

Dt.: 4<sup>st</sup> October, 2020

To,  
Corporate Filing,  
Bombay Stock Exchange Limited,  
P J Towers, Fort,  
Mumbai

SUB: Annual Report of 44<sup>th</sup> Annual General Meeting (AGM)


Pursuant to Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the **Annual Report** of the Company along with the Revised Notice of Annual General Meeting for the financial year 2019-20, which is being dispatched/sent to the members of the Company.

Take the same on your records.

Thanking you,

Yours faithfully,

For M. P. Agro Industries Limited

  
Shamim Sheikh  
Director  
DIN 02528327

Encl.: As Above

## REVISED NOTICE TO MEMBERS

Revised Notice is hereby given that the FORTY FOURTH ANNUAL GENERAL MEETING of the Members of M.P. AGRO INDUSTRIES LIMITED will be held on Monday, the 26<sup>th</sup> October, 2020 at 03:00 p.m. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

### **ORDINARY BUSINESS:**

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**1. Adoption Of Audited Standalone Financial Statements:**

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2020 and the Reports of the Board of Directors and the Auditors thereon.

**2. Appointment of a Director:**

To appoint a Director in the place of Mrs. Rafiqunnisa Merchant (DIN: 07758223), who retires by rotation and, being eligible, seeks re-appointment.

### **SPECIAL BUSINESS:**

3. To consider and if though fit to pass, with or without modification(s) following Resolution as an Ordinary Resolution for Re - appointment of Mr. Yunus R. Memon (DIN 01094396) as Managing Director.

**“RESOLVED THAT** in accordance with the provisions of section 203, 197 and all other applicable provisions, if any, of the Companies Act, 2013 and subject to the limits specified in schedule V to the said act, the Company hereby approves the re-appointment and payment of remuneration to Mr. Yunus R. Memon as Managing Director of the company from 1<sup>st</sup> June, 2021 to 31<sup>st</sup> May, 2024 on the remuneration and terms and conditions as set out in the agreement to be entered into between the Company and the appointee, and a draft of which is placed before this meeting and the remuneration as set out in the explanatory statement (which covers main points of agreement) forming part of this notice is hereby specifically sanctioned and approved with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 without any further reference to the company in General Meeting and as may be agreed to between the Board and the appointee.

**“FURTHER RESOLVED THAT** in the event of no profits or inadequacy of profits the remuneration payable to the appointee as Managing Director of the Company by way of salary and perquisites shall not exceed the limits specified in section II of part II of schedule V.”

**“FURTHER RESOLVED THAT** the Board of Directors of the company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution.”

**By Order of the Board,**

**Sd/-**

**Shamim Sheikh**

**Director**

**Place: Vadodara**

**Date: 02.10.2020**

#### **NOTES**

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as venue voting system on the date of the AGM will be provided by CDSL.
2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. **Process for those shareholders whose email ids are not registered:**

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

**THE INSTRUCTIONS FOR SHAREHOLDRES FOR REMOTE VOTING ARE AS UNDER:**

- (i) The voting period begins on Friday, 23<sup>rd</sup> October, 2020 at 9:00 A.M. and ends on Sunday, 25<sup>th</sup> October, 2020 at 5:00 P.M. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 19<sup>th</sup> October, 2020 of may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on “SUBMIT” tab.

- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN 201002001 for M. P. Agro Industries Limited on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

**THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ON THE DAY OF THE AGM ON e-VOTING SYSTEM ARE AS UNDER: -**

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

#### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [mpagroindustries@gmail.com](mailto:mpagroindustries@gmail.com).
6. Shareholders who would like to express their views/have questions may send their questions in advance **10 days prior to meeting** mentioning their name demat account number/folio number, email id, mobile number at [mpagroindustries@gmail.com](mailto:mpagroindustries@gmail.com). The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

**Place: Vadodara**  
**Date: 2<sup>nd</sup> October, 2020**

**By Order of the Board,**  
**Sd/-**  
**Shamim Sheikh**  
**Chairman**

## **Explanatory Statement**

Pursuant to Section 102 of the Companies Act, 2013

### **Item No. 4**

The Board of Directors of the Company at its meeting held on 20<sup>th</sup> August, 2020 has re-appointed Mr. Yunus R. Memon (DIN 01094396) as Managing Director of the Company for the period of three years i.e. from 1<sup>st</sup> June, 2021 to 31<sup>st</sup> May, 2024.

The remuneration and terms and conditions of the said appointment was approved by the meeting of Board of Directors held on 20<sup>th</sup> August, 2020. The terms and conditions and remuneration are within the ceiling of Schedule V to the Companies Act, 2013 which requires the approval of the members by way of passing ordinary resolution in the Annual General Meeting. Hence, this Ordinary Resolution is recommended by Board for your approval.

The agreement to be entered into between the Company and the appointee, after approval of the shareholders, inter alia, contains the following particular terms and conditions;

Period of Agreement: Three years from 1<sup>st</sup> June, 2021 to 31<sup>st</sup> May, 2024.

Salary: Rs. 16,700 (Rupees Sixteen Thousand Seven Hundred only) per month with increments every year with mutual understanding of the Board and the Managing Director.

PERQUISITES: No Perquisites shall be allowed in addition to salary

### **Other terms and conditions**

1. The total payment of remuneration to the Managing Director is subject to the overall ceiling laid down in schedule V to the companies Act, 2013 and in no case it shall exceed the ceiling prescribed.
2. The remuneration and terms and conditions of this appointment of Managing Director may be varied from time to time subject to the conditions of Schedule V to the Companies Act, 2013, as may be agreed to between the Board and the appointee.
3. If at any time the Managing Director ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Managing Director and this agreement shall terminate forthwith.
4. The Managing Director is appointed by virtue of his Directorship in the Company and his appointment is subject to the provisions of Section 167 of the Companies Act, 2013.
5. This agreement may be terminated by either party, by giving to the other party, three months' notice.
6. The appointee shall also be entitled to reimbursement of expenses actually and properly incurred by him for the business of the Company.
7. The appointee shall not be liable to retire by rotation at the Annual General Meeting so long as he continues to hold this office.
8. The appointee shall not be entitled to sitting fees for attending meeting of the Board of Directors or committees thereof.



None of the Directors of the company are concerned or interested in the said resolution since they are related to the appointee. None of the other Directors of the Company is in any way, concerned or interested in the said resolution.

The draft of the Agreement to be entered into between the Company and the appointee is available for inspection of the members at the Registered Office of the Company on any working day up to the date of this meeting.

This may be treated as an abstract of the agreement proposed to be entered into between the Company and the appointee pursuant to Section 190 of the Companies Act, 2013.

The Board recommends this resolution for approval of the shareholders.

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Place: Vadodara  
Date: 2<sup>nd</sup> October, 2020

**By Order of the Board,  
Sd/-  
Shamim Sheikh  
Chairperson**

**DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT OR VARIATION IN TERMS OF  
REMUNERATION AT THE ENSUING ANNUAL GENERAL MEETING**

(Pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings)

Name of the Director	Mrs. Rafiqunnisa Maqsood Merchant	Mr. Yunus Rashidbhai Memon
DIN	07758223	01094396
Item No.	2	3
Date of Birth	August 11, 1962	February 02, 1973
Date of first appointment on Board	<a href="#">March</a> 02, 2017	August 01, 2004
Qualifications and Expertise	Mrs. Rafiqunnisa Merchant is daughter of our Promoter Director Mr. Abdul Razak Dhanani. She is graduated in Commerce and having experience in the field of finance and service industry.	Mr. Yunus Memon is having Rich experience in marketing, administration, and management
Details of remuneration last drawn (FY 2019-2020)	Details of remuneration is provided in Report on Extracts of Annual Return in form MGT 9 forming a part of Annual Report for the FY 2019-20.	Details of remuneration is provided in Report on Extracts of Annual Return in form MGT 9 forming a part of Annual Report for the FY 2019-20.
Directorships held in other public companies	<ol style="list-style-type: none"> <li>1. Liberty Fertilizers Limited</li> <li>2. Liberty Construction and Leasing Limited</li> <li>3. Bhavnagar agro industries Limited</li> <li>4. Bharat Equity Services Limited</li> <li>5. Sayaji Airways Limited</li> <li>6. Monalisa Software Exports Limited</li> <li>7. Kruger Chemicals Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Liberty Fertilizers Limited</li> <li>2. Liberty Construction and Leasing Limited</li> <li>3. Bhavnagar agro industries Limited</li> <li>4. Bharat Equity Services Limited</li> <li>5. Sayaji Airways Limited</li> <li>6. Monalisa Software Exports Limited</li> </ol>
Memberships/ Chairmanships of Committees in other public Companies.	None	None
Number of Board Meetings attended during financial year.	6	7 (All the Board Meetings were attended)
Relation with other Directors & Key Managerial Personnel (KMP) of the Company.	Mrs. Rafiqunnisa Merchant is sister of Mrs. Shamim Sheikh, Director of our Company	Not related to any of the Directors, Managers and KMP.
No of shares held in the Company	526110 (Five Lakhs Twenty Six Thousand One Hundred Ten Equity Shares)	NIL



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# **M. P. Agro Industries Limited**

**CIN No – L24123GJ1975SGC106981**

## **44<sup>th</sup> Annual General Meeting**

**Annual Report 2019-2020**

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## **BOARD OF DIRECTORS**

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MS. RAFIQUNNISA MERCHANT	DIRECTOR
MS. SHAMIM SHEIKH	CHAIRPERSON
MR. YUNUS R. MEMON	MANAGING DIRECTOR
MS. SABA SULTANA MEMON	INDEPENDENT DIRECTOR
MR. CHATUR C. PATEL	INDEPENDENT DIRECTOR (Expired on 25.07.2020)

## **COMPANY SECRETARY**

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**Ms. Neeti Kashyap**

**Company Secretary**

(w.e.f. 01.01.2020)

## **AUDITORS**

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**M/s Parikh Shah Chotalia & Associates.**

Chartered Accountants

1-Gangotri Apartment, 9-Haribhakti Colony,  
Beside Race Course Post Office, Race Course Circle,  
Vadodara – 390 007

## **REGISTRAR & SHARE TRANSFER AGENT (RTA)**

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**Link Intime India Pvt. Limited,**

B-102 & 103, Shangrila Complex, 1st Floor,  
Near, Radhakrishna Char Rasta,  
Akota, Vadodara

## **BANKERS**

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HDFC Bank – Vadodara  
State Bank of India (SBI) – Vadodara  
Dhanlaxmi Bank – Vadodara  
Axis Bank - Vadodara

## **REGISTERED OFFICE**

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C/o. Bharat Equity Services Ltd.  
924, 9<sup>th</sup> Floor, Fortune Tower,  
Sayajigunj, Vadodara - 3900020  
Ph.: 0265 – 2363280, 6358761061  
Email: [mpagroindustries@gmail.com](mailto:mpagroindustries@gmail.com),  
Website: [www.mpagroindustries.in](http://www.mpagroindustries.in)

## NOTICE TO MEMBERS

Notice is hereby given that the FORTY FOURTH ANNUAL GENERAL MEETING of the Members of M.P. AGRO INDUSTRIES LIMITED will be held on Saturday, the 26<sup>th</sup> September, 2020 at 03:00 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

### **ORDINARY BUSINESS:**

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**2. Appointment of a Director:**

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3. To consider and if though fit to pass, with or without modification(s) following Resolution as an Ordinary Resolution for Re - appointment of Mr. Yunus R. Memon (DIN 01094396) as Managing Director.

**"RESOLVED THAT** in accordance with the provisions of section 203, 197 and all other applicable provisions, if any, of the Companies Act, 2013 and subject to the limits specified in schedule V to the said act, the Company hereby approves the re-appointment and payment of remuneration to Mr. Yunus R. Memon as Managing Director of the company from 1<sup>st</sup> June, 2021 to 31<sup>st</sup> May, 2024 on the remuneration and terms and conditions as set out in the agreement to be entered into between the Company and the appointee, and a draft of which is placed before this meeting and the remuneration as set out in the explanatory statement (which covers main points of agreement) forming part of this notice is hereby specifically sanctioned and approved with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 without any further reference to the company in General Meeting and as may be agreed to between the Board and the appointee.

**"FURTHER RESOLVED THAT** in the event of no profits or inadequacy of profits the remuneration payable to the appointee as Managing Director of the Company by way of salary and perquisites shall not exceed the limits specified in section II of part II of schedule V."

**"FURTHER RESOLVED THAT** the Board of Directors of the company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution."

**Place: Vadodara  
Date: 20.08.2020**

**By Order of the Board,  
Sd/-  
Shamim Sheikh  
Director**

**NOTES**

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as venue voting system on the date of the AGM will be provided by CDSL.
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may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
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- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details  <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant M. P. Agro Industries Limited on which you choose to vote.

- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

**THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ON THE DAY OF THE AGM ON e-VOTING SYSTEM ARE AS UNDER: -**

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

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [mpagroindustries@gmail.com](mailto:mpagroindustries@gmail.com).



6. Shareholders who would like to express their views/have questions may send their questions in advance **10 days prior to meeting** mentioning their name demat account number/folio number, email id, mobile number at [mpagroindustries@gmail.com](mailto:mpagroindustries@gmail.com). The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

**Place: Vadodara**  
**Date: 20<sup>th</sup> August, 2020**

**By Order of the Board,**  
**Sd/-**  
**Shamim Sheikh**  
**Chairman**

## **Explanatory Statement**

Pursuant to Section 102 of the Companies Act, 2013

### **Item No. 4**

The Board of Directors of the Company at its meeting held on 20<sup>th</sup> August, 2020 has re-appointed Mr. Yunus R. Memon (DIN 01094396) as Managing Director of the Company for the period of three years i.e. from 1<sup>st</sup> June, 2021 to 31<sup>st</sup> May, 2024.

The remuneration and terms and conditions of the said appointment was approved by the meeting of Board of Directors held on 20<sup>th</sup> August, 2020. The terms and conditions and remuneration are within the ceiling of Schedule V to the Companies Act, 2013 which requires the approval of the members by way of passing ordinary resolution in the Annual General Meeting. Hence, this Ordinary Resolution is recommended by Board for your approval.

The agreement to be entered into between the Company and the appointee, after approval of the shareholders, inter alia, contains the following particular terms and conditions;

Period of Agreement: Three years from 1<sup>st</sup> June, 2021 to 31<sup>st</sup> May, 2024.

Salary: Rs. 16,700 (Rupees Sixteen Thousand Seven Hundred only) per month with increments every year with mutual understanding of the Board and the Managing Director.

PERQUISITES: No Perquisites shall be allowed in addition to salary

### **Other terms and conditions**

1. The total payment of remuneration to the Managing Director is subject to the overall ceiling laid down in schedule V to the companies Act, 2013 and in no case it shall exceed the ceiling prescribed.
2. The remuneration and terms and conditions of this appointment of Managing Director may be varied from time to time subject to the conditions of Schedule V to the Companies Act, 2013, as may be agreed to between the Board and the appointee.
3. If at any time the Managing Director ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Managing Director and this agreement shall terminate forthwith.
4. The Managing Director is appointed by virtue of his Directorship in the Company and his appointment is subject to the provisions of Section 167 of the Companies Act, 2013.
5. This agreement may be terminated by either party, by giving to the other party, three months' notice.
6. The appointee shall also be entitled to reimbursement of expenses actually and properly incurred by him for the business of the Company.
7. The appointee shall not be liable to retire by rotation at the Annual General Meeting so long as he continues to hold this office.
8. The appointee shall not be entitled to sitting fees for attending meeting of the Board of Directors or committees thereof.

None of the Directors of the company are concerned or interested in the said resolution since they are related to the appointee. None of the other Directors of the Company is in any way, concerned or interested in the said resolution.

The draft of the Agreement to be entered into between the Company and the appointee is available for inspection of the members at the Registered Office of the Company on any working day up to the date of this meeting.

This may be treated as an abstract of the agreement proposed to be entered into between the Company and the appointee pursuant to Section 190 of the Companies Act, 2013.

The Board recommends this resolution for approval of the shareholders.

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**By Order of the Board,  
Sd/-**

Place: Vadodara  
Date: 20<sup>th</sup> August, 2020

**Shamim Sheikh  
Chairperson**

**DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT OR VARIATION IN TERMS OF  
REMUNERATION AT THE ENSUING ANNUAL GENERAL MEETING**

(Pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings)

Name of the Director	Mrs. Rafiqunnisa Maqsood Merchant	Mr. Yunus Rashidbhai Memon
DIN	07758223	01094396
Item No.	2	3
Date of Birth	August 11, 1962	February 02, 1973
Date of first appointment on Board	March 02, 2017	August 01, 2004
Qualifications and Expertise	Mrs. Rafiqunnisa Merchant is daughter of our Promoter Director Mr. Abdul Razak Dhanani. She is graduated in Commerce and having experience in the field of finance and service industry.	Mr. Yunus Memon is having Rich experience in marketing, administration, and management
Details of remuneration last drawn (FY 2019-2020)	Details of remuneration is provided in Report on Extracts of Annual Return in form MGT 9 forming a part of Annual Report for the FY 2019-20.	Details of remuneration is provided in Report on Extracts of Annual Return in form MGT 9 forming a part of Annual Report for the FY 2019-20.
Directorships held in other public companies	1. Liberty Fertilizers Limited 2. Liberty Construction and Leasing Limited 3. Bhavnagar agro industries Limited 4. Bharat Equity Services Limited 5. Sayaji Airways Limited 6. Monalisa Software Exports Limited 7. Kruger Chemicals Limited	1. Liberty Fertilizers Limited 2. Liberty Construction and Leasing Limited 3. Bhavnagar agro industries Limited 4. Bharat Equity Services Limited 5. Sayaji Airways Limited 6. Monalisa Software Exports Limited
Memberships/ Chairmanships of Committees in other public Companies.	None	None
Number of Board Meetings attended during financial year.	6	7 (All the Board Meetings were attended)
Relation with other Directors & Key Managerial Personnel (KMP) of the Company.	Mrs. Rafiqunnisa Merchant is sister of Mrs. Shamim Sheikh, Director of our Company	Not related to any of the Directors, Managers and KMP.
No of shares held in the Company	526110 (Five Lakhs Twenty Six Thousand One Hundred Ten Equity Shares)	NIL

## Directors' Report

### **To the Members,**

Your Directors have pleasure in presenting their 44<sup>th</sup> Annual Report of the Company together with the Audited Financial Statements of the Company for the year ended on 31<sup>st</sup> March, 2020.

### **FINANCIAL RESULTS**

**(Rs. in Lakhs)**

<b>Particulars</b>	<b>2019-20</b>	<b>2018-19</b>
Total Revenue	190.91	34.41
Profit/Loss before Depreciation & Tax	(35.51)	9.15
Depreciations	0.004	0.03
Profit/Loss before taxation	(35.52)	9.12
Corporate Tax	(5.98)	2.38
Profit/Loss after Tax	(29.54)	6.74
Balance carried to Balance sheet	(29.54)	6.74
Basic EPS	(0.51)	0.12

### **REVIEW OF OPERATIONS**

During the year under review your company has registered Loss for the year ended **31<sup>st</sup> March, 2020**, amounted to **Rs. 29,53,662** as compared to profit of **Rs. 6,74,233** during the previous year. Looking to the current losses and accumulated losses of past years, your Director has not recommended any dividend for the financial year 2019-2020.

### **DIVIDEND**

Your directors are unable to recommend any dividend for the year ended 31st March, 2020.

### **TRANSFER TO RESERVES**

The Directors do not propose to transfer any amount to reserve.

### **MATERIAL CHANGES EFFECTING FINANCIAL POSITIONS OF THE COMPANY**

No material changes have occurred and commitments made, affecting the financial position of the company between the end of the financial year of the company and the date of this report.

### **PERFORMANCE OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have subsidiary company or Joint Venture Company or Associate Company.

### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There is no order passed by any regulator or court or tribunal against the company, impacting the going concern concept or future operations of the company.

### **ADEQUACY OF INTERNAL CONTROL SYSTEM**

The Company has adequate internal control systems and procedures designed to effectively control the operations. The internal control systems are designed to ensure that the financial and other records are reliable for the preparation of financial statements and for maintaining assets. The Company has well designed Standard Operating Procedures. Independent Internal Auditors conduct audit covering a wide

range of operational matters and ensure compliance with specified standards. Planned periodic reviews are carried out by Internal Audit. The findings of Internal Audit are reviewed by the top management and by the Audit Committee of the Board of Directors.

Based on the deliberations with Statutory Auditors to ascertain their views on the financial statements including the Financial Reporting System and Compliance to Accounting Policies and Procedures, the Audit Committee was satisfied with the adequacy and effectiveness of the Internal Controls and Systems followed by the company.

#### **RISK MANAGEMENT POLICY**

The risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Mrs. Rafiqunnisa Merchant retires by rotation at the forthcoming Annual General Meeting and being eligible, offer herself for re-appointment.

#### **INDEPENDENT DIRECTORS DECLARATION**

The Independent Directors have confirmed and declared that they are not disqualified to act as an Independent Director in compliance with the provisions of Section 149 of the Companies Act, 2013 and the Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors.

#### **BOARD MEETINGS**

Seven meetings of the Board of Directors were held during the year, viz. on 15<sup>th</sup> April, 2019, 30<sup>th</sup> May, 2019, 17<sup>th</sup> June, 2019, 9<sup>th</sup> August, 2019, 20<sup>th</sup> September, 2019, 14<sup>th</sup> November, 2019 and 14<sup>th</sup> February, 2020. Agenda papers were circulated to the Directors in advance for each meeting.

#### **EVALUATION OF THE DIRECTORS AND COMMITTEES**

The Board has a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairperson of the Board based on the criteria laid down by Nomination and Remuneration Committee which included attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest, adherence to Code of Conduct and Business ethics, monitoring of regulatory compliance, risk assessment and review of Internal Control Systems etc. The suggestions, comments and guidance of all the Directors were Excellent.

#### **REMUNERATION POLICY**

The company follows a policy on remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board. The policy is available on the website of the company [www.mpagroindustries.in](http://www.mpagroindustries.in)

#### **COMPLIANCE OF SECRETARIAL STANDARD**

As per requirement of provisions of Section 118(10) read with SS9 of Secretarial Standard 1, the Company has complied with the Secretarial Standard applicable to the Company.

#### **AUDIT COMMITTEE**

The Audit Committee comprises three members out of which two are Independent Directors. During the Financial year ended 31<sup>st</sup> March, 2020, the Committee met 4 times on 30<sup>th</sup> May, 2019, 9<sup>th</sup> August, 2019, 14<sup>th</sup> November, 2019, and 14<sup>th</sup> February, 2020. The composition of the Audit Committee and

details of their attendance at the meetings are as follows:

Sr. No.	Name of the Director	Position	Category	No. of meetings attended
1.	Mr. Chatur C. Patel	Chairman	Independent Director	4
2.	Mr. Yunus Memon	Member	Executive Director	4
4.	Mrs. Saba Sultana Memon	Member	Independent Director	4

The Company Secretary acts as a Secretary to the Committee.

The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **NOMINATION AND REMUNERATION COMMITTEE**

Nomination and Remuneration Committee comprises of four members who deals with the criteria for determining qualifications, evaluation of performance, whether to extend or continue the term of appointment of the independent director etc.

During the Financial year ended 31<sup>st</sup> March, 2020, the Committee met two times on 15<sup>th</sup> April, 2019 and 1<sup>st</sup> January, 2020. The composition of the Nomination and Remuneration Committee and details of their attendance at the meetings are as follows:

Sr. No.	Name of the Director	Position	Category	No. of meetings attended
1.	Mr. Chatur C. Patel	Chairman	Independent Director	2
3.	Mrs. Rafiqunnisa Merchant	Member	Non-Executive Director	1
4.	Mrs. Shamim Sheikh	Member	Non-Executive Director	2
5.	Mrs. Saba Sultana Memon	Member	Independent Director	2

#### **Terms of reference:**

The Nomination and Remuneration Committee assist the Board in overseeing the method, criteria and quantum of compensation for directors and senior management based on their performance and defined assessment criteria. The Committee formulates the criteria for evaluation of the performance of Independent Directors & the Board of Directors; identifying the persons who are qualified to become directors, and who may be appointed in senior management and recommend to the Board their appointment and removal. The terms of the reference of Nomination and Remuneration Committee covers the areas mentioned under Part D of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 as well as section 178 of the Companies Act, 2013.

#### **Performance evaluation criteria for Independent Directors:**

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors which are as under-

1. Frequency of meetings attended
2. Timeliness of circulating Agenda for meetings and descriptiveness
3. Quality, quantity and timeliness of flow of information to the Board
4. Promptness with which Minutes of the meetings are drawn and circulated
5. Opportunity to discuss matters of critical importance, before decisions are made
6. Familiarity with the objects, operations and other functions of the company

7. Importance given to Internal Audit Reports, Management responses and steps towards improvement
8. Avoidance of conflict of interest
9. Exercise of fiscal oversight and monitoring financial performance
10. Level of monitoring of Corporate Governance Regulations and compliance
11. Adherence to Code of Conduct and Business ethics by directors individually and collectively
12. Monitoring of Regulatory compliances and risk assessment
13. Review of Internal Control Systems
14. Performance of the Chairperson of the company including leadership qualities.
15. Performance of the Whole time Director
16. Overall performance of the Board/ Committees.

**STAKEHOLDER RELATIONSHIP AND GRIEVANCE COMMITTEE**

The Stakeholder Relationship Committee deals with the matters relating to shareholders’ and investors’ grievances. Mrs. Rafiqunnisa Merchant, Non-Executive Director was the Chairman of the Committee.

During the Financial year ended 31<sup>st</sup> March, 2020, the Committee met one time on 14<sup>th</sup> November, 2019. The composition of the Stakeholder Relationship and Grievance Committee and details of their attendance at the meetings are as follows:

Sr. No.	Name of the Director	Position	Category	No. of meetings attended
1.	Mrs. Rafiqunnisa Merchant	Chairman	Non-Executive Director	1
2.	Mrs. Shamim Sheikh	Member	Non-Executive Director	1
3.	Mr. Yunus R. Memon	Member	Executive Director	1
4.	Mr. Chatur Patel	Member	Independent Director	1

No. of investors’ complaints received by the RTA/ Company during the year: NIL

No. of complaints not solved to the satisfaction of shareholders during the year: NIL

No. of complaints pending as at 31<sup>st</sup> March, 2019: NIL

**Prohibition of Insider Trading:**

Comprehensive guidelines advising and cautioning the management, staff and other relevant business associates on the procedure to be followed while dealing with the securities of the company have been issued and implemented.

**GENERAL BODY MEETINGS:**

Details about location, dates and details of the Special Resolutions passed at the previous three AGMs are as under:

Financial Year	Meeting and Venue	Day, Date and Time	Special Resolutions passed
2016 – 17	41 <sup>st</sup> AGM at the Registered Office of the Company situated at MIG – 44, Bharti Niketan, Near, Gautam Nagar, Bhopal – 462023 (M.P.)	Monday, 16.09.2017 at 03:00 P. M.	Appointment of Ms. Alibholi Busra as an Independent Woman Director of the Company for the term of 5 consecutive years.  Appointment of Ms. Rafiqunnisa



			<p>Mercahnt as Non-Executive Director of the Company</p> <p>Appointment of Ms. Shamim Sheikh as Non-Executive Director of the Company</p> <p>Addition in Object Clause of the Company</p>
2017 – 18	42 <sup>nd</sup> AGM at the Registered Office of the Company situated at MIG – 44, Bharti Niketan, Near, Gautam Nagar, Bhopal – 462023 (M.P.)	Saturday, 29.09.2018 at 03:00 P. M.	<p>Re-appointment of Mr. Chatur Patel as an Independent Director of the Company for the Second term of 5 consecutive years.</p> <p>Appointment of Ms. Saba Sultana Memon as an Independent Woman Director of the Company for the term of 5 consecutive years.</p> <p>Shifting of Registered Office of the Company from Bhopal (M.P.) to Vadodara (Gujarat)</p>
2018-19	43 <sup>rd</sup> AGM at the Sayaji Baroda, Near Bhimnath Bridge, Opp. Parsi Agari, Sayajigunj, Vadodara – 5	Friday, 26.07.2019 at 11:30 A.M.	No Special Resolution was passed.

#### **CODE OF CONDUCT**

Directors, Key Managerial Personnel and senior management of the Company have confirmed compliance with the Code of Conduct applicable to the Directors and members of the Senior Management of the Company and they have affirmed their compliance with the code of conduct as approved and adopted by the Board of Directors. The Code of Conduct is available on the Company's website [www.mpagroindustries.in](http://www.mpagroindustries.in)

#### **PARTICULARS OF EMPLOYEES**

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is provided in Annexure 'III', which is annexed herewith.

#### **LOANS, GUARANTEES OR INVESTMENT**

Details of investment made and loans advances by the Company have been given in notes to Financial Statement. The Company has not given any guarantee pursuant to the provision of Section 186 of Companies Act, 2013.

#### **FIXED DEPOSIT**

There are no outstanding deposits remaining unpaid as on 31<sup>st</sup> March, 2020. The Company has not accepted any deposits under Chapter V of the Companies Act, 2013 and rules made there under.

#### **RELATED PARTY TRANSACTIONS**

All related party transactions are in the ordinary course of business and at arm's length basis, which are not material in nature. All related party transactions are with the approval of the Audit Committee and

periodically placed before the Board for review.

#### **ANNUAL RETURN**

The extract of Annual Return pursuant to the provisions of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is furnished in Form MGT-9 in Annexure "I" of this Report. Moreover, your Company has complied with the requirements of the applicable provisions of the Companies Amendments Act, 2017 and related Rules during the FY 2019-2020. In accordance with Sec 134 (3) (a) of the said Act, amended provision, the provisional Annual Return in the prescribed format has also been made available on the website of the Company at [www.mpagroindustries.in](http://www.mpagroindustries.in) /Investor relation/ 44<sup>th</sup> Annual Return (path).

#### **AUDITORS**

At the 42nd Annual General Meeting held on September 29, 2018, the shareholders had approved the appointment of M/s. Parikh Shah Chotalia & Associates, Chartered Accountants (ICAI Firm Registration No.118493W) as the Statutory Auditors for a period of 5 years commencing from the conclusion of the 42nd Annual General Meeting until the conclusion of the 47th Annual General Meeting to be held in the year 2023, subject to ratification by the shareholders every year, if so required under law. Pursuant to the recent amendment to Section 139 of the Act effective May 7, 2018, ratification by Shareholders every year for the appointment of the Statutory Auditors is no longer required and accordingly the Notice of ensuing Annual General Meeting does not include the proposal for seeking Shareholders approval for ratification of Statutory Auditors appointment.

M/s. Parikh Shah Chotalia & Associates, has furnished a certificate of their eligibility and consent under Section 139 and 141 of the Act and the Companies (Audit and Auditors) Rules 2014 for their continuance as the Auditors of the Company for the FY 2020-21. In terms of the Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI.

The Statutory Auditors' Report for FY 2019-2020 on the financial statement of the Company forms part of this Annual Report.

The Statutory Auditors' report on the financial statements for FY 2019-2020 does not contain any qualifications, reservations or adverse remarks or disclaimer.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso to Section 143(12) of the Act.

#### **SECRETARIAL AUDIT**

Pursuant to provisions of section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. J. J. Gandhi & Co., Company Secretaries, Practising Company Secretary, to undertake the Secretarial Audit of the Company for the financial year 2019-2020. The Secretarial Audit Report is annexed herewith marked as Annexure "II" to this Report.

The Board has duly reviewed the Secretarial Audit Report and the observations and comments, appearing in the report are self explanatory.

Clarifications on comments by Secretarial Auditor

- ✓ The Company publishes advertisement in Gujarati language newspaper and will also take proper care in future to comply with the requirements of giving advertisements in English

newspaper too for the publishing unaudited Financial Results of the company. Further from current year i.e. from 1<sup>st</sup> April, 2020 Company has started to publish the same in both English and regional language.

- ✓ The Company has effectively converted shares of all Promoters from physical to Dematerialization form except shares of three promoters who are expired. The Company has taken exemption from the Stock Exchange, from compliance with the provisions of Regulation 31(2) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

#### **VIGIL MECHANISM**

Pursuant to the provisions of Section 177(10) of the Companies Act, 2013 the Company has established a vigil mechanism for directors and employees to report genuine concerns to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The said mechanism is available to all the employees of the Company and operating effectively. During the year, the Company has not received any complaint through such mechanism. A copy of the said policy is available on the website of the Company at the following path: <http://www.mpagroindustries.in/code-of-conduct.html>.

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

The Company is not engaged in manufacturing activities during the year. Therefore, there is no information to submit in respect of conservation of energy and absorption of technology.

The Company has no foreign exchange earnings and outgoings during the year.

#### **CORPORATE SOCIAL RESPONSIBILITY**

Good governance demands adherence to social responsibility coupled with creation of value in the larger interest of the general public. We are committed to continuously improving our performance in the areas of environmental protection, health and safety as well as to the principles of sustainable development and responsible care. We continue to contribute to society by appropriate means. We aim to enhance the quality of life of the community in general and have a strong sense of social responsibility.

The Company has not constituted a Corporate Social Responsibility Committee since the Company does not meet with any of the three conditions prescribed in Section 135 of the Companies Act, 2013 and the Rules made there under for constitution of a Corporate Social Responsibility Committee.

#### **LISTING OF SHARES**

The equity shares of your Company are listed with the BSE Ltd. (Bombay Stock Exchange), Mumbai.

#### **DEMATERIALIZATION OF SHARES**

The shares of your Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, Members are requested to avail the facility of dematerialization of shares with either of the Depositories as aforesaid.

#### **CORPORATE GOVERNANCE**

Pursuant to Regulation 15 of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance with the Corporate Governance as specified in regulation 27 and

Schedule V para C, D, and E does not apply to our Company.

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Pursuant to Regulation 34(2)(e) and schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis Report is annexed herewith marked as Annexure "VI" to this Report.

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

The Company has in place an anti Sexual Policy in line with the requirements of the Sexual Harassment of Women at the Work place (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. A copy of the said policy is available on the website of the Company at the following path: <http://www.mpagroindustries.in/code-of-conduct.html>.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of subsection (5) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The accounting policies had been selected and applied 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 on 31<sup>st</sup> March 2020 and of profit and loss of the Company for that period;
- c) Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts had been prepared on a going concern basis;
- e) Internal financial controls, to follow by the Company are duly laid down and these controls are adequate and were operating effectively.
- f) 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.

**ACKNOWLEDGEMENT**

Your Directors acknowledge the continued co-operation and assistance received from the state and central government authorities and company's bankers, customers, vendors, investors and all other stake holders during the year. Your Directors express their sincere appreciation and gratitude for the whole hearted contribution made by employees at all level who through their capability and hard work have enable your company attain good performance during these difficult times and look forward to their support in future as well.

**IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs has taken "Green Initiative in the Corporate Governance" by allowing paperless compliance by the companies and has issued circulars stating that service of notice/documents including Annual Reports can be sent by E-mail to its members. This will also ensure prompt receipt of Communication and avoid loss in postal transit.

To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses by sending email to [mpagroindustries@gmail.com](mailto:mpagroindustries@gmail.com) with subject as "E-mail for Green Initiative" mentioning their Folio no./Client ID. Members holding shares in electronic form may register/update their e-mail addresses with the Depository through their concerned Depository Participant(s).

**For and on behalf of the Board of Directors  
M. P. Agro Industries Ltd.**

**Sd/-**

**Shamim Sheikh**

**Chairperson of the Board**

**Place: Vadodara**

**Date: 20<sup>th</sup> August, 2020**

**Form No. MGT-9**  
**Extract of Annual Return**

**As on Financial Year Ended on 31st March, 2020**

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

1. Registration Details:

<b>1</b>	<b>CIN</b>	L24123MP1975SGC001354
<b>2</b>	<b>Registration Date</b>	4 <sup>TH</sup> DECEMBER, 1975
<b>3</b>	<b>Name of Company</b>	M. P. AGRO INDUSTRIES LIMITED
<b>4</b>	<b>Category/Sub-Category of the Company</b>	Limited by Shares / State Government Company
<b>5</b>	<b>Address of the Registered office and contact details</b>	924, 9 Floor, Fortune Tower, Sayajigunj, Vadodara – 390020 Phone : 0265-2363280 Mobile : +91 6358761061 Email : <a href="mailto:mpagroindustries@gmail.com">mpagroindustries@gmail.com</a>
<b>6</b>	<b>Whether listed company Yes/No</b>	YES
<b>7</b>	<b>Name, Address and Contact details of Registrar and Transfer Agent</b>	<b>M/s. Link Intime India (Pvt.) Limited</b> B Tower, 102 B & 103, Shangrila Complex, Frist Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390020 Phone : 0265-2356573 Fax : 0265-2356791 Contact Person : Alpesh Gandhi Designation: Asst. Vice-President(Operations), Vadodara, E-mail ID : <a href="mailto:alpesh.gandhi@linkintime.co.in">alpesh.gandhi@linkintime.co.in</a>

2. Principal Business Activities of the Company:

All the business activities contributing 10% or more of the total turnover of the company shall be stated –

Sr. No.	Name and Description of main products / services	ITC-HS Code	% total turnover of the Company
<b>1</b>	Manufacturing NPK Fertilizers	3103	0

3. Particulars of Holding, Subsidiary and Associate Companies:

Sr. no.	Name and Address of the Company	ITC or NIC Code of the Product/Services	CIN/GLN	Holding/ Subsidiary/ Associate	% of Share Held	Applicable Section
Not Applicable						



**b. Shareholding of Promoter:**

Sr. No.	Name of Share holder	Shareholding at the beginning of the year (01.04.2019)			No. of Shares held at the end of the year (31.03.2020)			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / Encumbered to total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / Encumbered to total shares	
1.	Rafiqa Maqsood Merchant	526110	9.0647	0	526110	9.0647	0	0
2.	Rabia A. Dhanani	50000	0.8615	0	50000	0.8615	0	0
3.	Habibunisha R. Dhanani	71000	1.2233	0	71000	1.2233	0	0
4.	Gulshanbanu R. Dhanani	130000	2.2399	0	130000	2.2399	0	0
5.	Sajid R. Dhanani	69600	1.1992	0	69600	1.1992	0	0
6.	Suchitra Dhanani	60000	1.0338	0	60000	1.0338	0	0
7.	Nasimbanu R. Dhanani	60000	1.0338	0	60000	1.0338	0	0
8.	Shamim R Dhanani	130000	2.2399	0	130000	2.2399	0	0
9.	Havabai D. Dhanani	850	0.0146	0	850	0.0146	0	0
10.	Kantilal R. Patni	100	0.0017	0	100	0.0017	0	0

**c. Change in Promoters' Shareholding (Please specify, if there is no change):**

Sr. No.	Name of Shareholder	Shareholding at the Beginning of the Year (01.04.2018)		Cumulative Shareholding During Year (31.03.2019)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.					
<b>*There is no change in other Promoters Shareholding</b>					

**d. Shareholding Pattern of Top Ten Shareholders (Other Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name of Shareholder	Shareholding at the Beginning of the Year		Cumulative Shareholding During Year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	<b>Liberty Fertilisers Ltd.</b> At the beginning of the Year	1053879	18.1581		
	<b>Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):</b>			NIL	NIL
	<b>At the End of the year</b>			1053879	18.1581
2.	<b>Bhavnagar Agro Industries Ltd.</b> At the beginning of the Year	765000	13.18		



	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			NIL	NIL
	At the End of the year			765000	13.18
3.	<b>Bharat Equity Services Ltd. #</b> At the beginning of the Year	565689	9.74		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			NIL	NIL
	At the End of the year			565689	9.74
4.	<b>Salim Hajjumar Sheikh</b> At the beginning of the Year	497000	8.5632		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			NIL	NIL
	At the End of the year			497000	8.5632
5.	<b>Habibunisa R Dhanani</b> At the beginning of the Year	122700	2.1141		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			NIL	NIL
	At the End of the year			122700	2.1141
6.	<b>Abdulrazak Dawood Dhanani</b> At the beginning of the Year	373755	6.4397		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			NIL	NIL
	At the End of the year			373755	6.4397
7.	<b>Rabiabai Dhanani</b> At the beginning of the Year	95000	1.6368		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			NIL	NIL
	At the End of the year			95000	1.6368

8.	<b>Hitesh Ramji Javeri</b> At the beginning of the Year	148300	2.55		
	<b>Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):</b>			NIL	NIL
	<b>At the End of the year</b>			148300	2.55
9.	<b>Amoha Traders Pvt. Ltd.</b> At the beginning of the Year	124600	2.1468		
	<b>Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):</b>			NIL	NIL
	<b>At the End of the year</b>			124600	2.1468
10.	<b>Harsha Hitesh Javeri</b> At the beginning of the Year	105000	1.8091		
	<b>Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):</b>			NIL	NIL
	<b>At the End of the year</b>			105000	1.8091

# Figure of share shown is consolidation of more than one folio held by share holder.

e. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Shareholder	Shareholding at the Beginning of the Year		Cumulative Shareholding During 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 <b>Rafiq Maqsood Merchant</b> <b>Shamim R Dhanani</b> <b>Yunus R. Memon</b> <b>Chaturbhai C. Patel</b> <b>Saba Sultana Memon</b>	526110 130000 NIL NIL NIL	9.0647 2.2399 NIL NIL NIL		
2.	<b>Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):</b>				
	<b>Rafiq Maqsood Merchant</b> <b>Shamim R Dhanani</b> <b>Yunus R. Memon</b> <b>Chaturbhai C. Patel</b> <b>Saba Sultana Memon</b>			NIL NIL NIL NIL NIL	NIL NIL NIL NIL NIL
3.	<b>At the End of the year</b> <b>Rafiq Maqsood Merchant</b> <b>Shamim R Dhanani</b> <b>Yunus R. Memon</b> <b>Chaturbhai C. Patel</b> <b>Saba Sultana Memon</b>			526110 130000 NIL NIL NIL	9.0647 2.2399 NIL NIL NIL

5. Indebtedness:

**Indebtedness of the Company including Interest Outstanding/Accrued but not due for payment**

Particulars	Secured Loan Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial Year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Change in indebtedness during financial year</b>				
- Addition	NIL	NIL	NIL	NIL
- Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

**6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

A. Remuneration to Managing director, Whole-time director and/or Manager:

Particular of Remuneration	Name of MD/WTD/Manager	Total Amount
	Mr. Yunus Memon* (Managing Director)	
Gross salary		
(a) Salary as per provisions contained in section 17(1) of the Income Tax –Act, 1961.	-	-
(b) Value of perquisites u/s 17(2) Income Tax –Act, 1961.	-	-
(c) Profits in lieu of salary under section 17(3) Income Tax –Act, 1961.	-	-
Stocks Option	-	-
Sweat Equity	-	-
Commission	-	-
- As % of profit		
- Other , specify		
Other, Please specify	-	-
<b>Total (A)</b>	-	-
<b>Ceiling as per the Act</b>		

\*Remuneration for the period 1<sup>st</sup> April, 2018 to 30<sup>th</sup> November, 2018

B. Remuneration to other Directors:

Particular of Remuneration	Name of Directors				Total Amount
	Mrs. Rafiqunnisa Merchant	Mrs. Shamim Sheikh	Mr. Chatur Patel	Mrs. Saba Sultana Memon	
Independent Directors					
• Fees for attending board committee meetings	1,00,000	80,000	1,40,000	1,20,000	4,40,000
• Commission					
• Other, Please specify					
<b>Total(1)</b>	1,00,000	80,000	1,40,000	1,20,000	4,40,000
Other Non-Executive Directors					
• Fees for attending board committee meetings					

• Commission					
• Other, Please specify					
Total(2)					
Total (B)=(1+2)	160,000	180,000	240,000	240,000	820,000
Total Managerial Remuneration					
Overall Ceiling as per the Act					

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/WTD/MANAGER**

Particular of Remuneration	Name of KMP		Total Amount
	Ishita Kapure Company Secretary (upto 14.08.2019)	Neeti Kashyap Company Secretary (w.e.f. 01.01.2020)	
Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax –Act, 1961. (b) Value of perquisites u/s 17(2) Income Tax –Act, 1961. (c) Profits in lieu of salary under section 17(3) Income Tax –Act, 1961.	1,58,360	28,000	1,86,360
Stocks Option	-	-	-
Sweat Equity	-	-	-
Commission - As % of profit - Other , specify	-	-	-
Other, Please specify	-	-	--
Total (A)	1,58,360	28,000	1,86,360
Ceiling as per the Act			

**7. Penalties/Punishment/Compounding of Offences:**

Type	Section of The Companies Act	Brief Description	Details of Penalty/Punishment /Compounding Fees imposed	Authority [RD/NCLT/Court]	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. Directors</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. Other Officers In Default</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

**Secretarial Audit Report**

(For the Financial year ended on 31st March, 2020)

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

To,  
The Members,  
M.P. Agro Industries Limited,  
924, Fortune Tower,  
Sayajigunj, Vadodara  
Gujarat - 390005

Dear Sirs,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to corporate practice by **M.P. Agro Industries Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on **31<sup>st</sup> March, 2020**, according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings. – As reported to us there were no FDI, ODI and ECB transactions in the Company during the Audit period.

5. 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, 2009. - **Not Applicable** as the Company did not issue any security during the financial year under review.
  - D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. - **Not Applicable** as the Company has not granted any options to its employees during the financial year under review.
  - E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. – **Not Applicable** as the Company neither issue nor listed any debt securities during the financial year under review.
  - F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 - **Not Applicable** as the Company is not registered as Registrar to Issue and Share Transfer Agent.
  - G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. - **Not Applicable** as the Company has not delisted its equity shares from any stock exchange during the financial year under review.
  - H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. - **Not Applicable** as the Company did not buy back any security during the financial year under review.

Considering representation of management and products, process and location of the Company, no laws are applicable specifically to the Company.

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

- (i) The Mandatory Secretarial Standards (SS1 and SS2) issued by the Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. - Certain Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company as the equity share capital is below Rs. 10 Crores and Net worth is below Rs. 25 Crores.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above subject to following qualifications;

- *The Company has published its Financial Results in the news paper Vadodara Samachar, published in Gujarati language but did not publish the same in the news paper of English language.*

- *As per the requirements of Regulation 31(2) of the SEBI (LODR) Regulations, 2015 the 100% share holding of the promoters have not been maintained in demat form. Share holding of three Promoters who have expired are not in demat form.*

**We 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 year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

We further report that as per the minutes of the meetings duly recorded and signed by the Chairman, the decisions were carried at meetings without any dissent.

We 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.

**for J. J. Gandhi & Co.  
Practising Company Secretaries**

**Place: Vadodara  
Date: 20<sup>th</sup> August, 2020**

**(J. J. Gandhi)  
Proprietor  
FCS No. 3519 and CP No. 2515**

**UDIN number F003519B000600104**

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

**Annexure to Secretarial Audit Report**

Date: 20<sup>th</sup> August, 2020

To,  
The Members,  
M.P. Agro Industries Limited,  
924, Fortune Tower,  
Sayajigunj, Vadodara, Gujarat - 390005

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. The Compliance of applicable financial laws like direct and indirect laws have not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**for J. J. Gandhi & Co.**  
**Practising Company Secretaries**

**(J. J. Gandhi)**  
**Proprietor**  
**FCS No. 3519 and CP No. 2515**



### Annexure III

[Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:-  
There are only two employees in the company during the year. The Managing Director is paid remuneration as per his agreement. Other Directors of the Company receive only Sitting Fees for attending Board meetings at the rate of ` 20,000 for each meeting and no other remuneration.
2. The percentage increase in the median remuneration of employees in the financial year:- N.A.
3. The number of permanent employees on the rolls of Company:- 2
4. The explanation on the relationship between average increase in remuneration and company performance:- Not applicable.
5. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:-  
The remuneration of the Key Managerial Personnel has been fixed taking into account the years of experience, work profile and responsibility.
6. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:-  
The Company's market capitalization is 1.43 crore as on March 31, 2020. Over the same period, the price earning ratio is -4.86. The price of the Company's equity share as on March 31, 2019 is 1.89.
7. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:- Not applicable.
8. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:-  
The remuneration of each of the Key Managerial Remuneration is fixed taking into account the years of experience, work profile and responsibility of the respective employee and inflation costs.
9. The key parameters for any variable component of remuneration availed by the Directors:-  
Not applicable.
10. The ratio of remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year: None.
11. Affirmation that the remuneration is as per the remuneration policy of the Company:-  
The remuneration is as per the Company's Nomination and Remuneration Policy.
12. There are no employees within the purview of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **1. Industry structure and developments**

The Company operates primarily in the manufacturing of chemical fertilizers. Presently the company is not carrying the manufacturing activities. The company has registered loss during the year under review of **Rs. 29,53,662** as compared to profit of **Rs. 6,74,233** during the previous year.

### **2. Opportunities and Threats**

Government's focus on infrastructure development, and Make in India concept will give boost to industry. However, cheap chemical fertilizers will continue to be a threat to retreading industry.

### **3. Segment-wise or product-wise performance**

The Management of Company accepts responsibility for the integrity and objectivity of these financial statements. The management believes that the financial statements reflect fairly the form and substance of transactions and reasonably presents the company's financial condition, and result of operations.

Segment-wise performance together with discussion on financial performance with reference to the operational performance has been dealt with in the Directors' Report which should be treated as forming part of the Management Discussion and Analysis.

### **4. Outlook**

The company is looking forward to diversify the business of the company from chemical fertilizers to petro chemicals to be set up for the work of exports after researching the foreign market and looking to the demand of the product in global market.

### **5. Risks and concerns**

The company has laid down a well defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor and non-business risks. The Audit Committee and the Board periodically review the risks and suggest steps to be taken to manage/ mitigate the same through a properly defined framework. During the year, a risk analysis and assessment was conducted and no major risks were noticed, which may threaten the existence of the company.

### **6. Internal control systems and their adequacy**

To ensure this, the company has installed a system of internal control, which is reviewed, evaluated and updated on an ongoing basis. Our auditor has conducted periodic audits to provide reasonable assurance that the company's established policies and procedure have been followed. However, there is inherent limitation that should be recognized in weighing that assurance provided by any system of internal control. M/s. Jwalant Shah & Co., Chartered Accountants, is the Internal Auditors of the Company and their name is approved by the Audit Committee.

The Company has proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use on disposition and transactions are authorized, recorded and reported correctly.

Internal control systems are supplemented by Internal Audit Reviews, coupled with guidelines and procedures updated from time to time by the Management. Internal control systems are established to ensure that the financial and other records are reliable for preparing financial statements.

Internal Audit System is engaged in evaluation of internal control systems. Internal audit findings and recommendations are reviewed by the Management and Audit Committee of the Board of Directors. M/s. Parikh Shah Chotalia & Associates, Chartered Accountants, Statutory Auditors of the Company, have been appointed to certify the adequacy and effectiveness of Internal Financial Control over financial reporting for the Financial Year 2019-20.

**7. Material developments in Human Resources / Industrial Relations front, including number of people employed.**

During the year the Company had cordial relations with staff and officers. The Company believes in empowering its employees through greater knowledge, team spirit and developing greater sense of responsibility. There were 3 regular employees as at March 31, 2020.

**INDEPENDENT AUDITORS' REPORT**

To,  
**THE MEMBERS,**  
**M P AGRO INDUSTRIES LIMITED**  
**VADODARA**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **M P Agro Industries Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2020**, the Profit and Loss Statement and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit 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 Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

Due to the COVID-19 related lockdown, we were not able to attend the Management's year end physical verification of inventory. Consequently, we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence to issue our opinion on these Financial Results. Our report on the Statement is not modified in respect of the above matters.

## Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditors' Response
1.	<b>Revenue Recognition</b>	
	The Company recognizes revenues when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining the sales price, the Company considers the effects of rebates and discounts (variable consideration). The terms of arrangements in case of domestic sales, including the timing of transfer of control, the nature of discount and rebates arrangements, delivery specifications, create complexity and judgment in determining sales revenues.	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing of samples by selecting samples of invoices and vouchers for a variety of revenues and capital expenditure for the purpose of revenue reorganization, appropriateness of the transaction price and their basis over a period.

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

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

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditors' Responsibility**

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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. On the basis of the management's in depth involvement in the day to day affairs of the business transactions of the Company and looking to the size and volume of operations and based on the information and explanations provided to us on the functioning of the affairs of business, we are of the opinion that the existing controls hardly suffer from significant material weaknesses and the existence of checks and controls act as deterrent to material misstatements, frauds and massive errors and adequate internal financial controls system operate over financial reporting system which serves the purpose laid down in Sec.143 of the Companies Act, 2013.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
  - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

**For PARIKH SHAH CHOTALIA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**Firm Reg. No. 118493W**

**VADODARA, 30<sup>th</sup> July, 2020**

**CA VIJAY M. PARIKH (Mem. No. 031773)**  
**PARTNER**



## ANNEXURE – “A” TO INDEPENDENT AUDITORS’ REPORT

### (Referred to in Paragraph 2 under “Report on Other Legal and Regulatory Requirements of the Independent Auditors’ Report of even date)

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-

- i. **Fixed Assets**
  - a. The Company has maintained proper records showing particulars, including quantitative details and situation of fixed assets.
  - b. As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification-programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business.
  - c. According to the information and explanation given to us the title deeds of immovable properties of the Company are held in the name of the company.
- ii. As explained to us there are no Physical Inventory as on 31/03/2020 except for Goods In Transit and during our audit, no material discrepancies were noticed.
- iii. According to the information and explanations given to us, the Company has granted unsecured loans parties covered u/s 189 of the Companies Act, 2013, during the year under report.
  - a. The terms and conditions of the grant of such loans are not prejudicial to the company’s interest;
  - b. The schedule of repayment of principal and payment of interest is stipulated and to be repaid on demand by the Company;
  - c. the said amount is not overdue.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- iv. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit to which the provisions of Section 73 to 76 of the Companies Act 2013 and Rules made there under.
- vi. In our opinion and according to the information and explanations given to us, the maintenance of cost records pursuant to the Rules made by the Central Government under Section 148(1) of the Companies Act, 2013, do not apply to the Company.
  - a) According to the records of the Company, it has been regular in depositing undisputed statutory dues including Income tax and other Statutory Dues and there are no arrears outstanding as at year end for a period of more than six months from the date they became payable.
  - b) According to the information and explanations given to us, dues that have not been deposited by the company on account of disputes are as follows:

Name of the Statute	Nature of Dues	Amount in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	66.75	F.Y. 2013-14 (i.e. A.Y. 2014-15)	ITAT Indore

- viii. On the basis of records examined by us and the information and explanations given to us, the Company has not borrowed any amount for which scheduled repayment is required. The Company has also not issued any debentures.
- ix. During the year under reference, Company has not borrowed any amount by way of Term Loan. The Company has also not raised any money by way of initial public offer or further public offer.
- x. According to the information and explanations given to us, and to the best of our knowledge and belief, no fraud by the Company or by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, managerial remuneration has been paid or provided for during the year as per the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore, the provisions of Section 42 of the Companies Act, 2013 are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non - cash transactions with directors or persons connected with the Directors.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For PARIKH SHAH CHOTALIA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
 Firm Reg. No. 118493W

VADODARA, 30<sup>th</sup> July, 2020

**CA VIJAY M. PARIKH (Mem. No. 031773)**  
**PARTNER**

**Statement of Balance Sheet as on 31<sup>st</sup> March 2020**

**( In Rs.)**

Particulars	Note No.	As at March 31 <sup>st</sup> 2020		As at March 31 <sup>st</sup> 2019	
<b>Assets</b>					
<b>1. Non-Current Assets</b>					
(a) Property, Plant & equipment	3	2,449		2,808	
(b) Financial Assets					
(i) Loans	4	35000000		63,41,445	
(c) Other Non-Current Assets	5	--		3,78,44,280	
(d) Income Tax Assets	6	15,00,219	3,65,02,668	10,65,002	4,52,53,535
<b>2. Current Assets</b>					
(a) Inventories	7	59,82,228		--	
(b) Financial Assets					
(i) Cash and Cash Equivalents	8a	1,40,47,847		1,21,86,220	
(ii) Balances with banks other than 8a above	8b	45,38,176		3,00,000	
(ii) Loans	9	32,32,560		29,400	
(iii) Other Financial Asset	10	25,64,624		71,905	
(c) Other Current Assets	11	17,36,786	3,21,02,222	28,23,180	1,54,10,705
<b>Total</b>			<b>6,86,04,890</b>		<b>60,664,240</b>
<b>Equity and Liabilities</b>					
<b>1. Equity</b>					
(a) Equity share capital	12	58,039,140		58,039,140	
(b) Other equity	13	(4,28,524)	5,76,10,616	2,525,138	60,564,278
<b>2. Liabilities</b>					
(a) Financial Liabilities					
(i) Payables	14	59,56,142		33,067	
(i) Other Financial Liabilities	15	50,25,382		2,873	
(b) Other Current Liabilities	16	12,750	1,09,94,274	64,022	99,962
<b>Total</b>			<b>6,86,04,890</b>		<b>60,664,240</b>
<b>Significant Accounting Policies</b>	1-2				
<b>Other Notes</b>	24-34				
<b>Notes form an integral part of these financial statement</b>					

**As per our report of even date attached  
For PARIKH SHAH CHOTALIA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 118493W**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**(SHAMIM SHEIKH)  
DIRECTOR**

**(YUNUS R. MEMON)  
DIRECTOR**

**(CA VIJAY PARIKH) Mem. No. 031773  
PARTNER,  
VADODARA, 30<sup>TH</sup> JULY, 2020**

**(CHATUR C. PATEL)  
CHIEF FINANCIAL OFFICER  
VADODARA, 30<sup>TH</sup> JULY, 2020**

**(NEETI KASHYAP)  
COMPANY SECRETARY**

**Statement of Profit and Loss as on 31st March 2020** (in Rs.)

Particular	Notes	For the year ended March 31 <sup>st</sup> 2019	For the year ended March 31 <sup>st</sup> 2018
<b>I. Revenue from Operations</b>		-	-
<b>II. Revenue from operations</b>	<b>17</b>	1,41,19,222	--
<b>II. Other Income</b>	<b>18</b>	49,71,315	3,440,579
Total Revenue (I+II)		1,90,90,537	3,440,579
<b>IV. Expenses :</b>			
(a) Purchase of Traded Goods	<b>19</b>	2,02,73,311	--
(b) Changes in Inventory of Traded Goods	<b>20</b>	(59,82,228)	--
(c) Employees Emoluments	<b>21</b>	4,48,255	523,312
(d) Finance Cost	<b>22</b>	1,27,479	64,988
(e) Depreciation	<b>3</b>	359	3,055
(f) Other Expenses	<b>23</b>	77,74,952	1,936,991
Total Expenses		<b>2,26,42,127</b>	<b>2,528,346</b>
<b>Profit before Tax (III-IV)</b>		<b>(35,51,590)</b>	<b>912,233</b>
<b>Tax Expense:</b>			
Current Year Tax		20,783	238,000
Tax Expenses /(Refunds) relating to prior years		(6,18,711)	-
Profit/(Loss) for the Year (V- VI)		<b>(29,53,662)</b>	<b>674,233</b>
<b>Other Comprehensive Income</b>		--	--
<b>Total Comprehensive Income for the Year(VII+VIII)</b>		<b>(29,53,662)</b>	<b>674,233</b>
Earning Per Equity Share:			
Basic		(0.51)	0.12
<b>Significant accounting Policies</b>	<b>1-2</b>		
<b>Other Notes</b>	<b>24-34</b>		
Notes form an integral part of these financial statements			

As per our report of even date attached  
For PARIKH SHAH CHOTALIA & ASSOCIATES  
**CHARTERED ACCOUNTANTS**  
Firm Reg. No: 118493W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(SHAMIM SHEIKH)  
DIRECTOR

(YUNUS R. MEMON)  
DIRECTOR

(CA VIJAY PARIKH) Mem. No. 031773  
PARTNER,  
VADODARA, 30<sup>TH</sup> JULY, 2020

(CHATUR C. PATEL)  
CHIEF FINANCIAL OFFICER

(NEETI KASHYAP)  
COMPANY SECRETARY

VADODARA, 30<sup>TH</sup> JULY, 2020

## Statement of Changes in Equity for the year ended 31st March, 2020

### A. Equity Share Capital

Particulars	Amount in Rs.
Balance as at 1 <sup>st</sup> April, 2018	58,039,140
Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2019	58,039,140
Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2020	58,039,140

### B. Other Equity

Particulars	Reserves and Surplus			Total
	Capital Reserve	General Reserve	Retained Earnings	
Balance as at 1 <sup>st</sup> April, 2018	9,88,771	-	8,62,134	18,50,905
Profit/(Loss) for the year	-	-	6,74,233	6,74,233
<b>Other Comprehensive Income for the year</b>	-	-	-	-
Balance as at 31st March, 2018	988,771	-	15,36,367	25,25,138

Particulars	Reserves and Surplus			Total
	Capital Reserve	General Reserve	Retained Earnings	
Balance as at 1 <sup>st</sup> April, 2019	-	-	15,36,367	15,36,367
Profit/(Loss) for the year	-	-	(29,53,662)	(29,53,662)
<b>Other Comprehensive Income for the year</b>	-	-	-	-
Balance as at 31st March, 2019	988,771	-	(14,17,295)	(14,17,295)
<b>The above Statement of Changes in Equity should be read in conjunction with the accompanying notes</b>				

As per our report of even date attached  
For PARIKH SHAH CHOTALIA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Reg. No: 118493W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(SHAMIM SHEIKH)  
DIRECTOR

(YUNUS R. MEMON)  
DIRECTOR

(CA VIJAY PARIKH) Mem. No. 031773  
PARTNER,  
VADODARA, 30<sup>TH</sup> JULY, 2020

(CHATUR C. PATEL)  
CHIEF FINANCIAL OFFICER  
VADODARA, 30<sup>TH</sup> JULY, 2020

(NEETI KASHYAP)  
COMPANY SECRETARY  
VADODARA, 30<sup>TH</sup> JULY, 2020

## **NOTES TO FINANCIAL STATEMENTS**

### **NOTE '1'. BANKGROUND**

M P Agro Industries Limited (the Company) is a public limited company listed on Bombay Stock Exchange Limited. It was incorporated on 04.12.1975 under the provisions of the Companies Act, 1956. The registered office of the company has been changed to 924, 9th floor, fortune tower, Sayajgunj, Vadodara, Gujarat-390020. The Company's objects are to carry on in India or in any part of the World all kind of business relating to fertilizers, heavy chemicals and their by-products.

### **NOTE '2'. SIGNIFICANT ACCOUNTING POLICIES:**

#### **A. Statement of Compliance:**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Companies (Indian Accounting Standards) Rules, 2015. Upto the Year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of the Standards notified under the Companies (Accounting Standards) Rules, 2006. From 01.04.2017 Ind AS has been applicable. In accordance with Ind AS 101 First - time Adoption of Indian Accounting Standard, from FY 2017-18, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2019 and April 1, 2017 and of the Comprehensive net income for the year ended March 31, 2019 and April 1, 2018.

#### **B. Basis of Presentation:**

The accounts have been prepared using historical cost convention and on the basis of a going concern, with revenues recognized and expenses accounted for on accrual (including for committed obligations), in accordance with the Indian Accounting Standards prescribed in the Companies (Indian Accounting Standards) Rules, 2015.

#### **C. Property, Plant and Equipment:**

- a) All the items of property, plant and equipment are stated at historical cost less depreciation. Costs directly attributed to acquisition are capitalised until the Property, Plant and Equipment are ready for use, as intended by management. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.
- b) The Company depreciates Property, Plant and Equipment over their estimated useful lives using the straight line method.
- c) For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 1 2017 (transition date) measured as per the previous GAAP and considered that carrying value as its deemed cost as of the transition date.

**D. Depreciation:**

- (a) Depreciation is charged on property, plant and equipment as per the Straight Line Method at the rates and in the manner prescribed under Schedule-II of the Companies Act, 2013.
- (b) Depreciation on additions / deductions to the Fixed Assets is being provided on prorata basis from/ to the month of acquisition / disposal.

**E. Recognition of Incomes:**

- a) Revenues/Incomes are generally accounted on accrual, as they are earned.
- b) Sale of goods is recognized on transfer of property in goods or on transfer of significant risks and reward of ownership to the buyer, which is generally on dispatch of goods.
- c) Interest income 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 time basis, by reference to the principal outstanding and at the effective rate applicable.

**F. Contingencies and Events occurring after the date of Balance Sheet:**

- a) Accounting for contingencies (gains and losses) arising out of contractual obligations are made only on the basis of mutual acceptance.
- b) Where material, events occurring after the date of Balance Sheet are considered up to the date of adoption of the accounts.

**G. Impairment of Assets:**

The carrying amounts of property, plant and equipment are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

**H. Use of Estimates**

- I. The preparation of financial statements in conformity with INd AS requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

**J. Income Taxes**

- a) Income tax expense represents the sum of the tax currently payable and deferred tax.
- b) Provision for Current tax is made, based on tax estimated to be payable as computed under the various provisions of the Income Tax Act, 1961.
- c) Deferred tax is recognised, subject to prudence, on timing differences between taxable income and accounting income that originate during the year and are capable of being reversed in one or more subsequent periods. Deferred tax assets are recognised only to the extent that there is reasonable certainty that future taxable income will be available against which such deferred tax assets can be realised.
- d) Deferred Tax Liabilities / Assets are quantified using the tax rates and tax laws enacted or substantively enacted as on the date of the financial statements.

**Note – 3 PROPERTIES, PLANT AND EQUIPMENT**

Sr No	Description	Gross Block				Depreciation				Net Block	
		Balance as at 01.04.2019	Additions/ Adjustments during the year	Disposals/ Adjustments during the year	Balance as at 31.03.2020	UP TO 01.04.2019	Provided for the year	Disposals / Adjustments during the year	Balance as at 31.03.2020	Balance as at 31.03.2020	Balance as at 31.03.2019
1	Furniture & Fixture	3,335	-	-	3,335	971	359	-	1330	2005	2364
2	Computer	8,900	-	-	8,900	8456	-	-	8456	444	444
Total		12,235	-	-	12,235	9427	359	-	9786	2449	2808
Previous Year		12,235	-	-	12,235	6372	3055	-	9427	2808	5863

Sr No	Description	Gross Block				Depreciation				Net Block	
		Balance as at 01.04.2018	Additions/ Adjustments during the year	Disposals/ Adjustments during the year	Balance as at 31.03.2019	UP TO 01.04.2018	Provided for the year	Disposals / Adjustments during the year	Balance as at 31.03.2019	Balance as at 31.03.2019	Balance as at 31.03.2018
1	Furniture & Fixture	3,335	-	-	3,335	656	315	-	971	2364	2679
2	Computer	8,900	-	-	8,900	5716	2,740	-	8456	444	3184
Total		12,235	-	-	12,235	6372	3,055	-	9427	2808	5863
Previous Year		12,235	-	-	12,235	3371	3055	-	6372	5863	8918

Note: Depreciation has been provided on entire assets as component approach Method prescribed under Ind AS 16 is not feasible as the assets are individually compact in nature.



**Notes Forming Part of Balance Sheet as on 31st March 2020**

**(In Rs.)**

<b>Note – 4</b>	<b>As at 31<sup>st</sup> March, 2020</b>	<b>As at 31<sup>st</sup> March, 2019</b>
<b>Loans</b>		
Loans to Related Parties	4,13,41,445	63,41,445
Less: Allowances for Doubtful	63,41,445	--
<b>Total</b>	<b>3,50,00,000</b>	<b>63,41,445</b>
<b>Note – 5</b>	<b>As at 31<sup>st</sup> March, 2020</b>	<b>As at 31<sup>st</sup> March, 2019</b>
<b>Other Non-Current Assets</b>		
Balances with Statutory Authorities	--	--
Other bank balance-In Deposit Accounts	--	3,78,44,280
<b>Total</b>	<b>--</b>	<b>3,78,44,280</b>
<b>Note – 7</b>	<b>As at 31<sup>st</sup> March, 2020</b>	<b>As at 31<sup>st</sup> March, 2019</b>
<b>INVENTORIES</b>		
<b>Finished Goods in Transit</b>	59,82,228	--
<b>Total</b>	<b>59,82,228</b>	<b>--</b>
<b>Note – 8</b>	<b>As at 31<sup>st</sup> March, 2020</b>	<b>As at 31<sup>st</sup> March, 2019</b>
<b>Financial Assets</b>		
(i) Cash And Cash Equivalents		
Cash Balance	6,73,073	242,267
Balance with banks		
-In Current Accounts	18,74,775	443,954
-In Fixed Deposit Accounts	1,15,00,000	1,15,00,000
<b>Total</b>	<b>1,40,47,847</b>	<b>1,21,86,220</b>
(ii) Bank Balances other than (a) above		
Other bank balance		
(iii) In Deposit Accounts #	45,38,176	3,00,000
<b>Total</b>	<b>45,38,176</b>	<b>3,00,000</b>
* These represents deposits with original maturity of less than or equal to 3 months		
# These represents deposits with original maturity of more than 3 months but less than 12 months.		
*(The above Company's Fixed Deposits is pledged against bank overdraft facility of the Company )		
<b>Note – 9</b>	<b>As at 31<sup>st</sup> March, 2020</b>	<b>As at 31<sup>st</sup> March, 2019</b>
<b>LOANS</b>		
Loan to employees	70000	25000
Loan to related parties	3162560	4400
<b>Total</b>	<b>32,32,560</b>	<b>29,400</b>

Note – 10	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Other Financial Assets</b>		
Interest Accrued on FDR	89,404	71,905
Interest Accrued on unsecured loan	2475220	-
<b>Total</b>	<b>2564624</b>	<b>71905</b>

Note – 11	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019
<b>Other Current Assets</b>		
Short Term Loans and Advances	5,00,245	--
Balances with Statutory Authorities	12,36,541	28,23,180
<b>Total</b>	<b>17,36,786</b>	<b>28,23,180</b>

Note – 12	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Equity Share Capital			
<b>Authorized Capital</b>	60,000,000	60,000,000	60,000,000
60,00,000 Equity Share of Rs. 10 each [Previous Year : 60,00,000 Equity Shares of Rs.10/- each]			
<b>Issued, Subscribed and Paid Up</b>	58,039,140	58,039,140	58,039,140
58,03,914 Equity Shares of Rs. 10 each fully paid in cash [Previous Year : 58,03,914 Equity Shares of Rs.10/- each]			
<b>Total</b>	<b>58,039,140</b>	<b>58,039,140</b>	<b>58,039,140</b>

**Reconciliation of the Number of share outstanding at the beginning and at the end of the Reporting period.**

Equity Shares	31 <sup>st</sup> March, 2020		31 <sup>st</sup> March, 2019	
	No. of Share	Amount	No. of Share	Amount
<b>At the beginning of the year</b>	5,803,914	58,039,140	5,803,914	58,039,140
Add: Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	5,803,914	58,039,140	5,803,914	58,039,140

**Details of shareholders holding more than 5% shares**

Name of the shareholder	31 <sup>st</sup> March, 2020		31 <sup>st</sup> March, 2019	
	No. of Shares	% holding	No. of Shares	% holding
Bhavnagar Agro Industries Ltd.	765,000	13.18	765,000	13.18
Liberty Fertilizers Ltd.	1,053,879	18.16	1,053,879	18.16
Abdul Razak Dhanani	373,755	6.44	373,755	6.44
Rafiq Maqsood Merchant	526,110	9.06	526,110	9.06
Bharat Equity Services Ltd.	565,689	9.75	565,689	9.75
Salim Hajiumar Sheikh	497,000	8.56	497,000	8.56

**Terms/Right Attached to Shares**

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to 1 vote per share with same rights, preferences. In the event of liquidation of the Company the holder of Equity Shares will be allowed to receive remaining assets of the Company, after distribution of all privileged amounts in proportion to their shareholding.

<b>Note – 13</b>	<b>31<sup>st</sup> March, 2020</b>	<b>31<sup>st</sup> March, 2019</b>	<b>31<sup>st</sup> March, 2018</b>
<b>Other Equity</b>			
<b>Capital Reserve</b>	988,771	988,771	988,771
<b>Retained Earnings</b>			
Opening Balance (P&L)	15,36,367	862,134	(6,393,722)
Add: Profit & Loss for the Year (loss)	(29,53,662)	674,233	7,255,856
Closing Balance	(14,17,295)	1,536,367	862,134
Balance in Profit & Loss Account	<b>(4,28,524)</b>	<b>2,525,138</b>	<b>1,850,905</b>
<b>Note – 14</b>	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2019	
<b>PAYABLES</b>			
<b>Creditors for Expenses</b>	<b>5,31,160</b>	<b>33,067</b>	
<b>Creditors for Goods</b> (For MSME Creditors refer Note No.27)	<b>54,24,982</b>	-	
Total	<b>59,56,142</b>	<b>33,067</b>	
<b>Note – 15</b>			
<b>Other Financial Liabilities</b>			
<b>Bank Overdraft against FDR*</b>	<b>50,25,382</b>	<b>2,873</b>	
Total	<b>50,25,382</b>	<b>2,873</b>	
* Nature of Security: The above overdraft is secured by way of pledge of the Company's Fixed Deposits with State Bank of India.			
* Rate of Interest : 6.5% p.a.			
<b>Note – 16</b>			
<b>Other Current Liabilities</b>			
Duties and Taxes	12,750	64,022	34,081
Total	<b>12,750</b>	<b>97,089</b>	<b>77,412</b>

**Notes Forming Parts of Profit and Loss Statement as on 31st March 2019 (in Rs.)**

Note – 17	As at 31st March, 2020	As at 31st March, 2019
<b>REVENUE FROM OPERATIONS</b>		
<b>A. Revenue from contracts with customers disaggregated based on nature of product or services</b>		
Sales of Products	1,41,19,222	--
Sale of Services	--	--
Other Operating Income	--	--
<b>Total</b>	<b>1,41,19,222</b>	
<b>B. Revenue from contracts with customers disaggregated based on geography</b>		
Domestic	1,41,19,222	--
Exports	--	--
<b>Total</b>	<b>1,41,19,222</b>	--
<b>C. Reconciliation of Gross Revenue from Contracts With Customers</b>		
Gross Revenue	1,41,19,222	--
Less: Discount	--	--
Less: Returns	--	--
Less: Others (Specify)	--	--
<b>Total</b>	<b>1,41,19,222</b>	
<b>Note – 18</b>	As at 31st March, 2020	As at 31st March, 2019
<b>Other Income</b>		
Interest	48,28,896	3,440,579
Profit on Sale of Investment	1,42,419	--
<b>Total of Revenue</b>	<b>49,71,315</b>	<b>3,440,579</b>
<b>Note – 19</b>	As at 31st March, 2020	As at 31st March, 2019
<b>PURCHASE OF TRADED GOODS</b>		
Opening Stock	--	--
Add: Purchases	1,80,44,897	--
Add: Purchases related cost	22,28,413	--
<b>Total</b>	<b>2,02,73,311</b>	--
<b>Note – 20</b>	As at 31st March, 2020	As at 31st March, 2019
<b>CHANGES IN INVENTORY OF TRADED GOODS</b>		
Opening Stock	--	--
Closing Stock	(59,82,228)	--
<b>Total</b>	<b>(59,82,228)</b>	--
<b>Note – 21</b>	As at 31st March, 2020	As at 31st March, 2019
<b>Employees Emoluments</b>		
Salaries & Wages	4,48,255	523,312
<b>Total</b>	<b>4,48,255</b>	<b>523,312</b>

<b>Note – 22</b>	As at 31st March, 2020	As at 31st March, 2019
<b>Finance Cost</b>		
Interest Expense	1,27,479	64,988
<b>Total</b>	<b>1,27,479</b>	<b>64,988</b>
<b>Note – 23</b>	As at 31st March, 2020	As at 31st March, 2019
<b>Other Expenses</b>		
Audit Fees [Audit fees Rs. 10,000(PY Rs. 10,000) Other Services Rs. 15,000(PY Rs. 15,000)]	25,000	25,000
Office and General Expenses	66,70,665	305,789
Vehicle Expenses	--	8,950
Legal and Professional Expenses	10,54,290	1,481,812
Rent, Rates & Taxes (excluding Income Tax)	24,996	115,440
<b>Total</b>	<b>77,74,952</b>	<b>1,936,991</b>

### Notes to Financial Statements

#### 24. Earning Per Share (EPS)

For the period ended	31st March, 2020	31st March, 2019
Profit after Tax available for equity shareholders (Rs. In INR)	(29,53,662)	6,74,233
Weighted Average number of equity shares	58,03,914	58,03,914
Basic and Diluted Earnings per share (Face value per share 10/- each )	(0.51)	0.12

#### 25. Capital Commitment and Contingent Liabilities

As at	Rs. In INR	
	31st March, 2020	31st March, 2019
Estimated amount of contracts net of advances remaining to be executed on capital accounts	-	-
Guarantees issued by bank to third party	-	-
Central Excise / Service Tax & Custom	-	-
Sales Tax	-	-
Income Tax*	66,75,000	66,75,000

\*The Company has succeeded in It's appeal before the CIT(A) in the said matter, However, the Department has preferred an appeal before ITAT in this matter.

#### 26. As at the Balance Sheet date, unhedged foreign currency receivable and payable are as below.

Particular	Currency	Rs. In INR			
		31st March, 2020		31st March, 2019	
		FC	Rs. In INR	FC	Rs. In INR
Amount receivable (net) in foreign currency	USD	-	-	-	-
Amount payable (net) in foreign currency	USD	72,021.00	54,24,982	-	-

**27. DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE PROVIDED AS UNDER FOR THE YEAR 2018-2019, TO THE EXTENT THE COMPANY HAS RECEIVED INTIMATION FROM THE "SUPPLIER" REGARDING THEIR STATUS UNDER THE ACT.**

Particulars	Rs. In INR	
	As at 31st March 2020	As at 31st March 2019
Principal amount remaining unpaid.	Nil	Nil
Interest due thereon remaining unpaid	Nil	Nil

Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period

Nil Nil

Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006

Nil Nil

Interest accrued and remaining unpaid

Nil Nil

Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises

Nil Nil

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**Disclosure in case of non-provision of interest due to contractual terms with MSME Vendors can be as under:**

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act ,2006 " is based on the information available with the company regarding the status of registration of such vendors under the said act , As per the intimation received from them on request made by the company. There are no overdue principle amount / Interest payable amounts for delayed payments to such vendors at the Balance Sheet date .The payment is made to vendors according to terms & conditions mutually agreed to both parties and accordingly there is no delay in payment to these vendors & no interest liability therefore.

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**28. SEGMENT INFORMATION**

**A) Primary segment: Business segment**

The Company is in the business of trading of heavy chemicals. For the purpose of disclosure of segment information, the Company considers this activity as a single business segment.

**B) Secondary segment: Geographical segment**

Secondary segments have been identified with reference to geographical location of customers.  
 Composition of secondary segments is as follows:

a) Domestic

b) Overseas (includes deemed exports)

(Amount in `)

Particulars	Domestic	Overseas	Total
1) Segment revenue	1,41,19,222	-	1,41,19,222
2) Total carrying amount of Segment Assets	6,86,04,890	-	6,86,04,890

Notes:

i) As the Company has done trading activity in India only, it is not possible to directly attribute or allocate on a reasonable basis, the assets and costs incurred to acquire segment assets, to these geographical segments, other than those specifically identifiable and disclosed in the table above.

**29. INFORMATION ON RELATED PARTY TRANSACTIONS AS REQUIRED BY IND AS-24 - RELATED PARTY DISCLOSURES (AS IDENTIFIED BY MANAGEMENT)**

**List of Related Parties with whom the Company has entered into transactions during the year.**

A. Key Management Personnel	1. Mr. Yunus R. Memon - Managing Director 2. Mrs. Rafiqunnisa Merchant – Director 3. Mrs. Shamim Sheikh – Director 4. Mr. Chaturbhai C. Patel- Director 5. Mrs. Saba Memon- Director 6. Ms. Neeti Kashyap- Company Secretary
B. Associate Concerns and Relative of key Management Personnel	1. Bharat Equity Services Limited 2. Konsept International Trading Enterprise FZC 3. Kayum Razak Dhanani 4. Kruger Chemicals Limited 5. Bhavnagar Agro Industries Limited

**SIGNIFICANT RELATED PARTY TRANSACTION**



Particulars	Rs. In INR	
	Year 2019-20	Year 2018-19
<b>Purchase of Goods</b>		
Konsept International Trading Enterprise FZE	1,80,44,897	-
<b>Total</b>	<b>1,80,44,897</b>	<b>-</b>

Particulars	Rs. In INR	
	Year 2019-20	Year 2018-19
<b>Unsecured Advances Given</b>		
Kayum Dhanani	3,50,00,000	-
Kruger Chemicals Ltd.	80,00,000	-
Bharat Equity Services Ltd.	70,15,806	-
<b>Total</b>	<b>5,00,15,806</b>	<b>-</b>

Particulars	Rs. In INR	
	Year 2019-20	Year 2018-19
<b>Unsecured Advances Received</b>		
Kruger Chemicals Ltd.	80,00,000	-
Bharat Equity Services Ltd.	38,55,646	-
<b>Total</b>	<b>1,18,55,646</b>	<b>-</b>

Particulars	Rs. In INR	
	Year 2019-20	Year 2018-19
<b>Remuneration to Key Managerial Person</b>		
Yunus Memon	-	4,52,600
<b>Total</b>	<b>-</b>	<b>4,52,600</b>

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Particulars	Rs. In INR	
	Year 2019-20	Year 2018-19
<b>Director Sitting Fees Paid</b>		
Rafiqunnisa Merchant	1,00,000	1,60,000
Chatur Patel	1,40,000	2,40,000
Saba Sultan Memon	1,20,000	2,40,000
Shamim Sheikh	80,000	1,80,000
<b>Total</b>	<b>4,40,000</b>	<b>8,20,000</b>

**30. Auditors' Fees and Expenses**

PAYMENT TO AUDITORS	Rs. In INR	
	2019-20	2018-19
<b>As Auditor :</b>		
Audit fees	25,000	25,000
<b>In other capacity :</b>		
(I) Other services (certification fees)	2,500	-
	<b>27,500</b>	<b>25,000</b>

**NOTE 31 (A) : CATEGORY-WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS**

Particulars	Refer Note	Rs. In INR			
		Non-Current		Current	
		As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
<b>Financial assets measured at amortised cost</b>					
Loans	Note No. 4 & 9	3,50,00,000	63,41,445	32,32,560	29,400
Cash and cash equivalents	Note No. 8a	-	-	1,40,47,847	5,03,30,500
Other Balances with Bank	Note No. 8b	-	-	45,38,176	-
Other Current Financial	Note No. 10				

Assets		-	-	89,404	71,905
		<b>3,50,00,000</b>	<b>63,41,445</b>	<b>2,19,07,988</b>	<b>5,04,31,805</b>
<b>Financial liabilities measured at amortised cost</b>					
Overdraft from banks	Note No. 15	-	-	50,25,382	2,873
Trade payables	Note No. 14	-	-	59,56,142	33,067
		-	-	<b>1,09,81,524</b>	<b>35,940</b>

#### **NOTE 31(B) : CAPITAL MANAGEMENT**

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. As at 31st March, 2020, the Company has only one class of equity shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

#### **NOTE 31(C) : FINANCIAL RISK MANAGEMENT - OBJECTIVES AND POLICIES**

The Company's activities expose it to a variety of financial risks: Market risk, credit risk, liquidity risk. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the policy is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the company.

##### **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 risks: interest rate risk, currency risk and other price risk.

##### **a. Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is minimal. The Company has not used any interest rate derivatives.

**b. Foreign Currency Risk**

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas markets and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

Particulars of unhedged foreign currency exposures as at the reporting date are given as part of Note 26.

The below table demonstrates the sensitivity to a 5% increase or decrease in the Foreign Currency against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

*(Rs. In INR)*

Particulars	2019-20		2018-19	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	(2,71,249.10)	2,71,249.10	-	-
Increase/ (decrease) in profit or loss	(2,71,249.10)	2,71,249.10	-	-

**2. Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The Company's exposure are continuously monitored.

**3. Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company consistently generates sufficient cash flow from operations to meet its financial obligations as and when they fall due.

The tables below provides detail regarding the contractual maturities of significant financial liabilities as at 31st March, 2020 and 31st March, 2019:

(Rs. In INR)

Particulars	As at March 31, 2020		
	Less than 1 year	1-2 years	2 years and above
Borrowings*	50,25,382	-	-
Trade Payables	59,56,142	-	-
Other financial liabilities (Current and Non Current)	12,750	-	-

(Rs. In INR)

Particulars	As at March 31, 2019		
	Less than 1 year	1-2 years	2 years and above
Borrowings*	2,873	-	-
Trade Payables	33,067	-	-
Other financial liabilities (Current and Non Current)	64,022	-	-

\* The Significant Financial Liabilities payable on demand is shown under less than 1 year.

**Note 32:**

New and amended standards adopted by the Company for the first time for the financial year beginning on 1 April 2019 Except as specified below, the company has consistently applied the accounting policies to all periods presented in this financial statement. The company has applied Ind AS 116 with the date of initial application of 1st April, 2019.

**Note 33: LEASES**

Disclosures required under Ind As-116 in respect of short term lease are given below:

**As Lessee**

**Amounts recognised in profit or loss**

Rs in INR

Particulars	2019-20	2018-19
Expenses relating to short-term leases (*Included in Other Expenses Note No. 20)	49,200	81,700

**Amounts recognised in the statement of  
cash flows**

Particulars	Rs in INR	
	2019-20	2018-19
Total cash outflow for leases	49,200	81,700

**Note 34:** Previous year's figures have been regrouped /reclassified wherever necessary.

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As per our report of even date attached  
For PARIKH SHAH CHOTALIA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn. No: 118493W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(SHAMIM SHEIKH)  
DIRECTOR

(YUNUS R. MEMON)  
DIRECTOR

(CA VIJAY PARIKH) Mem. No. 031773  
PARTNER,  
VADODARA, 30TH JULY, 2020

(CHATUR C. PATEL)  
CHIEF FINANCIAL OFFICER

(NEETI KASHYAP)  
COMPANY SECRETARY

VADODARA, 30TH JULY, 2020

## CASH FLOWS STATEMENT FOR YEAR ENDED 31<sup>ST</sup> MARCH 2020

PARTICULARS	For the year ended			
	31st March, 2020		31st March, 2019	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
NET PROFIT(LOSS) BEFORE TAX		(29,53,662)		912,233
Add:- Adjustments for:				
Depreciation	359		3,055	
Interest received	(48,28,896)		(3,440,579)	
Profit on Sale of Investment	-	(48,28,537)	-	(3,437,524)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>(77,82,199)</b>		<b>(2,525,291)</b>
Adjustments for:				
(Increase)/decrease in Inventories	<b>(59,82,228)</b>		-	
<b>(Increase)/decrease in Other Financial assets</b>	<b>(56,95,880)</b>		(988,337)	
(Increase)/decrease in Trade and other payables	5923075	(57,55,033)	19,677	(9,68,659)
<b>CASH GENERATED FROM OPERATIONS</b>		<b>(1,35,37,232)</b>		<b>(3,493,950)</b>
Direct Taxes Paid		4,35,217		(238,000)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>(1,39,72,449)</b>		<b>(37,31,950)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Payments to acquire financial assets	(42,38,176)		(3,00,000)	
Decrease/(increased) in Long Term Advances	91,85,725		50,190	
Decrease/(Increased) in Other Non Current Assets	10,86,394		(28,79,821)	
Interest received	48,28,896	1,08,62,840	3,440,579	3,10,948
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>1,08,62,840</b>		<b>3,10,948</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>				
(Decrease)/Increase in Other liabilities	(51,272)	(51,272)	--	
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>		<b>(51,272)</b>		<b>--</b>
Cash and Cash equivalents as at the beginning of the year		<b>1,21,83,347</b>		<b>15,604,350</b>
Net Increase/(Decrease) in cash and cash equivalents		<b>(31,60,882)</b>		<b>(34,726,150)</b>
Cash and Cash equivalents as at the end of the year		<b>90,22,465</b>		<b>1,21,83,347</b>

**As per our report of even date attached**  
**For PARIKH SHAH CHOTALIA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
 Firm Reg. No: 118493W

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**(SHAMIM SHEIKH)**  
**DIRECTOR**

**(YUNUS R. MEMON)**  
**DIRECTOR**

**(CA VIJAY PARIKH)** Mem. No. 031773  
**PARTNER,**  
**VADODARA, 30TH JULY, 2020**

**(CHATUR C. PATEL)**  
**CHIEF FINANCIAL OFFICER**  
**VADODARA, 30TH JULY, 2020**

**(NEETI KASHYAP)**  
**COMPANY SECRETARY**