entities 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit or internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 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 material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgments, 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 and the audit evidences obtained by the other auditors of its subsidiary and joint venture incorporated in India, in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary and joint venture incorporated in India.

Meaning of Internal Financial Control 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

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preparation of financial statements in accordance with generally-accepted accounting principles, and that receipts and expenditure 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 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, the parent Company and its subsidiary company and joint venture, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the 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, Shah & Shah Associates
Chartered Accountants
Firm's Registration Number: 113742W

Bharat A. Shah
Partner
Membership Number: 030167

Ahmedabad, Gujarat: June 29, 2020

CONSOLIDATED FINANCIAL STATEMENT

Consolidated Balance Sheet

As at March 31, 2020

(₹ in lakhs unless otherwise stated)

	Particulars	Note	As at March 31, 2020	As at March 31, 2019
I	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	4	20,126.96	20,486.02
	(b) Capital work-in-progress	4	962.97	389.04
	(c) Other Intangible assets	5	118.48	102.05
	(d) Financial assets			
	(i) Investments	6	259.08	3.50
	(ii) Other financial assets	9	239.41	40.73
	(e) Deferred tax assets (net)	19	8.15	4.10
	(f) Non-current tax assets (net)	19	131.91	227.49
	(g) Other non-current assets	10	494.80	279.54
	Total non-current assets		**22,341.76**	**21,532.47**
	Current assets			
	(a) Inventories	11	5,597.34	5,397.86
	(b) Financial assets			
	(i) Trade receivables	7	5,377.63	4,594.40
	(ii) Cash and cash equivalents	8	40.56	72.70
	(iii) Bank balances other than (ii) above	8	49.02	217.34
	(iv) Other financial assets	9	434.50	309.69
	(c) Current tax assets (net)	19	121.03	0.26
	(d) Other current assets	10	608.42	806.20
	Total current assets		**12,228.50**	**11,398.45**
	Total Assets		**34,570.26**	**32,930.92**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	12	316.00	316.00
	(b) Other equity	13	7,372.13	7,726.73
	Equity attributable to equity holders of the parent		**7,688.13**	**8,042.73**
	(c) Non-controlling interest		19.16	86.44
	Total equity		**7,707.29**	**8,129.17**
	Liabilities			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	4,771.27	5,815.45
	(ii) Other financial liabilities	16	65.14	51.69
	(b) Provisions	18	179.38	265.52
	(c) Deferred tax liabilities (net)	19	1,110.53	1,390.46
	Total non-current liabilities		**6,126.32**	**7,523.12**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	7,663.12	7,792.13
	(ii) Trade payables	15		
	(a) Total outstanding dues of micro enterprises and small enterprises		39.94	5.81
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		9,560.55	5,473.07
	(iii) Other financial liabilities	16	2,359.16	2,390.65
	(b) Other current liabilities	17	911.83	1,292.48
	(c) Provisions	18	202.05	324.49
	Total current liabilities		**20,736.65**	**17,278.63**
	Total liabilities		**26,862.97**	**24,801.75**
	Total Equity and Liabilities		**34,570.26**	**32,930.92**

The accompanying notes form an integral part of the Consolidated financial statements.

As per attached report of even date

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership Number : 030167
UDIN: 20030167AAAAAY5577

Ahmedabad, Gujarat: June 29, 2020

For and on behalf of the Board of Directors

Priyam B. Mehta
Chairman & Managing Director
DIN : 00030933

Varun P. Mehta
Exectuive Director
DIN : 00900734

Vishal P. Mehta
Executive Director
DIN : 02690946

Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat: June 29, 2020

Consolidated Statement of Profit and Loss

For the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

	Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
	Income:			
I	Revenue from operations	21	63,862.62	64,404.98
II	Other income	22	403.55	494.81
III	**Total income (I+II)**		**64,266.17**	**64,899.79**
IV	**Expenses:**			
	(a) Cost of materials consumed	23.a	46,236.44	44,459.70
	(b) Purchases of stock-in-trade	23.b	271.78	43.48
	(c) Changes in Inventories of finished goods and work-in-progress	23.c	(299.94)	(859.83)
	(d) Employee benefits expense	24	4,691.53	4,926.39
	(e) Finance costs	25	1,663.20	1,236.90
	(f) Depreciation and amortisation expenses	4-5	1,146.24	995.58
	(g) Other expenses	26	10,996.75	12,891.35
	Total expenses		**64,706.00**	**63,693.57**
V	**Profit before exceptional items and tax (III-IV)**		**(439.83)**	**1,206.22**
VI	Share of profit in joint venture - gain/(loss)		(90.92)	-
VII	Exceptional items - gain/(loss)	41	-	2,116.30
VIII	**Profit before tax (V+VI+VII)**		**(530.75)**	**3,322.52**
IX	**Tax expense:**	19		
	(a) Current tax		-	409.52
	(b) Short/(excess) provision of earlier years		0.74	(6.33)
	(c) Deferred tax charge/(credit)		(296.77)	389.53
	Total tax expenses		**(296.03)**	**792.72**
X	**Profit/(Loss) for the year (VIII-IX)**		**(234.72)**	**2,529.80**
XI	**Other comprehensive income**			
	A (a) Item that will not be reclassified to profit and loss			
	- Measurements of defined employee benefit plans	20	46.55	(29.07)
	A (b) Income tax related to Item that will not be reclassified to profit and loss		(14.52)	9.70
	B (a) Item that will be reclassified to profit and loss		-	-
	B (b) Income tax related to Item that will be reclassified to profit and loss		-	-
	Total other comprehensive income (net of tax)		**32.03**	**(19.37)**
XII	**Total comprehensive income for the year (X+XI)**		**(202.69)**	**2,510.43**
XIII	**Profit for the year attributable to:**			
	-Owners of the company		(234.36)	2,519.97
	-Non-controlling interest		(0.36)	9.83
			(234.72)	**2,529.80**
XIV	**Other comprehensive income for the year attributable to:**			
	-Owners of the company		32.03	(19.37)
	-Non-controlling interest		-	-
			32.03	**(19.37)**
XV	**Total comprehensive income for the year attributable to: (XIII+XIV)**			
	-Owners of the company		(202.33)	2,500.60
	-Non-controlling interest		(0.36)	9.83
			(202.69)	**2,510.43**
XVI	**Earnings per equity share of face value of ₹ 5/- each:**	35		
	(a) Basic (in ₹)		(3.71)	39.87
	(b) Diluted (in ₹)		(3.71)	39.87

The accompanying notes form an integral part of the Consolidated financial statements.

As per attached report of even date

For and on behalf of the Board of Directors

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Priyam B. Mehta
Chairman & Managing Director
DIN : 00030933

Varun P. Mehta
Exectuive Director
DIN : 00900734

Vishal P. Mehta
Executive Director
DIN : 02690946

Bharat A. Shah
Partner
Membership Number : 030167
UDIN: 20030167AAAAAY5577

Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat: June 29, 2020

Ahmedabad, Gujarat: June 29, 2020

Consolidated Statement of Cash Flows

for the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A	**Cash flow from operating activities:**		
	Net profit before tax	(530.75)	3,322.52
	Adjustments for:		
	(a) Depreciation and amortisation	1,146.24	995.58
	(b) Interest expenses	1,663.20	1,236.90
	(c) Dividend income	(0.04)	(292.85)
	(d) Interest income	(13.89)	(14.54)
	(e) Provision for doubtful debts and advances	158.66	8.46
	(f) Loss/(Profit) from Joint Venture	90.92	-
	(g) Loss/(Profit) on sale of property, plant and equipment	(151.98)	23.21
	(h) Loss/(Profit) on sale of investments/written off	5.99	(2,116.30)
	(i) MTM loss on long term investment	-	0.11
	(j) MTM (gain) of derivative financial instruments	-	(0.37)
	(k) Unrealised exchange fluctuation loss/(gain)	49.77	(81.54)
	Operating profit before working capital changes:	**2,418.12**	**3,081.18**
	Adjustments for:		
	(a) Trade and other receivables	(1,327.88)	(1,211.48)
	(b) Inventories	(596.29)	(983.35)
	(c) Trade and other payables	3,879.39	1,937.45
	Cash generated from operations:	**4,373.34**	**2,823.80**
	Less: Income taxes paid (net)	26.19	546.76
	Net cash (used in) / generated from operating activities - (A)	**4,347.15**	**2,277.04**
B	**Cash flow from investing activities:**		
	(a) Purchase of property, plant and equipment and intangible assets	(2,266.70)	(6,136.69)
	(b) Sale of property, plant and equipment	189.61	42.20
	(c) Purchase of investments	(134.95)	-
	(d) Sale of investments in joint venture/mutual fund	2.51	2,255.86
	(e) Dividend received	0.04	292.85
	(f) Interest received	13.89	14.54
	(g) Bank deposits received/(placed)	40.07	9.60
	(h) Margin money or security deposits received/(placed)	(102.74)	0.20
	(i) Balance in earmarked accounts	3.25	(2.49)
	Net cash (used in) / generated from investing activities – (B)	**(2,255.03)**	**(3,523.92)**
C	**Cash flow from financing activities:**		
	(a) (Repayment)/Proceeds of borrowings	(295.83)	2,569.63
	(b) Interest paid	(1,667.50)	(1,207.34)
	(c) Dividend & tax thereon paid	(155.63)	(140.37)
	Net cash (used in)/generated financing activities – (C)	**(2,118.96)**	**1,221.93**
	Net increase/(decrease) in cash and cash equivalents – (A+B+C)	**(26.84)**	**(24.96)**
	Add: Cash and cash equivalents at the beginning of the year	72.70	97.66
	Less: Cash and cash equivalents at the beginning of the year belonging to the entities of which control ceases	5.30	-
	Cash and cash equivalents at the end of the year	**40.56**	**72.70**

Consolidated Statement of Cash Flows (Contd...)

for the year ended March 31, 2020

Note:

1 The above consolidated Statement Cash Flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".

2 Cash and cash equivalents includes:

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Notes :		
1 A) Components of cash and cash equivalents:		
(a) Cash on hand	13.94	2.72
(b) Balance with banks in current accounts	26.62	69.98
Total (A)	**40.56**	**72.70**
2 B) Cash and cash equivalent not available for immediate use:		
(a) Bank deposits having maturity beyond 3 months	17.66	182.73
(b) Earmarked balances with bank in unpaid dividend accounts	31.36	34.61
Total (B)	**49.02**	**217.34**
Cash and Cash Equivalents as per Note 8 (A+B)	**89.58**	**290.04**

3 Reconciliation of movements of cash flows arising from financing activities:

The amendments to the Ind AS-7 Cash Flow Statements requires the entitles to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendments has become effective from April 01, 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendments.

(₹ in lakhs unless otherwise stated)

Particulars	As at April 01, 2019	Cash Flows	Non-cash changes	As at March 31, 2020
(a) Borrowings - Non-current	5,815.45	(1,056.69)	12.51	4,771.27
(b) Borrowings - Current	7,792.13	(129.01)	-	7,663.12
(c) Other financial liabilities (Current position of non-current borrowings)	1,375.77	227.42	-	1,603.19
(d) Borrowings belonging to the entities of which control ceases	-	649.94	-	-
Total	**14,983.35**	**(308.34)**	**12.51**	**14,037.58**

4 The previous year's figures have been regrouped wherever necessary.

The accompanying notes form an integral part of the Consolidated financial statements.

As per attached report of even date

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership Number : 030167
UDIN: 20030167AAAAAY5577

Ahmedabad, Gujarat: June 29, 2020

For and on behalf of the Board of Directors

Priyam B. Mehta
Chairman & Managing Director
DIN : 00030933

Varun P. Mehta
Exectuive Director
DIN : 00900734

Vishal P. Mehta
Executive Director
DIN : 02690946

Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat: June 29, 2020

Consolidated Statement of Changes in Equity

for the year ended March 31, 2020

A) Equity share capital

(₹ in lakhs unless otherwise stated)

Particulars	Amount
Issued, subscribed and paid up share capital	
Balance as at April 1, 2018	316.00
Changes in equity share capital during the year	-
Balance as at March 31, 2019	**316.00**
Balance as at April 1, 2019	316.00
Changes in equity share capital during the year	-
Balance as at March 31, 2020	**316.00**

B) Other equity

(₹ in lakhs unless otherwise stated)

Particulars	Reserve and Surplus			Total Other equity attributable to the owners of the company	Non-Controlling Interest	Total
	General Reserve	Security Premium	Retained Earnings			
Balance as at April 1, 2018	4,149.93	92.09	1,842.20	6,084.22	76.61	6,160.83
Profit/(loss) for the year	-	-	2,519.97	2,519.97	9.83	2,529.80
Items of other comprehensive income, net of tax	-	-	(19.37)	(19.37)	-	(19.37)
Dividend including dividend distribution tax	-	-	(142.86)	(142.86)	-	(142.86)
Adjustment on account of sale of stake in joint venture (Sayaji Sethness Limited)	(434.78)	-	(280.45)	(715.23)	-	(715.23)
Balance as at March 31, 2019	**3,715.15**	**92.09**	**3,919.49**	**7,726.73**	**86.44**	**7,813.17**
Balance as at April 1, 2019	3,715.15	92.09	3,919.49	7,726.73	86.44	7,813.17
Profit/(loss) for the year	-	-	(234.36)	(234.36)	(0.36)	(234.72)
Items of other comprehensive income, net of tax	-	-	32.03	32.03	-	32.03
Dividend including dividend distribution tax	-	-	(152.38)	(152.38)	-	(152.38)
Reduction in Minority controlling interest due to change in controls	-	-	0.11	0.11	(66.92)	(66.81)
Balance as at March 31, 2020	**3,715.15**	**92.09**	**3,564.89**	**7,372.13**	**19.16**	**7,391.29**

The accompanying notes form an integral part of the Consolidated financial statements.

As per attached report of even date

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership Number : 030167
UDIN: 20030167AAAAAY5577

Ahmedabad, Gujarat: June 29, 2020

For and on behalf of the Board of Directors

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Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat: June 29, 2020

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

Note 1 : Corporate Information

The Consolidated financial statements comprise financial statements of Sayaji Industries Limited ("the Parent Company") and a subsidiary Sayaji Seeds LLP and a joint venture firm Alland & Sayaji LLP (erstwhile Sayaji Ingritech LLP) (collectively referred to as "the Group") for the year ended March 31, 2020. The parent company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Parent company's shares are listed on BSE, a recognised stock exchange, in India. The registered office of the parent company is located at P.O. Kathwada, Ahmedabad.

The Group is engaged in the business of manufacture of Starches, Modified Starches as well as other derivatives like Liquid Glucose, Dextrose Monohydrate, Dextrose Anhydrous, Sorbitol and its bye-products like Maize Oil, Maize Gluten. The Group also manufacturing of spray drying of fruits & vegetables powder, processing & selling of seeds at Ahmedabad. The Group cater its products to Textile, Pharmaceutical, Foods & beverages Industries, Paper & Packaging, Confectionary, Soaps & Detergent industries, Seeds Industries.

Note 2 : Basis of preparation

The consolidated financial statements of the group have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as "Ind AS") as notified by the Ministry of corporate affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provision of the Act.

The accounting policies are applied consistently to all the periods presented in the consolidated financials statements. The consolidated financial statements of the group has been consolidated using uniform accounting policies.

The consolidated financial statements have been prepared on a historical cost basis, on the accrual basis of accounting except for certain financial assets and liabilities which are measured at fair value (refer accounting policy regarding financial instruments).

The Consolidated Financial Statements have been presented in Indian Rupees (₹), which is the Company's functional currency. All financial information presented in ₹ has been rounded off to the nearest two decimals of lakhs (₹ 00,000), unless otherwise stated. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

Principles of consolidation accounting

(i) Subsidiaries

Subsidiaries are all entities over which the group has controls. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adapted by the Group.

Non-controlling interests, if any, in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Joint venture

A Joint Venture is a type of joint arrangement whereby the parties that have joint control of arrangement have rights to the net assets of the joint venture. Joint Control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activity require unanimous consent of the parties sharing control.

The groups investment in joint venture is accounted for using the equity method.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income.

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in Note 3(A) 11.

The subsidiary and joint venture considered in the consolidated financial statements are :

Sr. No.	Name of the entities	Relationship	Country of incorporation	% of Holding	
				As at March 31, 2020	As at March 31, 2019
1	Sayaji Seeds LLP	Subsidiary	India	95.94%	92.20%
2	Sayaji Corn Products Limited	Subsidiary	India	0.00%	99.99%
3	Alland & Sayaji LLP (erstwhile Sayaji Ingritech LLP)	See foot notes to note 6 "Non-current Investments"	India	50.00%	75.99%

Note 3 : Significant accounting policies and key accounting estimates

(A) Significant accounting policies

1 <u>Current / non-current classification</u>

The Group presents assets and liabilities in the balance sheet based on current and non-current classification. An asset is treated as current when it is:

a) expected to be realised or intended to be sold or consumed in normal operating cycle;

b) held primarily for the purpose of trading;

c) expected to be realised within twelve months after the reporting period; or

d) cash or cash equivalent 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.

A liability is treated as current when it is:

a) expected to be settled in normal operating cycle;

b) held primarily for the purpose of trading;

c) due to be settled within twelve months after the reporting period; or

d) 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 classified 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/materials for processing and their realisation in cash and cash equivalents. As the group's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

2 <u>Foreign currencies</u>

The functional currency of the group is Indian Rupees which represents the currency of the primary economic environment in which it operates.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognised in profit or loss. Monetary balances arising from the transactions denominated in foreign currency are translated to functional currency using the exchange rate as on the reporting date. Any gains or loss on such translation, are generally recognised in profit or loss. Foreign exchange differences are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for:

a) Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

b) Exchange differences on transactions entered into in order to hedge certain foreign currency risks.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and 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.

3 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved, wherever required, for valuation of significant assets, such as properties, unquoted financial assets and significant liabilities. Involvement of external valuers is decided upon by the group after discussion with and approval by the group's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The group, after discussions with its external valuers, determines which valuation techniques and inputs to use for each case.

At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

contracts and other relevant documents. The Group also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value measurement. Other fair value related disclosures are given in the relevant notes.

4 Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shutdown and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

It includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the group's accounting policy based on Ind AS 23 – Borrowing costs. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use.

Pre-operative expenditure comprising of revenue expenses incurred in connection with project implementation during the period upto commencement of commercial production are treated as part of the project costs and are capitalized. Such expenses are capitalized only if the project to which they relate, involve substantial expansion of capacity or up-gradation.

Depreciation and useful life

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation on Property, plant and equipment purchased/acquired during the year is provided on pro-rata basis according to the period each asset was put to use during the year. Similarly, depreciation on assets sold/discarded/ demolished during the year is provided on pro-rata basis.

Useful life considered for calculation of depreciation for various assets class are as follows: -

Assets Class	Economic useful life
(a) Factory Building	30 years
(b) Plant & Machinery	15 - 25 years
(c) Computers	3 years
(d) Furniture and Fixtures	10 years
(e) Office Equipment's	5 years
(f) Vehicles	8 years

The residual values are not more than 5% of the original cost of the asset. The group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Impairment

The group assesses at each reporting date using external and internal sources, whether there is an indication that an asset may be impaired. An

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above.

De-recognised

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

5 **Leases**

As a Lessee

At inception of a contract, the Group assesses whether a contract is or contains a lease. A contract is, or contains, a lease if a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

a the contract conveys the right to use an identified asset;

b the Parent has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and

c the Group has the right to direct the use of the identified asset.

For short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability is measured by discounting the lease payments using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

As a Lessor

Lease income from operating leases where the Group is a lessor is recognised in the statement of profit and loss on a straight- line basis over the lease term.

6 **Borrowing costs**

Borrowing costs, general or specific, that are directly attributable to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The group determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the group borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

7 **Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Useful life and amortisation

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and impairment losses. Amortisation is recognised on a straight-line basis over the useful lives of the asset from the date of capitalisation as below:

Computer Software: - 6 years

Research & Developments: - 10 years

The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively

De-recognised

Intangible assets are de-recognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit and loss in the period of de-recognition.

8 Inventories

Inventories are valued at lower of cost and net realisable value, except by-products which is valued at 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 (FIFO) basis except for Stores, Spares (including Packing Materials & Chemicals), where monthly weighted average cost basis method is adopted. Cost includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Finished Goods and Process Stock are valued at cost or net realisable value whichever is lower. Cost thereof is determined on absorption costing method. Obsolete, slow moving and defective inventories are identified and provided for.

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

9 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is any indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash-generating unit’s (CGU) fair value less costs of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Group bases its impairment calculation on detailed budgets and forecast calculations.

Impairment losses are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses on assets no longer exist or have decreased. If such indication exists, the Group estimates the asset’s or CGU’s recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognised. The reversal is limited so that the

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

10 Revenue recognition

The Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

Revenue from contract with customer is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is reduced for estimated customer returns, rebates and other similar allowances. The group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue is recognised to the extent it is probable that the economic benefits will flow to the group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products

The group earns revenue primarily from sale of goods. It has applied the principles laid down in Ind AS 115 and determined that there is no change required in the existing revenue recognition methodology. In case of sale to domestic customers, revenue from the sale of goods is recognised when control of the goods have passed to the buyer, usually on delivery of the goods. In case of export sales, revenue is recognised on shipment date, when performance obligation is met.

Export Incentives

Export benefits are accounted for in the year of the exports based on the eligibility and when there is no uncertainty in receiving the same.

Dividend and Interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Insurance Claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in operating income in the statement of profit and loss due to its operating nature.

11 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.

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

Financial assets

Initial recognition and measurement

All financial assets, except investment in subsidiaries and associate, are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Investments in subsidiaries are carried at cost as per Ind AS 27 'Separate Financial Statements'.

Subsequent measurement

For purposes of subsequent measurement, financial assets are primarily classified in three categories:

a) Debt instruments at amortised cost;
b) Debt instruments at fair value through other comprehensive income (FVTOCI); and
c) Other financial instruments measured at fair value through profit and loss (FVTPL).

a) Debt instruments at amortised cost

A 'Debt instrument' is measured at the amortised cost if both the following conditions are met:

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

This category generally applies to trade and other receivables.

b) Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

ii) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

c) Other financial instruments measured at fair value through profit and loss (FVTPL)

Any financial asset that does not qualify for amortised cost measurement or measurement at FVTOCI must be measured subsequent to initial recognition at FVTPL.

d) Forward Contracts measured at fair value through other comprehensive income or fair value through profit and loss.

Forward contract which meet the criteria of hedge effectiveness are cash flow hedge which are measured at FVTOCI and which fails to meet the effectiveness criteria are measured at FVTPL.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised when the rights to receive cash flows from the asset have expired.

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

b) Financial assets that are debt instruments and are measured as at FVTOCI;

c) Lease receivables under Ind AS 17; and

d) Financial guarantee contracts which are not measured as at FVTPL.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or as those measured at amortised cost.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit and 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 are recognized in OCI. These gains/ loss are not subsequently transferred to the statement of profit & loss. However, the Group 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 and loss. The Group has not designated any financial liability as at fair value through profit and loss.

b) Financial liabilities at amortised cost

Financial liabilities at amortised cost include loans and borrowings and payables.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are de-recognised as well as through the 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.

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

De-recognition

A financial liability is de-recognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

12 Derivative financial instruments

Derivative financial instruments classified as fair value through profit or loss

This category includes derivative financial assets or liabilities which are not designated as hedges. Although the group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated as hedge or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the profit or loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realised within 12 months after the balance sheet date.

13 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

14 Taxes on Income

Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The group's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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 re-assessed 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 assets and liabilities are measured

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternate Tax (MAT)

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with asset will be realised.

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

15 Employee benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post- Employment Benefits

Defined Contribution Plans

The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plans

The Group pays gratuity to the employees who have completed five years of service with the Group at the time of resignation / superannuation. The gratuity is paid @ 15 days salary for every completed year of service as per the payment of Gratuity Act 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Income Tax authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

AS per IND AS 19, when a Group pays insurance premiums to fund a post-employment benefit plan, the Group shall treat such a plan as a defined contribution plan unless the Group will have (either directly, or indirectly through the plan) a legal or constructive obligation either:

(a) to pay the employee benefits directly when they fall due; or

(b) to pay further amounts if the insurer does not pay all future employee benefits relating to employee service in the current and prior

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

periods. If the Group retains such a legal or constructive obligation, the Group shall treat the plan as a defined benefit plan.

Other Long Term Employment Benefits

Provision in respect of accumulated leave encashment/compensated absences is made as per actuarial valuation report.

16 Segments reporting

Segments are identified based on the manner in which the Group's Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets including goodwill.

17 Earnings Per Share

Basic earnings per share

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share

Diluted earnings per share is computed by dividing the profit after tax after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

18 Dividend distribution

The Group recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

19 Provisions & contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability arises when the Group has:

a) a possible obligation 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 entity; or

b) a present obligation that arises from past events but is not recognised because:

   (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recorded in the financial statement but, rather, are disclosed in the note to the financial statements.

20 Government grant

Government grants are recognised when there is reasonable assurance that the Group will

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Grants of the State and Central Government which are intended to compensate a specified percentage of the interest on borrowings are netted off against the related interest expenditure on borrowings.

Government grants whose primary condition is that Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss in the period in which they become receivable.

21 Exceptional items

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

22 Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

(B) Key accounting estimates

1 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value are measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 31 for further disclosures.

2 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the budget and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

3 Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

4 Defined benefit plan

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter that is subject to change the most is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are after considering the expected future inflation rates for the country. Refer note 20 for further details.

5 Property, Plant and Equipment

Refer to Note 3 (A) - 4 for the estimated useful life of property, plant and equipment. The carrying values of property, plant and equipment have been disclosed in note 4.

6 Intangible assets

Refer to note 3 (A) - 7 for the estimated useful life of Intangible assets. The carrying values of Intangible assets have been disclosed in note 5.

7 Allowance for doubtful trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Estimated irrecoverable amounts are derived based on a provision matrix which takes into account various factors such as customer specific risks, geographical region, product type, currency fluctuation risk, repatriation policy of the country, country specific economic risks, customer rating, and type of customer, etc. Individual trade receivables are written off when the management deems them not to be collectable.

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

Note 4: Property, plant and equipment and capital work-in-progress

(₹ in lakhs unless otherwise stated)

Particulars	Free hold land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Other Agriculture Equipment's	Total	Capital Work-in-Progress
Gross carrying amount:									
Balance as at April 1, 2018	0.80	3,935.82	20,165.24	215.31	287.41	804.28	0.35	25,409.21	399.35
Additions during the year	-	1,252.63	4,501.37	31.34	31.62	188.80	-	6,005.77	5,995.46
Deductions during the year	-	-	4.26	-	-	113.78	-	118.04	-
Capitalised from/reduction in CWIP	-	-	-	-	-	-	-	-	6,005.76
Balance as at March 31, 2019	**0.80**	**5,188.45**	**24,662.35**	**246.65**	**319.03**	**879.29**	**0.35**	**31,296.93**	**389.04**
Balance as at April 1, 2019	0.80	5,188.45	24,662.35	246.65	319.03	879.29	0.35	31,296.93	389.04
Additions during the year	175.64	250.47	977.73	3.60	16.79	-	-	1,424.23	1,998.16
Deductions during the year	-	2.62	429.63	-	-	15.04	-	447.29	-
Capitalised from/reduction in CWIP	-	-	-	-	-	-	-	-	1,424.23
Reduction on account of change in controls	-	120.12	580.59	7.32	-	-	-	708.03	-
Balance as at March 31, 2020	**176.44**	**5,316.18**	**24,629.86**	**242.93**	**335.83**	**864.25**	**0.35**	**31,565.84**	**962.97**
Accumulated depreciation:									
Balance as at April 1, 2018	-	993.99	8,363.93	143.43	198.22	198.97	0.34	9,898.88	-
Depreciation for the year	-	128.61	699.55	14.47	31.93	90.10	-	964.66	-
Deductions during the year	-	-	0.11	-	-	52.52	-	52.63	-
Balance as at March 31, 2019	**-**	**1,122.60**	**9,063.37**	**157.90**	**230.15**	**236.55**	**0.34**	**10,810.91**	**-**
Balance as at April 1, 2019	-	1,122.60	9,063.37	157.90	230.15	236.55	0.34	10,810.91	-
Depreciation for the year	-	158.32	802.01	14.49	29.28	99.31	-	1,103.41	-
Deductions during the year	-	1.56	397.10	-	-	11.00	-	409.66	-
Reduction on account of change in controls	-	6.37	58.27	1.13	-	-	-	65.77	-
Balance as at March 31, 2020	**-**	**1,272.99**	**9,410.02**	**171.25**	**259.43**	**324.86**	**0.34**	**11,438.89**	**-**
Net Carrying Amount:									
Balance as at March 31, 2019	**0.80**	**4,065.85**	**15,598.98**	**88.75**	**88.88**	**642.74**	**0.01**	**20,486.02**	**389.04**
Balance as at March 31, 2020	**176.44**	**4,043.19**	**15,219.85**	**71.68**	**76.40**	**539.39**	**0.01**	**20,126.96**	**962.97**

Note:

(a) Buildings include ₹ 313.42 lakhs (Previous Year ₹ 313.42 lakhs) being the cost of ownership premises in a co-operative housing society including cost of fifteen shares of the face value of ₹ 750/- received under the Bye-laws of the Society in the name of the parent company.

(b) Buildings include ₹ 4.50 lakhs (Previous Year ₹ 4.50 lakhs) being the cost of ownership premises in a cloth market association including cost of one share of the face value of ₹ 100/- received under rules and regulation of the association in the name of the parent company.

(c) Additions for the year includes ₹ 63.13 lakhs (Previous Year ₹ 112.70 lakhs) being interest capitalised.

Note 5: Intangible assets

(₹ in lakhs unless otherwise stated)

Particulars	Computer Software's & Research & developments
Gross carrying amount:	
Balance as at April 1, 2018	125.29
Additions	56.97
Deductions	-
Balance as at March 31, 2019	**182.26**
As at April 1, 2019	182.26
Additions	59.72
Deductions	-
Reduction on account of change in controls	0.54
Balance as at March 31, 2020	**241.44**

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

Accumulated amortisation:	
Balance as at April 1, 2018	49.29
Amortisation for the year	30.92
Deductions	-
Balance as at March 31, 2019	**80.21**
As at April 1, 2019	80.21
Amortisation for the year	42.83
Deductions	-
Reduction on account of change in controls	0.08
Balance as at March 31, 2020	**122.96**
Net carrying amount:	
Balance as at March 31, 2019	**102.05**
Balance as at March 31, 2020	**118.48**

Note 6: Non-current investments

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Non Current Investments		
(A) Investment at Cost		
Capital Contributions in joint venture LLP (unquoted)		
Alland & Sayaji LLP		
Cost of Investment	350.00	-
Add: Share of Reserves	(90.92)	-
Total (A)	**259.08**	**-**
(B) Investment at fair value through profit and loss (FVTPL):		
(a) In equity instruments (Quoted)		
i) Nil Equity Shares (2,500 Equity shares at March 31, 2019) of ₹ 10/- each of Rapicut Carbide Limited.	-	1.25
ii) Nil Equity Shares (2,360 Equity shares at March 31, 2019) of Punjab National Bank of ₹ 2/- each.	-	2.25
Total (B)	**-**	**3.50**
Total (A+B)	**259.08**	**3.50**
Aggregate value of quoted investments and market value thereof.	**-**	**3.50**
Aggregate value of unquoted investments and market value thereof.	**259.08**	**-**

Notes:

a) With effect from April 01, 2019, the share in profit/(loss) of the company in Alland & Sayaji LLP was reduced from 75.99% to 50%. Therefore Alland & Sayaji LLP ceased to be subsidiary of a parent company and is now a joint venture. (Also refer foot note below b)

b) Details of Interest in Limited Liability Partnerships:

Name of LLP	Name of Partners	Total Fixed Capital (₹ in lakhs)	Share of Profit /(Loss) of Each Partners
Alland & Sayaji LLP	(a) Sayaji Industries Limited	350.00	
	(b) Societe Developpment Products Afrique (SDPA), France	350.00	See note below
		700.00	**100.00%**

Note: With effect from April 01, 2019, the share of profit/(loss) of the partners of Alland & Sayaji LLP is 50% each in respect of gum business which is primary & of long term nature of business activity and 100% of the parent company and 0% of SDPA in respect of non-gum business which is subsidiary & of short term nature of business activity carried on by Alland & Sayaji LLP.

c) The differences in Investment in LLPs vis-à-vis capital balances in LLP is on account of profit/(loss) sharing or current account balance of LLP's.

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

Note 7: Trade receivables

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Trade receivables considered good- Secured	-	-
(b) Trade receivables considered good- Unsecured	5,377.63	4,594.40
(c) Trade receivables - Credit impaired	117.33	108.62
Less : Allowance for expected credit loss	117.33	108.62
Total	**5,377.63**	**4,594.40**

In determining allowance for credit losses of trade receivables, the group has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of the receivables and rates used in the provision matrix.

Trade receivables includes debts due from related parties:

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Alland & Sayaji LLP	43.90	-

Summary of movement in allowance for credit impaired of trade receivables:

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	108.62	100.16
Charge/(release) during the year	8.71	8.46
Utilised during the year	-	-
Balance at the end of the year	**117.33**	**108.62**

Note 8: Cash and cash equivalents and bank balances other than cash and cash equivalents

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Cash on hand	13.94	2.72
(b) Balances with banks in current accounts	26.62	69.98
Total cash and cash equivalents	**40.56**	**72.70**
Other bank balances (Bank balances other than (ii) above)		
(a) Bank deposits having maturity beyond 3 months	17.66	182.73
(b) Earmarked balances with bank in unpaid dividend accounts	31.36	34.61
Total other bank balances	**49.02**	**217.34**
Total	**89.58**	**290.04**

Note 9: Other financial assets, Non-current / current

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
[Unsecured and considered good, unless otherwise stated]		
Non-current		
(a) Security deposits	114.41	40.73
(b) Bank deposits with more than 12 months maturity	125.00	-
	239.41	**40.73**
Current		
(a) Advances recoverable in cash or in kind including from related parties	337.85	-
(b) Financial derivative asset	-	78.82
(c) Export incentive receivable	93.00	228.86
(d) Interest receivable	3.63	2.01
(e) Other Receivable	0.02	-
	434.50	**309.69**
Total	**673.91**	**350.42**

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

Note 10: Other Non-current / current assets

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
[Unsecured and considered good, unless otherwise stated]		
Non-current		
(a) Capital advances	488.36	279.54
(b) Deposit with government authorities (GST)	6.44	-
	494.80	**279.54**
Current		
(a) Prepaid expenses	189.10	145.05
(b) Advances to employees	10.04	9.18
(c) Subsidy receivable	-	71.79
(d) Balances with government authorities	19.51	112.15
(e) Advance to suppliers		
Considered good	389.28	463.39
Considered doubtful	149.96	-
Less: Allowance for bad and doubtful advances	149.96	-
	389.28	**463.39**
(f) Others	0.49	4.64
	608.42	**806.20**
Total	**1,103.22**	**1,085.74**

Summary of movement in allowance for bad and doubtful advances

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	-	1,063.00
Charge/(release) during the year	149.96	-
Utilised during the year	-	1,063.00
Balance as at the end of the year	**149.96**	**-**

Note 11: Inventories

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Raw materials	2,012.77	1,731.41
(b) Chemicals and Packing Material	138.55	134.21
(c) Work-in-progress	499.47	691.02
(d) Finished goods	2,120.53	1,815.70
(e) Stock in transit - finished goods	130.48	185.51
(f) By-products	330.84	272.59
(g) Stores, spares and fuel	360.82	567.42
(h) Stock in Trade	3.88	-
Total	**5,597.34**	**5,397.86**

Note 12: Share capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	**₹ in lakhs**	**Number of Shares**	**₹ in lakhs**
(a) Authorised				
Equity shares of ₹ 5/- each with voting rights	1,00,00,000	500.00	1,00,00,000	500.00
(b) Issued, Subscribed and fully paid up				
Equity shares of ₹ 5/- each with voting rights	63,20,000	316.00	63,20,000	316.00
Total	**63,20,000**	**316.00**	**63,20,000**	**316.00**

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Opening Balance	Changes if any during the year in the Share Capital	Closing Balance
Equity Shares with voting rights			
Year ended March 31, 2020			
- Number of shares	63,20,000	-	63,20,000
- Amount (₹ in lakhs)	316.00	-	316.00
Year ended March 31, 2019			
- Number of shares	31,60,000	31,60,000	63,20,000
- Amount (₹ in lakhs)	316.00	-	316.00

(ii) Details of shares held by shareholders holding more than 5% of the aggregate shares:

Particulars	As at March 31, 2020		As at March 31, 2019	
Class of Shares/Name of Shareholder	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Sujata Priyam Mehta	11,37,680	18.00	11,37,680	18.00
C.V. Mehta Private Limited	9,59,520	15.18	9,59,520	15.18
Priyam Commercial Enterprises Private Limited	8,56,400	13.55	8,56,400	13.55
Priyam B. Mehta	7,29,200	11.54	7,29,200	11.54
Bini Commercial Enterprises Private Limited	4,59,200	7.27	4,59,200	7.27

The group has issued only one class of shares referred to as equity shares having a par face value of ₹ 5/-. All equity shares carry one vote per share without restrictions and are entitled to dividend, as and when declared. All equity shares rank equally with regards to the group's residual assets.

Note 13 : Other equity

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) General reserve	3,715.15	3,715.15
(b) Security premium	92.09	92.09
(c) Retained earnings	3,564.89	3,919.49
Total	**7,372.13**	**7,726.73**

Nature and purpose of reserves:

General reserve:

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Security premium:

The amount received in excess of face value of the equity shares, in relation to issuance of equity, is recognised in Securities Premium.

Retained earnings:

Retained earnings are the profits that the group has earned till date, less any transfers to general reserve, dividends or other distributions paid to the shareholders.

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

Note 14: Borrowings (Non-current / current)

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Secured		
(a) Term loans from banks	2,630.20	3,392.17
(b) Vehicle loan from banks/financial Institutions	91.80	207.09
Unsecured		
(a) Public deposits*	1,710.77	1,837.69
(b) Inter corporate deposits from related parties	338.50	378.50
	4,771.27	**5,815.45**
Current maturities of long-term debt (Refer note 16)		
(a) Term loans from banks	561.46	646.87
(b) Vehicle loan from banks/financial institutions	115.29	195.56
(c) Public deposits*	926.44	533.34
	1,603.19	**1,375.77**
Current		
Secured		
Working capital loan from banks	6,905.90	6,985.09
Unsecured		
(a) Public deposits*	53.05	50.72
(b) Loans from related parties	232.17	166.17
(c) Working capital loan from banks	472.00	590.15
	7,663.12	**7,792.13**
Total	**14,037.58**	**14,983.35**

* Public Deposits includes deposits accepted from directors amounting to ₹ 572.85 lakhs (As at March 31, 2019 ₹ 584.50 lakhs)

Note:

(i) Term Loan - 2 from Kotak Mahindra Bank of ₹ Nil (As at March 31, 2019 ₹ 400.00 lakhs) is secured by way of Hypothecation of all existing and future current assets as well as moveable fixed assets of the company and further secured by way of mortgage of land and Building of the Kathwada Unit. The said loan is repayable in 20 equal quarterly instalments starting from May 27, 2015.

(ii) Term Loan - 3 from Kotak Mahindra Bank of ₹ 3,228.38 lakhs (As at March 31, 2019 ₹ 3,368.74 lakhs) is secured by way of Hypothecation of all existing and future current assets as well as moveable fixed assets of the company and further secured by way of mortgage of land and Building of the Kathwada Unit. The said loan is repayable in 24 equal quarterly instalments starting from January, 2020.

(iii) Vehicle loan from Banks & Financial Institutions amounting to ₹ 207.09 lakhs (As at March 31, 2019 ₹ 402.65 lakhs) are secured by way of hypothecation of respective motor vehicles purchased. The said loans are repayable in 36 equal monthly instalments.

(iv) Working Capital loans from Kotak Mahindra Bank Limited are secured by way of Hypothecation of all existing and future current assets as well as moveable fixed assets of the company and further secured by way of mortgage of land and Building of the Kathwada Unit.

(v) Working Capital loans availed by a subsidiary from Kotak Mahindra Bank Limited are secured by way of Hypothecation of all existing and future current assets of the entity/company and first and further exclusive mortgage of immoveable property being commercial property admeasuring 4870 sq. ft. situated at Ten 11, Near C.G.Road, Swastik Society, Navrangpura, Ahmedabad belonging to Sayaji Properties LLP and also corporate guarantee given by Sayaji Industries Limited & Sayaji Properties LLP.

(vi) Loan from related parties are repayable on demand and interest free.

(vii) Rate of Interest on the above loans ranges from 8.00% to 12.00% p.a.

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

Note 15: Trade payables

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	39.94	5.81
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	9,560.55	5,473.07
Total	**9,600.49**	**5,478.88**

Information relating to Micro and Small enterprises (MSME)s:

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act, 2006):		
(a) Principal	39.94	5.81
(b) Interest	0.13	0.16
(ii) Amount of interest paid by the group in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year:		
(a) Principal	-	-
(b) Interest	-	-
(iii) Amount of interest due and payable for the year of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act, 2006:		
(a) Principal	-	-
(b) Interest	-	-
(iv) Amount of interest accrued and remaining unpaid at the end of the accounting year:	0.29	0.16
(v) Amount of further interest remaining due and payable in succeeding years:	-	-

Note: The above information has been compiled in respect of parties to the extent to which they could be identified as Micro and Small Enterprises on the basis of information available with the group.

Note 16: Other financial liabilities - Non-current / current

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
(a) Trade/security deposits	65.14	51.69
	65.14	**51.69**
Current		
(a) Current maturities of long term debt (Refer note 14)	1,603.19	1,375.77
(b) Unclaimed dividend	31.36	34.61
(c) Unclaimed matured public deposits and interest thereon	26.27	95.72
(d) Creditors for capital goods	111.53	210.07
(e) Interest accrued but not due on borrowings	32.03	39.59
(f) Financial derivative liability	57.03	-
(g) Other payables	497.75	634.89
	2,359.16	**2,390.65**
Total	**2,424.30**	**2,442.34**

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

Note 17: Other current liabilities

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Statutory dues (including provident fund, tax deducted at source, goods and services tax and others)	439.43	547.36
(b) Advance from customers	460.39	743.58
(c) Other payables	12.01	1.54
Total	**911.83**	**1,292.48**

Note 18: Provisions

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Non-current		
(a) Provision for gratuity	2.12	44.36
(b) Provision for compensated absences	177.26	221.16
	179.38	**265.52**
Current		
(a) Provision for gratuity	107.93	217.04
(b) Provision for compensated absences	94.12	107.45
	202.05	**324.49**
Total	**381.43**	**590.01**

Note 19: Income taxes

1. Tax expenses recognised in the statement of profit and loss

The major component of Income tax expenses for the year ended on March 31, 2020 and March 31, 2019 are as follows:

(₹ in lakhs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Current Tax		
(a) Current income tax	-	409.52
(b) Adjustment of tax relating to earlier periods	0.74	(6.33)
	0.74	**403.19**
Deferred Tax		
(a) Deferred tax	(290.18)	773.82
(b) MAT credit entitlement	(6.59)	(384.29)
	(296.77)	**389.53**
Income tax expenses as per statement of Profit & Loss	**(296.03)**	**792.72**

2. A reconciliation between the statutory income tax rate applicable to the group and the effective income tax rate as follows:

(₹ in lakhs unless otherwise stated)

Reconciliation of effective tax rate	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Profit before tax	**(530.75)**	**3,322.52**
Enacted income tax rate in India applicable to the Group	31.20%	34.94%
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	**(165.59)**	**1,161.02**

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Adjustment for :		
(a) Expenses not allowed as deduction	10.95	16.91
(b) MAT credit not recognised / created	-	(209.85)
(c) Income on which tax not required to be paid	(28.35)	(102.33)
(d) Impact of earlier years tax	0.74	(6.33)
(e) Deferred tax created on difference tax rates	-	0.17
(f) Tax rate differences/non recognition of deferred tax	(113.51)	(75.57)
(g) Others	(0.26)	8.70
Total Tax Expenses/(Benefit)	**(296.03)**	**792.72**

3. The movement in deferred tax assets and liabilities for the year ended March 31, 2019

(₹ in lakhs unless otherwise stated)

Particulars	As at April 1, 2018	Credit/(Charge) in the Statement of Profit & Loss	Credit/(Charge) in the Other Comprehensive Income	As at March 31, 2019
Deferred tax assets/(liabilities)				
(a) Accelerated depreciation for tax purpose	(2,185.69)	(380.18)	-	(2,565.87)
(b) Deferred tax imposed on employee benefits	215.59	(28.32)	9.70	196.97
(c) Provision for doubtful debt/advances	384.57	(348.31)	-	36.26
(d) Unabsorbed depreciation	41.48	(1.67)	-	39.81
(e) Deferred tax on amortisation of loan processing fees	(1.10)	(15.34)	-	(16.44)
(f) MAT credit entitlements*	538.60	384.29	-	922.89
Total	**(1,006.55)**	**(389.53)**	**9.70**	**(1,386.38)**

3. The movement in deferred tax assets and liabilities for the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

Particulars	As at April 1, 2019	Credit/(Charge) in the Statement of Profit & Loss	Credit/(Charge) in the Other Comprehensive Income	As at March 31, 2020
Deferred tax assets/(liabilities)				
(a) Accelerated depreciation for tax purpose	(2,528.67)	(266.96)	-	(2,795.63)
(b) Deferred tax imposed on employee benefits	196.97	(63.46)	14.52	119.00
(c) Provision for doubtful debt/advances	36.26	47.13	-	83.39
(d) Unabsorbed depreciation	4.35	568.49	-	572.84
(e) Deferred tax on amortisation of loan processing fees	(16.44)	4.98	-	(11.46)
(f) MAT credit entitlements*	922.89	6.59	-	929.48
Total	**(1,384.64)**	**296.77**	**14.52**	**(1,102.38)**

Note: MAT credit entitlements recognised in the statement of profit and loss of the year current year of ₹ 6.59 lakhs is in respect of previous year.

4. Deferred tax liabilities

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Deferred tax liability	2,040.01	2,313.35
(b) MAT credit entitlement*	(929.48)	(922.89)
Deferred Tax Liability (net)	**1,110.53**	**1,390.46**
Deferred Tax Assets (net)	**8.15**	**4.10**
Deferred Tax (net)	**1,102.38**	**1,386.38**

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

5. Current /Non-Current tax assets and liabilities

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Advance tax (net of income tax provisions)	131.91	227.49
Non-current tax liabilities	-	-
Current		
(a) Current tax assets (net)	121.03	0.26
(b) Provision for income tax (net of advance tax)	-	-

*The group has accounted for MAT credit aggregating to ₹ 929.48 lakhs as on March 31, 2020 comprising of various years.

Based on the future projections of probability and tax liabilities computed in accordance with the provisions of Income Tax Act, 1961, the management of the group believes that there will be sufficient future taxable profit that the group shall be required to pay normal taxes within the period specified u/s 115JAA of the Income Tax Act and entire amount of MAT Credit can be set off /utilised. Therefore in accordance with the Guidance Note on Minimum Alternate Tax under the Income Tax Act, 1961 issued by the Institute of Chartered Accountants of India, such MAT credit has been continued to be recognised as asset.

Note 20: Employee Benefits

A. Defined contribution plans:

The Group deposits amount of contribution to government under Provident Fund and other schemes operated by government. Amount of ₹ 310.90 lakhs (P.Y. ₹ 361.67 lakhs) is recognised as expenses and included in note 24 "Employee benefit expense".

(₹ in lakhs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Provident and other funds	310.90	361.67
Total	**310.90**	**361.67**

B. Defined benefit plans (Gratuity):

The Group has following post employment benefits which are in the nature of defined benefit plans:

The Group operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Group, for each completed year of service. The benefit vests only after five years of continuous service, except in case of death/disability of employee during service. The vested benefit is payable on separation from the Group, on retirement, death or termination.

(₹ in lakhs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
i. Expenses recognized in statement of profit and loss:		
Current service cost	73.29	66.43
Interest cost (net)	20.10	26.87
Past service cost	(2.37)	-
Component of defined benefit costs recognised in Statement of Profit and Loss	**91.02**	**93.30**
Remeasurement of the net defined benefit liability:		
Actuarial losses/(gains)	(26.03)	41.54
Return on plan assets excluding interest income amounts	(20.53)	(12.47)
Component of defined benefit costs recognised in other comprehensive income	**(46.55)**	**29.07**

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
ii. Reconciliation of Opening and Closing balances of changes in present value of the Defined Benefit Obligation:		
Opening defined benefit obligation as on April 1, 2019	1,652.05	1,561.30
Interest cost	127.04	123.03
Service cost	73.29	66.43
Past Service cost	(2.37)	-
(Liability Transferred Out/ Divestments)	(44.72)	-
Actuarial losses (gains)- Due to change in Demographic Assumptions	(31.95)	-
Actuarial losses (gains)- Due to change in Financial Assumptions	(28.46)	15.58
Actuarial losses (gains)- Due to Experience	34.38	25.96
Benefits paid	(417.55)	(140.25)
Closing defined benefit obligation as at March 31, 2020	**1,361.71**	**1,652.05**
iii. Reconciliation of Opening and Closing balances of changes in fair value of the assets:		
Opening fair value of plan assets as at April 1, 2019	1,390.65	1,220.30
Interest Income	106.94	96.17
Contributions by employer	195.82	201.96
(Liability Transferred Out/ Divestments)	(44.72)	-
Benefits paid	(417.55)	(140.25)
Expected return on plan assets	20.53	12.47
Closing balance of fair value of plan assets as at March 31, 2020	**1,251.66**	**1,390.65**

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
iv. Net Liability recognized in the Balance Sheet		
Defined Benefit Obligation	1,361.71	1,652.05
Fair Value of plan assets	1,251.66	1,390.65
Net liability/(asset) recognized in the balance sheet	**110.05**	**261.40**

v. Actuarial Assumptions

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
(a) Discount rate	6.87%	7.69%
(b) Expected Return on Plan Assets	6.87%	7.69%
(c) Future salary increase	1.25% p.a. for the next 4 years, 3.25% p.a. for the next 4 years, starting from the 5th year and 4.50% p.a. thereafter, starting from the 9th year	4.00%
(d) Attrition rate	For service 2 years and below 20.00% p.a., For service 3 years to 4 years 5.00% p.a. and For service 5 years and above 1.00% p.a.	2.00%
(e) Mortality rate during employment	Indian assured lives Mortality (2006-08)	Indian assured lives Mortality (2006-08)

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

vi. Quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in lakhs unless otherwise stated)

Particulars	Sensitivity level	For the year ended March 31, 2020	For the year ended March 31, 2019
Gratuity			
Discount rate	1% increase	(79.63)	(74.14)
	1% decrease	92.27	84.14
Salary increase	1% increase	91.85	86.60
	1% decrease	(81.50)	(77.74)
Withdrawal Rates	1% increase	23.08	25.26
	1% decrease	(25.61)	(28.28)

vii. The followings are the expected future benefit payments for the defined benefit plan:

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gratuity		
1st following year	259.86	456.73
2nd following year	110.22	77.17
3rd following year	104.60	214.59
4th following year	114.61	122.73
5th following year	292.60	120.54
Sum of years 6 to 10	379.27	689.00

viii. Weighted average duration (years) of defined plan obligation:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gratuity	8	7

C. Other Long term employee benefit plans

<u>Leave encashment</u>

Salaries, Wages and Bonus include ₹ 110.85 lakhs (P.Y.: ₹ 127.96 lakhs) towards provision made as per actuarial valuation in respect of accumulated leave encashment/compensated absences.

The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
(a) Discount rate	6.87%	7.69%
(b) Expected rate(s) of salary increase	1.25% p.a. for the next 4 years, 3.25% p.a. for the next 4 years, starting from the 5th year, 4.50% p.a. thereafter, starting from the 9th year	4%
(c) Attrition rate	For service 2 years and below 20.00% p.a., For service 3 years to 4 years 5.00% p.a. and For service 5 years and above1.00% p.a.	2.00% p.a. for all service groups.
(d) Mortality tables	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
(e) Actuarial Valuation method	Projected Unit Credit Method	Projected Unit Credit Method

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

The amount included in Balance sheet arising from the entity's obligation in respect of its defined benefit obligation plans are as follows:

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of funded defined benefit obligation	271.38	328.61
Fair value of plan assets	-	-
Net liability/(asset) arising from defined benefit obligation	**271.38**	**328.61**

Note 21: Revenue from operations

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Sale of products	63,585.63	64,036.26
(b) Other operating revenues		
i) Export incentives	268.36	368.72
ii) Others	8.63	-
	276.99	**368.72**
Total	**63,862.62**	**64,404.98**

Note 22: Other income

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Dividend Income		
i) Joint venture company	-	292.80
ii) Others	0.04	0.05
(b) Net gain on foreign currency transactions and translation	79.40	99.07
(c) Rental income	11.86	5.28
(d) Sundry balances written back (net)	126.37	72.49
(e) Interest income	13.89	14.54
(f) Commission income	12.48	-
(g) Profit on sale of property, plant and equipment (net)	151.98	-
(h) Miscellaneous income	7.53	10.58
Total	**403.55**	**494.81**

Note 23.a: Cost of materials consumed

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Raw material Consumed	42,551.34	39,945.50
(b) Chemicals and packing material consumed	3,685.10	4,514.20
Total	**46,236.44**	**44,459.70**

Note 23.b: purchase of traded goods

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Starches & Others	271.78	43.48
Total	**271.78**	**43.48**

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

Note 23.c: Changes in inventories of finished goods and work-in-progress

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventories at the end of the Year		
(a) Finished goods & By-products	2,451.37	2,088.30
(b) Stock in transit - finished goods	130.48	185.51
(c) Work in progress	499.47	691.02
	3,081.32	**2,964.83**
Inventories at the beginning of the Year		
(a) Finished goods & By-products	2,088.30	1,451.28
(b) Stock in transit - finished goods	185.51	61.20
(c) Work in progress	691.02	592.52
Less: Stock belonging to the entities of which control cease	(183.45)	-
	2,781.38	**2,105.00**
Total	**(299.94)**	**(859.83)**

Note 24: Employee's benefits expense

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Salaries and wages	4,072.64	4,180.35
(b) Contribution to provident and other funds	387.97	445.77
(c) Staff welfare expenses	230.92	300.27
Total	**4,691.53**	**4,926.39**

Note 25: Finance cost

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest costs on borrowing	1,632.10	1,197.65
(b) Other borrowing costs	31.10	39.25
Total	**1,663.20**	**1,236.90**

Note 26: Other expenses

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Processing and packing charges	112.07	38.54
(b) Consumption of stores, spare parts and chemicals	310.15	229.40
(c) Power and fuel	4,417.38	5,328.93
(d) Rent including lease rentals	34.12	73.76
(e) Repairs and maintenance - Buildings	32.37	78.45
(f) Repairs and maintenance - Machinery	331.77	620.51
(g) Repairs and maintenance - Others	147.08	135.43
(h) Operation and maintenance charges	230.59	201.33
(i) Contract labour charges	936.38	1,022.42
(j) Insurance	55.08	61.98
(k) Rates and taxes	43.98	56.27
(l) Commission and brokerage	595.16	560.29
(m) Freight outward and clearing charges	1,636.35	2,221.11
(n) Selling and distribution expenses	205.45	211.30
(o) Donations and contributions	4.53	19.54
(p) Corporate social responsibilities expenses (refer note 37)	30.44	27.08

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(q) Loss on sale of property, plant and equipment (net)	-	23.21
(r) Payment to auditors (refer note 39(i))	10.33	11.70
(s) Provision for doubtful debts and advances	158.66	8.46
(t) Bad debts written off	-	4.54
(u) Loss on sale of Investment/written off	5.99	-
(v) Directors' sitting fees	9.10	11.05
(w) Managerial remuneration	452.71	402.15
(x) General charges	1,237.06	1,543.90
Total	**10,996.75**	**12,891.35**

Note 27: Related party transactions

Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below:

(A) List of Related Parties and Relationships:

Subsidiary Company:	Sayaji Corn Products Limited (till February 04, 2020)
Joint Venture:	Alland & Sayaji LLP (w.e.f. April 01, 2019) Sayaji Sethness Limited (till September 5, 2018)
Entities under Common Control:	C. V. Mehta Pvt. Ltd. Bini Commercial Enterprises Pvt. Ltd. N.B. Commercial Enterprises Ltd. Varun Travels Pvt. Ltd. Priyam Commercial Enterprises Pvt. Ltd. Viva Tex Chem Pvt. Ltd. Sayaji Properties LLP Sayaji Agrosciences LLP Sayaji Samruddhi LLP Viva Public Charitable Trust Sayaji Agritech LLP Sayaji Agricare Pvt. Ltd. Societe Developpement Produits Afrique, France Alland & Robert, France
Key Managerial Personnel:	Shri Priyam B. Mehta (Managing Director) Shri Varun P. Mehta (Executive Director) Shri Vishal P. Mehta (Executive Director) Shri Rajesh H Shah (Company Secretary) Shri Narayansingh J. Deora (CFO till April 05, 2019) Shri Manan R Shah (CFO w.e.f.April 05, 2019)
Relatives of Key Managerial Personnel: **(With whom transactions have taken place)**	Smt. Niramayi B. Mehta Smt. Kavisha V. Mehta Smt. Priyanka Mehta Smt. Sujata P. Mehta (Non-Executive Director - Non Independent Director) Priyam B Mehta - HUF

(B) Related party transaction and balances :

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in an arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash except in case of advances. Outstanding advances are either settled through supply of goods or services.

Balance and transactions between the Parent Company and its subsidiary, which is related party of the Parent Company, have been eliminated on consolidation and are not disclosed in the note.

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

Details of transactions between the Group and other related parties are disclosed below:

(₹ in lakhs unless otherwise stated)

a)	Transactions during the year	For the year ended March 31, 2020	For the year ended March 31, 2019
i)	**Sale of Goods & Services:**		
	To Subsidiary Company		
	Sayaji Corn Products Limited	3.11	-
	To joint Venture		
	Sayaji Sethness Ltd.	-	2.25
	Alland & Sayaji LLP	34.29	-
	To entities under common Control		
	N.B. Commercial Enterprises Ltd.	61.79	47.84
	Varun Travels Pvt. Ltd.	-	0.07
ii)	**Corporate Guarantee Income:**		
	From entities under common Control		
	N.B. Commercial Enterprises Ltd.	10.00	8.50
	From joint Venture		
	Alland & Sayaji LLP	2.48	-
iii)	**Dividend Income:**		
	From joint Venture		
	Sayaji Sethness Ltd.	-	292.80
iv)	**Sale of investments:**		
	joint Venture:		
	Sayaji Sethness Ltd.	-	2,278.71
v)	**Expenses Recovered on Reimbursement Basis:**		
	From joint Venture		
	Sayaji Sethness Ltd.	-	32.00
	Alland & Sayaji LLP	18.21	-
	From entities under common Control		
	N.B. Commercial Enterprises Ltd.	52.66	43.74
	Sayaji Properties LLP	0.07	-
vi)	**Rent Income:**		
	From joint Venture		
	Alland & Sayaji LLP	1.67	-
vii)	**Purchase of Goods & Services**		
	From entities under common Control		
	Varun Travels Pvt. Ltd.	150.05	188.38
	N.B. Commercial Enterprises Ltd.	273.44	-
	Alland & Robert	40.89	-
	From joint Venture		
	Alland & Sayaji LLP	18.10	-
viii)	**Interest Paid:**		
	To joint Venture		
	Sayaji Sethness Ltd.	-	13.50
	To Entities under common Control		
	Priyam Commercial Enterprise Pvt. Ltd.	17.95	9.53
	C. V. Mehta Pvt. Ltd.	2.60	2.34
	Bini Commercial Enterprises Pvt. Ltd.	9.28	4.53

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

a)	Transactions during the year	For the year ended March 31, 2020	For the year ended March 31, 2019
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	13.66	5.66
	Shri Varun P. Mehta	8.73	8.78
	Shri Vishal P. Mehta	7.24	7.27
	To Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	25.08	21.45
	Smt. Niramayi B. Mehta	6.62	6.29
	Smt. Kavisha V. Mehta	1.99	2.02
	Smt. Priyanka Mehta	1.60	-
	Priyam B Mehta - HUF	1.47	1.47
ix)	**Rent Expenses:**		
	To entities under common Control		
	Sayaji Properties LLP	7.20	6.60
	Priyam Commercial Enterprise Pvt. Ltd.	4.48	0.36
	N.B. Commercial Enterprises Ltd.	11.15	0.96
x)	**Royalty Expenses:**		
	To entities under common Control		
	Alland & Robert	8.30	-
xi)	**Corporate Social Responsibility Expenses:**		
	To Entities under common Control		
	Viva Public Charitable Trust	9.44	8.00
xii)	**Remuneration:**		
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	135.21	134.76
	Shri Varun P. Mehta	163.10	134.83
	Shri Vishal P. Mehta	154.41	132.55
	Shri Rajesh H Shah	50.32	52.16
	Shri Narayansingh J. Deora	15.76	49.18
	Shri Manan R Shah	30.90	-
	To Relatives of Key Managerial Personnel		
	Smt. Kavisha V. Mehta	33.84	33.84
	Smt. Priyanka Mehta	33.84	33.84
xiii)	**Directors Sitting Fees:**		
	To Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	1.60	2.00
xiv)	**Deposits Received:**		
	From Key Managerial Personnel		
	Shri Priyam B. Mehta	-	38.00
	Shri Varun P. Mehta	-	10.00
	Shri Vishal P. Mehta	-	17.00
	From Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	74.50	77.00
	Smt. Kavisha V. Mehta	-	5.00
	Smt. Niramayi B. Mehta	-	46.00
	Smt. Priyanka Mehta	20.00	-
xv)	**Deposits Paid:**		
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	52.00	28.00
	Shri Varun P. Mehta	-	10.00
	Shri Vishal P. Mehta	-	17.00

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

a)	Transactions during the year	For the year ended March 31, 2020	For the year ended March 31, 2019
	From Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	57.50	45.00
	Smt. Kavisha V. Mehta	-	5.00
	Smt. Niramayi B. Mehta	-	31.00
xvi)	**Loan Received:**		
	From entities under common Control		
	Priyam Commercial Enterprise Pvt. Ltd.	17.00	230.00
	Bini Commercial Enterprises Pvt. Ltd.	9.00	110.00
	C. V. Mehta Pvt. Ltd.	19.00	-
	From Key Managerial Personnel		
	Shri Priyam B. Mehta	15.00	10.00
	Shri Varun P. Mehta	26.25	88.00
	Shri Vishal P. Mehta	31.25	56.00
	From Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	22.00	-
	Smt. Niramayi B. Mehta	79.00	26.00
	Priyam B Mehta - HUF	-	5.00
xvii)	**Loan Repaid:**		
	To joint Venture		
	Sayaji Sethness Ltd.	-	700.17
	To entities under common Control		
	Priyam Commercial Enterprise Pvt. Ltd.	40.00	-
	To Key Managerial Personnel		
	Shri Varun P. Mehta	1.25	85.00
	Shri Vishal P. Mehta	1.25	50.00
	From Relatives of Key Managerial Personnel		
	Smt. Niramayi B. Mehta	75.00	-
xviii)	**Investment made**		
	In joint Venture		
	Alland & Sayaji LLP	141.00	-
xix)	**Transferred of liabilities in respect of employee benefits:**		
	To joint Venture		
	Alland & Sayaji LLP	6.65	-
	To entities under common Control		
	N.B. Commercial Enterprises Ltd.	7.48	-

(₹ in lakhs unless otherwise stated)

b)	Balances at the end of the year	As at March 31, 2020	As at March 31, 2019
i)	**Outstanding Receivables:**		
	From Joint Venture		
	Alland & Sayaji LLP	43.90	-
ii)	**Other Receivables:**		
	From Joint Venture		
	Alland & Sayaji LLP	239.35	-

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

b)	Balances at the end of the year	As at March 31, 2020	As at March 31, 2019
	From Entities under common Control		
	Sayaji Properties LLP	0.08	-
	Viva Public Charitable Trust	0.86	-
	N.B. Commercial Enterprises Ltd.	1.80	-
	Varun Travels Pvt. Ltd.	7.22	-
iii)	**Outstanding Payables:**		
	To Entities under common Control		
	Varun Travels Pvt. Ltd.	0.06	5.75
	N.B. Commercial Enterprises Ltd.	310.43	-
	Sayaji Properties LLP	1.94	-
iv)	**Loans Payable:**		
	To Entities under common Control		
	Priyam Commercial Enterprise Pvt. Ltd.	207.00	230.00
	C. V. Mehta Pvt. Ltd.	51.50	32.50
	Bini Commercial Enterprises Pvt. Ltd.	125.00	116.00
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	25.00	10.00
	Shri Varun P. Mehta	48.08	23.08
	Shri Vishal P. Mehta	40.08	10.08
	To Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	39.00	17.00
	Smt. Kavisha V. Mehta	-	19.50
	Smt. Niramayi B. Mehta	30.00	81.50
	Priyam B Mehta - HUF	5.00	5.00
v)	**Deposits Payable:**		
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	104.00	156.00
	Shri Varun P. Mehta	81.00	81.00
	Shri Vishal P. Mehta	68.00	68.00
	To Relatives of Key Managerial Personnel		
	Smt. Sujata P. Mehta	236.50	219.50
	Smt. Niramayi B. Mehta	63.00	63.00
	Smt. Kavisha V. Mehta	19.00	19.00
	Smt. Priyanka Mehta	20.00	-
	Priyam B Mehta - HUF	14.00	14.00
vi)	**Investments Balances:**		
	In Joint Venture		
	Alland & Sayaji LLP	259.08	-
vii)	**Remuneration payable:**		
	To Key Managerial Personnel		
	Shri Priyam B. Mehta	3.54	3.74
	Shri Varun P. Mehta	3.85	3.10
	Shri Vishal P. Mehta	4.90	3.00
	Shri Rajesh H Shah	1.87	1.47
	Shri Narayansingh J. Deora	-	2.17
	Shri Manan R Shah	1.71	-
	To Relatives of Key Managerial Personnel		
	Smt. Kavisha V. Mehta	1.82	1.49
	Smt. Priyanka Mehta	1.82	1.49

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

Note 28: Financial assets and liabilities

Financial assets by category:

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020				As at March 31, 2019			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Investments in								
- Joint venture	259.08	-	-	-	-	-	-	-
- Equity shares- quoted	-	-	-	-	-	3.50	-	-
Bank deposits with more than 12 months maturity	-	-	-	125.00	-	-	-	-
Trade receivables	-	-	-	5,377.63	-	-	-	4,594.40
Cash & cash equivalents (including other bank balances)	-	-	-	89.58	-	-	-	290.04
Other financial assets								
- Security deposits	-	-	-	114.41	-	-	-	40.73
- Advances recoverable in cash or in kind including from related parties	-	-	-	337.85	-	-	-	-
- Financial derivative asset	-	-	-	-	-	78.82	-	-
- Export Incentive receivable	-	-	-	93.00	-	-	-	228.86
- Interest receivable	-	-	-	3.63	-	-	-	2.01
- Other receivable	-	-	-	0.02	-	-	-	-
Total financial assets	**259.08**	**-**	**-**	**6,141.12**	**-**	**82.32**	**-**	**5,156.04**

Financial liabilities by category:

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020				As at March 31, 2019			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Borrowings	-	-	-	12,434.39	-	-	-	13,607.58
Trade payables	-	-	-	9,600.49	-	-	-	5,478.88
Other financial liabilities								
- Security deposits	-	-	-	65.14	-	-	-	51.69
- Current maturities of long-term borrowings	-	-	-	1,603.19	-	-	-	1,375.77
- Unclaimed dividend	-	-	-	31.36	-	-	-	34.61
- Unclaimed matured public deposits and interest thereon	-	-	-	26.27	-	-	-	95.72
- Creditors for capital goods	-	-	-	111.53	-	-	-	210.07
- Interest accrued but not due on borrowings	-	-	-	32.03	-	-	-	39.59
- Financial derivative liability	-	57.03	-	-	-	-	-	-
- Other payables	-	-	-	497.75	-	-	-	634.89
Total financial liabilities	**-**	**57.03**	**-**	**24,402.15**	**-**	**-**	**-**	**21,528.80**

Note 29: Fair values

Quantitative disclosures fair value measurement hierarchy for assets/liabilities:

Quantitative disclosures fair value measurement hierarchy for assets/liabilities as at March 31, 2020 (Valuation date - March 31, 2020)

(₹ in lakhs unless otherwise stated)

Particulars	Date of valuation	Fair value measurement using			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Liabilities measured at fair value					
Financial derivative liabilities	March 31, 2020	-	57.03	-	57.03

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

Quantitative disclosures fair value measurement hierarchy for assets/liabilities as at March 31, 2019 (Valuation date - March 29, 2019)

(₹ in lakhs unless otherwise stated)

Particulars	Date of valuation	Fair value measurement using			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value					
FVTPL investments					
(a) Equity shares-quoted	March 29, 2019	3.50	-	-	3.50
(b) Financial derivative asset	March 29, 2019	-	78.82	-	78.82

Note 30: Financial risk management

The Group's principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The loans and borrowings are primarily taken to finance and support the Group's operations. The Group's principal financial assets include investments, loans, cash and cash equivalents, trade receivables and other financial assets.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the Group's policy that no trading in financial instruments for speculative purposes may be undertaken.

1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk or Net asset value ("NAV") risk in case of investment in mutual funds. Financial instruments affected by market risk include investments, trade receivables, trade payables, loans and borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2020 and March 31, 2019.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in lakhs unless otherwise stated)

Particulars	Increase / (decrease) in basis points	Increase / (decrease) in profit before tax
March 31, 2020		
Rupee borrowings	+50	(54.07)
	-50	54.07
March 31, 2019		
Rupee borrowings	+50	(59.84)
	-50	59.84

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities, i.e. when revenue or expense is denominated in a foreign currency.

Given below is the foreign currency exposure arising from the non derivative financial instruments:

Particulars	Foreign Currency Amount (in lakhs)		Reporting Currency Amount (₹ in lakhs)	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Financial Assets				
Trade Receivables				
USD	3.70	8.10	278.66	560.16
AED	-	3.51	-	66.36
Financial Liabilities				
Trade Payables				
EUR	-	0.01	-	0.72
Net foreign currency exposure	**3.70**	**11.60**	**278.66**	**625.80**

Foreign currency sensitivity:

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and AED exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in lakhs unless otherwise stated)

Particulars	Change in rates	Effect on profit before tax
March 31, 2020	+5%	13.93
	-5%	(13.93)
March 31, 2019	+5%	31.29
	-5%	(31.29)

2 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and foreign exchange transactions.

Trade receivables:

Customer credit risk is managed by the Group's internal policies, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an credit rating scorecard and credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit.

The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Trade receivables are non-interest bearing and are generally on 0 days to 60 days credit term. Credit limits are established for all customers based on internal rating criteria. The Group has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

Cash deposits:

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

approved counterparties who meet the minimum threshold requirements under the counterparty risk assessment process. The Group monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the group adjusts its exposure to various counterparties. The Group's maximum exposure to credit risk for the components of the Balance sheet as of March 31, 2020, March 31, 2019 is the carrying amount as disclosed in Note 7 except for financial guarantees.

In respect of financial guarantees provided by the group to banks/financial institutions, the maximum exposure which the group is exposed to is the maximum amount which the group would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the group considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

3 Liquidity Risk

The Group monitors its risk of shortage of funds through using a liquidity planning process that encompasses an analysis of projected cash inflow and outflow.

The Group's objective is to maintain a balance between continuity of funding and flexibility largely through cash flow generation from its operating activities and the use of bank loans. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's financial liabilities (including future interest payable) based on contractual undiscounted payments.

(₹ in lakhs unless otherwise stated)

Particulars	Less than 1 year	More than 1 year	Total
As at year ended			
March 31, 2020			
(a) Borrowings (including current maturities of long-term borrowings)	9,266.31	4,771.27	14,037.58
(b) Trade payables	9,600.49	-	9,600.49
(c) Other financial liabilities	755.97	65.14	821.11
	19,622.77	**4,836.41**	**24,459.18**
March 31, 2019			
(a) Borrowings (including current maturities of long-term borrowings)	9,167.90	5,815.45	14,983.35
(b) Trade payables	5,478.88	-	5,478.88
(c) Other financial liabilities	1,014.88	51.69	1,066.57
	15,661.66	**5,867.14**	**21,528.80**

Note 31: Capital Management

The Group's capital management is intended to create value for shareholders by facilitating the achievement of long-term and short-term goals of the group.

The Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the group. The primary objective of the group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The group includes, within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest-bearing loans and borrowings (Note 14 & 16)	14,037.58	14,983.35
Less: cash and cash equivalent and other bank balances (Note 8)	89.58	290.04
Net debt (A)	**13,948.00**	**14,693.31**
Equity share capital (Note 12)	316.00	316.00
Other equity (Note 13)	7,372.13	7,726.73
Total capital (B)	**7,688.13**	**8,042.73**
Capital and net debt C=(A+B)	**21,636.13**	**22,736.04**
Gearing ratio (%) (A/C)	**64.47%**	**64.63%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2020.

Note 32: Contingent liabilities & assets

i) Contingent liabilities not provided for in respect of: (₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Guarantees given by the Bankers on behalf of the parent company.	81.62	81.62
(b) Disputed demand of Value added tax, Central sales tax and Goods and services tax as the company expects to succeed in the appeal.	71.78	65.34
(c) Guarantee to Bank against credit facilities (fund based & non-fund based limits) extended to the other companies/LLP. (To the extent of credit facilities enjoyed as at the date of balance sheet)	1,543.31	1,600.81

ii) Contingent assets

There are no contingent assets recognised as at March 31, 2020.

Note 33: Commitments and obligations

Capital commitments (₹ in lakhs unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	152.80	486.58

Note 34: Segment reporting

i) Products and services from which reportable segments derive their revenues:

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The directors have chose to organise the Group around difference in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Group.

The Group operates in manufacturing of starch and its derivatives products as well as processing of agri seeds, however as per the provisions of Ind AS 108, "Operating Segments" as the turnover of agri seeds segment is less than 10% of total group turnover, no additional disclosure is required under Ind AS 108 Operating Segments.

There are no revenue from transactions with the single customers amounting to 10% or more of the group's revenues during the current year and previous years.

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

ii) Geographical information:

Geographical revenue is allocated based on the location of the customers. Group's all non-current assets are located in India (i.e. its country of domicile).
The Group's revenue from external customers by location of operations are detailed below:

(₹ in lakhs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Revenue from operations:		
(a) India	57,210.78	53,293.67
(b) Outside India	6,651.84	11,111.31
Total	**63,862.62**	**64,404.98**

Note 35: Earnings per share

(₹ in lakhs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Basic and Diluted EPS		
a) Computation of profit (Numerator) Profit for the year attributable to equity shareholders of parent company	(234.36)	2,519.97
b) Weighted average number of shares (Denominator) Weighted average number of Equity Shares of face value ₹ 5/- each used for calculation of basic and diluted earnings per share	63,20,000	63,20,000
c) Basic and Diluted EPS (in ₹)	**(3.71)**	**39.87**

Note 36: Dividend on equity shares

(₹ in lakhs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Dividend declared and paid during the year Final Dividend of ₹ 2.00 per equity share face value of ₹ 5/- each for the year ended March 31, 2019 (₹ 3.75 per equity share face value of ₹ 10/- each for the year ended March 31, 2018)	126.40	118.50

Note 37: Expenditure for corporate social responsibility activities

During the year ended March 31, 2020, the group has spent ₹ 30.44 lakhs towards Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013 and Rules thereunder by way of contribution to various Trusts/NGOs/Societies/Agencies.

(₹ in lakhs unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
(1) Gross Amount required to be spent as per Section 135 of the Act	**18.50**	**11.53**
(2) Amount Spent during the year on:		
(i) Construction / Acquisition of any asset	-	-
(ii) On purpose other than above (i)	30.44	27.08
Total	**30.44**	**27.08**

Note 38: Disclosure regarding derivative instruments

i) The group has taken derivatives to hedge its trade receivable. The outstanding position of derivative instruments is as under:

Nature	Purpose	As at March 31, 2020	
		₹ in lakhs	Foreign Currency in lakhs (USD)
Forward contracts	Hedging of trade receivable	187.73	2.49

Notes forming part of the consolidated financial statements (Contd...)
for the year ended March 31, 2020

Nature	Purpose	As at March 31, 2019	
		₹ in lakhs	Foreign Currency in lakhs (USD)
Forward contracts	Hedging of trade receivable	397.08	5.74

ii) The details of foreign currency exposures not hedged by derivative instruments are as under:

Nature	Currency	As at March 31, 2020	
		₹ in lakhs	Foreign Currency in lakhs
Trade receivables	USD	90.92	1.21

Nature	Currency	As at March 31, 2019	
		₹ in lakhs	Foreign Currency in lakhs
Trade receivables	USD	163.08	2.36
Trade receivables	AED	66.36	3.51

Note: The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to twelve months.

Note 39: Other notes

(i) Payment to auditors

Details of payment to auditors are as follows:

(₹ in lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Statutory audit fees	6.10	6.22
(b) Tax audit fees	1.15	1.15
(c) Certification and other services	3.06	4.08
(d) Reimbursement of expenses	0.02	0.25
Total	**10.33**	**11.70**

(ii) Subsidiary

Sayaji Corn Products Limited, a wholly owned subsidiary company of the Sayaji Industries Limited (SIL) having investment of ₹ 5.00 lakhs, has applied to the Registrar of Companies, Gujarat for removing its name from the register of Companies under the relevant provisions of the Companies Act, 2013, which is under process of strike off as at the end of the financial year. SIL has written off the entire cost of investments in Sayaji Corn Products Limited as its net worth is fully eroded. As Sayaji Corn Products Limited has ceased to be a subsidiary of SIL, there is no requirement of or question of consolidation of Sayaji Corn Products Limited in this consolidated financial statement.

Note 40: COVID-19

The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activities. COVID-19 has caused interruption in production, supply chain disruption, unavailability of personnel, etc. during the last week of March, 2020 and thereafter. The management of group has exercised due care in concluding significant accounting judgements and estimates in preparation of financial results. In assessing the recoverability of Trade Receivables, the group has considered subsequent recoveries, past trends, credit risk profile of the customers and internal and

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

external information available up to the date of issuance of these financial results. In assessing the recoverability of Inventories, the group has considered the latest selling prices, customers orders on hand and margin. Based on the above assessment, the group is of the view that the carrying amounts of trade receivables and inventories are expected to be realised to the extent shown in financial results. The impact of COVID-19 may be different from the estimates as at the date of approval of these financial results and the group will continue to closely monitor the development.

Note 41: Exceptional Items

Exceptional items of ₹ 2,116.30 lakhs is in respect of profit on sale of shares held by the company in Sayaji Sethness Limited, a Joint Venture Company in September, 2018.

Note 42 : Disclosures mandated by Schedule III of Companies Act 2013 by way of Additional Information

Name of Subsidiary	Principal Activities	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at March 31, 2020	As at March 31, 2019
Sayaji Corn Products Limited	Not applicable	India	0.00%	99.99%
Alland & Sayaji LLP	Manufacturing of Spray dried food products	India	0.00%	75.99%
Sayaji Seeds LLP	Manufacturing of Seeds	India	95.94%	92.20%

Name of Joint Venture	Principal Activities	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at March 31, 2020	As at March 31, 2019
Alland & Sayaji LLP	Manufacturing of Spray dried food products	India	See foot notes to note 6 of report	0.00%

Note 42 : Disclosures mandated by Schedule III of Companies Act 2013 by way of Additional Information

(₹ in lakhs unless otherwise stated)

As at March 31, 2020										
Name of the Entities	Country	Net Assets i.e. total assets minus total liabilities		Profit/(Loss) for the year		Other Comprehensive Income (OCI)		Total Comprehensive Income (TCI)		
		Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit/(Loss) for the year	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI
Parent company									
Sayaji Industries Limited	India	7,225.43	93.75%	(134.50)	57.30%	32.03	100.00%	(102.47)	50.56%
Subsidiaries									
Sayaji Seeds LLP	India	462.70	6.00%	(8.94)	3.81%	-	0.00%	(8.94)	4.41%
Total		**7,688.13**	**99.75%**	**(143.44)**	**61.11%**	**32.03**	**100.00%**	**(111.41)**	**54.97%**
Non-controlling interest	India	19.16	0.25%	(0.36)	0.15%	-	0.00%	(0.36)	0.18%
Joint Venture									
Alland & Sayaji LLP	India	-	-	(90.92)	38.73%	-	-	(90.92)	44.86%
Grand Total		**7,707.29**	**100.00%**	**(234.72)**	**100.00%**	**32.03**	**100.00%**	**(202.69)**	**100.00%**

Notes forming part of the consolidated financial statements (Contd...)

for the year ended March 31, 2020

(₹ in lakhs unless otherwise stated)

As at March 31, 2019									
Name of the Entities	Country	Net Assets i.e. total assets minus total liabilities		Profit/(Loss) for the year		Other Comprehensive Income (OCI)		Total Comprehensive Income (TCI)	
		Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit/(Loss) for the year	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI
Parent Company									
Sayaji Industries Limited	India	7,591.95	93.39%	2,495.02	98.63%	(19.37)	100.00%	2,475.65	98.61%
Subsidiaries									
Sayaji Seeds LLP	India	231.62	2.85%	(8.32)	0.33%	-	0.00%	(8.32)	0.33%
Sayaji Ingritech LLP	India	214.27	2.64%	33.29	1.32%	-	0.00%	33.29	1.33%
Sayaji Corn Products Limited	India	4.89	0.06%	(0.03)	0.00%	-	0.00%	(0.03)	0.00%
Total		**8,042.73**	**98.94%**	**2,519.97**	**99.61%**	**(19.37)**	**100.00%**	**2,500.60**	**99.61%**
Non controlling interest in Subsidiaries	India	86.44	1.06%	9.83	0.39%	-	0.00%	9.83	0.39%
Grand total		**8,129.17**	**100.00%**	**2,529.80**	**100.00%**	**(19.37)**	**100.00%**	**2,510.43**	**100.00%**

Note 43: Approval of financial statements

The consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on June 29, 2020.

As per attached report of even date

For, Shah & Shah Associates
Chartered Accountants
FRN : 113742W

Bharat A. Shah
Partner
Membership Number : 030167
UDIN: 20030167AAAAAY5577

Ahmedabad, Gujarat: June 29, 2020

For and on behalf of the Board of Directors

Priyam B. Mehta
Chairman & Managing Director
DIN : 00030933

Varun P. Mehta
Exectuive Director
DIN : 00900734

Vishal P. Mehta
Executive Director
DIN : 02690946

Rajesh H. Shah
Company Secretary

Manan R. Shah
Chief Financial Officer

Ahmedabad, Gujarat: June 29, 2020

Exhibiting in Fi-Hi India in October 2019 at Mumbai

WWW.SAYAJIGROUP.IN

Sayaji Industries Limited
CIN: L99999GJ1941PLC000471

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