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

**CIN No – L24123GJ1975SGC106981**

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

**Annual Report 2021-2022**

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## **BOARD OF DIRECTORS**

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Mrs. Rafiqunnisa Merchant	Director
Mrs. Shamim Sheikh	Chairperson
Mr. Yunus R. Memon	Managing Director
Mrs. Saba Sultana Memon	Independent Director
Mrs. Arati Jadhav	Independent Director

## **COMPANY SECRETARY**

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Mrs. Ishita Kapure	Company Secretary
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## **AUDITORS**

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

Chartered Accountants

803-804, Gujan Towers,  
Nr. Inorbit Mall, Subhanpura, Vadodara – 390023

## **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 - 390020  
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 SIXTH ANNUAL GENERAL MEETING** of the Members of M.P. AGRO INDUSTRIES LIMITED will be held on Monday, the 26<sup>th</sup> September, 2022 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, 2022 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 Re-appoint Mrs. Saba Sultana Memon as Independent Director of the Company:**

To consider and if though fit to pass, with or without modification(s) following Resolution as "**SPECIAL RESOLUTION**":

**"RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mrs. Saba Sultana Memon (DIN: 07641195), who was appointed as an Independent Director not liable to retire by rotation and whose term expires on February 14, 2023, and in respect of whom the Company has received a notice in writing from the Director under section 160 of the Act, proposing his candidature for the office of Director be and is hereby re-appointed as an Independent Director of the Company to hold office for a term of further five years up to February 14, 2028, not liable to retire by rotation."

**"RESOLVED FURTHER THAT** the Board of Directors (which term includes a duly constituted Committee of the Board of Directors) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution and / or otherwise considered by them to be in the best interest of the Company."

**By Order of the Board,**

**Place: Vadodara**  
**Date: 10.08.2022**

**Ishita Kapure**  
**Company Secretary**

**NOTES**

1. Amidst the ongoing COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular Nos. 14/2020, 17/2020 and 20/2020 dated 8th April, 2020, 13<sup>th</sup> April, 2020 and 5th May, 2020 followed by Circular No.02/2021 dated 13th January, 2021 and Circular No.02/2022 dated 5th May, 2022 issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as "MCA Circulars") and 'SEBI' Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12th May, 2020 followed by Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 (hereinafter referred to as "SEBI Circulars") physical attendance of the Members to the Annual General Meeting (AGM) venue is not required and 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. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice. However, Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company on its registered email address to [mpagroindustries@gmail.com](mailto:mpagroindustries@gmail.com)
3. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars, the Notice of AGM (Notice) along with Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2021-22 has been uploaded on the website of the Company at [www.mpagroindustries.in](http://www.mpagroindustries.in). The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of CDSL (agency for providing the e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com)
6. Members desirous of obtaining information/details about the accounts are requested to write to the Company at least one week before the meeting, so that proper information can be made available at the time of meeting. The Members desirous of inspection of documents may write to the Company through E-mail and the same shall be sent to them electronically.
7. The company has designated an email id called "[mpagroindustries@gmail.com](mailto:mpagroindustries@gmail.com)" for Redressal of Shareholder/investor' Complaint/Grievance. Hence, please write to us at "[mpagroindustries@gmail.com](mailto:mpagroindustries@gmail.com)".
8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
9. Any person, who acquires shares of the Company and become member of the Company after the notice dispatch date and holds shares as of the cut-off date i.e. 19<sup>th</sup> September, 2022 and whose PAN is not updated nor received the intimation of sequence number, may obtain the login ID and sequence number by sending a request to M/s. Link Intime India Pvt. Limited.
10. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2022, to conduct their AGMs on or before 31.12.2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.
11. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of

participation at the AGM through VC/OAVM will be made available to atleast 1000 members on 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.

12. The Register of Members and the Share Transfer Books of the Company shall remain closed from Tuesday, the 20<sup>th</sup> September, 2022 to Monday, the 26<sup>th</sup> September, 2022 (both days inclusive)

**THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- (i) The voting period begins on **Friday, 23<sup>th</sup> September, 2022 at 09:00 (IST) AM and ends on Sunday, 25<sup>th</sup> September, 2022 at 05:00 PM. (IST)** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date (record date) of Monday, 19<sup>th</sup> September, 2022** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at</li> </ol>

	<p><a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/ideasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/ideasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

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

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.

- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

<b>For Shareholders holding shares in Demat Form other than individual 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>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details  <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant M. P. Agro Industries Limited on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [mpagroindustries@gmail.com](mailto:mpagroindustries@gmail.com) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **ten days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **ten days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

**Other Information:**

Members, who have registered their email addresses with the company or their Depository Participant, are being sent the AGM Notice along with the Annual Report by email.

Shri J. J. Gandhi, Proprietor J. J. Gandhi & Co., Company Secretaries, (Membership No. 3519) has been appointed as the Scrutinizer to scrutinize the remote E-voting process and e-voting system on the date of the AGM in a fair and transparent manner.



The Chairman shall, at the AGM, at the end of discussion on the resolution on which voting is to be held, allow voting with assistance of CDSL, by use of the e-voting system on the date of the AGM for all those members who are present at the AGM but have not cast their votes by availing the remote E-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will unblock the votes cast through remote E-voting and the e-voting on the date of the AGM, in presence of at least two witnesses not in employment of the company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.mpagroindustries.in](http://www.mpagroindustries.in) and on the website of CDSL e-Voting immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Ltd.

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

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**By Order of the Board,**

**Place: Vadodara**  
**Date: 10.08.2022**

**Ishita Kapure**  
**Company Secretary**

**Explanatory Statement**

Pursuant to Section 102 of the Companies Act, 2013

**Item No. 3**

**To Re-appoint Mrs. Saba Sultana Memon as Independent Director of the Company:**

Mrs. Saba Sultana Memon (DIN: 07641195) was appointed as Independent Director of the Company, pursuant to approval of the shareholders under the provisions of the Act at the AGM held on September 29, 2018. The amendment to the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') which are in line with the Act provides two terms for all Independent Directors.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on August 10, 2022, re-appointed Mrs. Saba Sultana Memon as an Independent Director for a second term of 5 years up to February 14, 2028. The re-appointment is subject to the approval of the shareholders at ensuing AGM by way of Special Resolutions.

**Brief Profile of Mrs. Saba Sultana Memon**

Mrs. Saba Sultana Memon has obtained a graduate degree in commerce. She joined the Board of Directors as Independent Director of the Company on February 15, 2018 in terms of section 149 and other applicable provisions of the Act, Mrs. Saba Sultana Memon was appointed as an Additional Director.

The Board is of the opinion that Mrs. Saba Sultana Memon fulfills the conditions specified in the Act and the Rules made there under to be eligible to be appointed as an Independent Director of the Company pursuant to the provisions of section 149 of the Act and relevant provisions of SEBI Listing Regulations.

The Board is also of the opinion that Mrs. Saba Sultana Memon is independent of the management of the Company and her association would be of immense benefit to the Company and hence, it is recommended to avail the services of Mrs. Saba Sultana Memon as an Independent Director of the Company. A copy of the draft letter of appointment of Mrs. Saba Sultana Memon as an Independent Director setting out the terms and conditions will be available for inspection without any fees at the registered office of the Company on all the working days, except Saturdays, Sundays and public holidays, between 11:00 a.m. and 1:00 p.m. upto the date of the AGM.

Except Mrs. Saba Sultana Memon, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the resolution set out at Item No. 3.

The Board recommends the resolution at Item No. 3 for approval of the shareholders of the Company.

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**By Order of the Board,**

Place: Vadodara  
Date: 10<sup>th</sup> August, 2022

**Ishita Kapure**  
**Company Secretary**

**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 Merchant	Mrs. Saba Sultana Memon
DIN	07758223	07641195
Item No.	2	3
Date of Birth	August 11, 1962	November 11, 1989
Date of first appointment on Board	March 02, 2017	February 15, 2018
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.	Mrs. Saba Sultana Memon is having Rich experience in Accounting, Share Market, and management
Details of remuneration last drawn / proposed (FY 2021-2022)	Request letter is given for waiver of sitting fees.	Request letter is given for waiver of sitting fees.
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. Rida Hospitality Private Limited
Memberships/ Chairmanships of Committees in other public Companies.	None	None
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

Note: For other details such as number of meetings of the board attended during the year, in respect of above Directors, please refer Directors' Report which is part of this Annual Report.

## Directors' Report

To,

Dear Members,

Your Directors have pleasure in presenting their 46<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, 2022.

### FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	2021-22	2020-21
Total Revenue	30.96	85.29
Profit/Loss before Depreciation & Tax	5.13	4.10
Depreciations	0.11	0.16
Profit/Loss before taxation	5.02	3.94
Corporate Tax	2.17	1.10
Profit/Loss after Tax	2.85	2.83
Balance carried to Balance sheet	2.85	2.83
Basic EPS	0.05	0.05

### REVIEW OF OPERATIONS

During the year under review your company has registered profit for the year ended **31<sup>st</sup> March, 2022**, amounted to **Rs. 2,85,106** as compared to profit of **Rs. 2,83,449** during the previous year.

### DIVIDEND

Looking to the accumulated losses of past years, your Director has not recommended any dividend for the financial year 2021-2022.

### 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**

On the recommendation of Nomination and Remuneration Committee, the Board re-appointed Mrs. Saba Sultana Memon, as an Independent Director of the company for the further term of Five years upto February, 14 2028. The Board recommends the resolution for your approval at ensuing AGM by way of Special Resolutions.

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

Pursuant to the provisions of Sections 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following persons are acting as Key Managerial Personnel of the Company:

1. Mr. Yunus Memon: Managing Director
2. Mrs. Rafiqunnisa Merchant: Director cum Chief Financial Officer
3. Mrs. Ishita Kapure : Company Secretary & Compliance Officer

### **STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR**

The Board of Directors have evaluated the Independent Directors during the year 2021-22 and opined that the integrity, expertise and experience (including proficiency) of the Independent Directors is satisfactory.

### **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 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25(8) of the SEBI Listing Regulations, 2015. Further, 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.

Further, all the Independent Directors of your Company have confirmed their registration/renewal of registration, on Independent Directors' Databank.

### **BOARD MEETINGS**

Four meetings of the Board of Directors were held during the year, viz. on 30<sup>th</sup> June, 2021, 13<sup>th</sup> August, 2021, 12<sup>th</sup> November, 2021 and 14<sup>th</sup> February, 2022. Agenda papers were circulated to the Directors in advance for each meeting.

As per requirements of section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), atleast 50% of the Board's Members should be Independent. Accordingly, there is optimum combination of Executive, Non – Executive and Independent Directors including Woman Director in the Company. The Chairman of the Company is Non-Executive Promoter Director. The Composition of the Board is given hereunder:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>Category</b>
1.	Mrs. Shamim Sheikh	Chairman	Promoter, Non-Executive Director
2.	Mr. Yunus Memon	Managing Director	Executive Director
3.	Mrs. Rafiqunnisa Merchant	CFO	Promoter, Director, CFO
4.	Mrs. Saba Sultana Memon	Director	Independent, Non-Executive
5.	Mrs. Aarti Jadhav	Director	Independent, Non- Executive

Attendance of each Director present at the Board Meetings and Last Annual General Meeting (“AGM”):

Sr. No.	Name of the Director	Designation	Board Meetings				AGM
			30.06.21	13.08.21	12.11.21	14.02.22	27.09.21
1.	Mrs. Shamim Sheikh	Chairman	Y	Y	Y	Y	Y
2.	Mr. Yunus Memon	Managing Director	Y	Y	Y	Y	Y
3.	Mrs. Rafiqunnisa Merchant	Director & CFO	--	--	--	Y	Y
4.	Mrs. Saba Sultana Memon	Independent, Non-Executive Director	Y	Y	Y	Y	Y
5.	Mrs. Aarti Jadhav	Independent, Non-Executive Director	Y	Y	Y	Y	Y

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

The Board has a formal mechanism for evaluating its performance 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, 2022, the Committee met 4 times on 30<sup>th</sup> June, 2021, 13<sup>th</sup> August, 2021, 12<sup>th</sup> November, 2021 and 14<sup>th</sup> February, 2022. 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.	Mrs. Aarti Jadhav	Chairman	Independent Director	4
2.	Mrs. Saba Sultana Memon	Member	Independent Director	4
3.	Mr. Yunus Memon	Member	Executive 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, 2022, the Committee met once on 30<sup>th</sup> June, 2021. 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.	Mrs. Aarti Jadhav	Chairman	Independent Director	1
2.	Mrs. Rafiqunnisa Merchant	Member	Non-Executive Director	-
3.	Mrs. Shamim Sheikh	Member	Non-Executive Director	1
4.	Mrs. Saba Sultana Memon	Member	Independent Director	1

**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.

During the Financial year ended 31<sup>st</sup> March, 2022, the Committee met four times on 30<sup>th</sup> June, 2021, 13<sup>th</sup> August, 2021, 12<sup>th</sup> November, 2021 and 14<sup>th</sup> February, 2022. 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. Aarti Jadhav	Chairman	Independent Director	4
2.	Mrs. Rafiqunnisa Merchant	Chairman	Non-Executive Director	1
3.	Mrs. Shamim Sheikh	Member	Non-Executive Director	4
4.	Mr. Yunus R. Memon	Member	Executive Director	4

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, 2022: 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
2020-21	45 <sup>th</sup> AGM through Video Conferencing ("VC")	Monday, 27.09.2021 at 03:00 P.M.	Appointment of Mrs. Arati Jadhav as Independent Director of the Company for the term of Five years.
2019-20	44 <sup>th</sup> AGM through Video Conferencing ("VC")	Monday, 26.10.2020 at 03:00 P.M.	Re-appointment of Mr. Yunus Memon as Managing Director of the Company for the further term of Three years.
2018-19	43 <sup>rd</sup> AGM held at the Sayaji Hotel, Baroda, Near Bhimnath Bridge, Opp. ParsiAgari, 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.

The Company has not appointed any employee(s) in receipt of remuneration exceeding the limits specified under Rule 5 (2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

**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.

**DEPOSIT**

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**RELATED PARTY TRANSACTIONS**

Related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company. There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis. The particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 in Form AOC-2 is annexed herewith as Annexure: I to this report.



The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-address for the same is <http://www.mpagroindustries.in>

#### **ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return in the prescribed format is available at <http://www.mpagroindustries.in>.

#### **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 2022-23. 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 2021-2022 on the financial statement of the Company forms part of this Annual Report.

The Statutory Auditors' report on the financial statements for FY 2021-2022 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 2021-2022. 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 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. Further after closure of the year the shares of one of them are already transmitted and are In the process of Dematerialization.

#### **INTERNAL AUDITOR**

The Board of Directors has appointed Mr. Hitarth Desai, Chartered Accountant, as Internal Auditors for the FY 2021 – 2022 to conduct the internal audit of the various areas of operations and records of the Company. The periodic reports of the said internal auditors are regularly placed before the Audit Committee along with the comments of the management on the action taken to correct any observed deficiencies on the working of the various departments.

**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 behavior, 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 <http://www.mpagroindustries.in>

**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**

Provisions of Section 135 of the Companies Act, 2013 relating to the Corporate Social Responsibility initiatives are not applicable to the Company.

**LISTING OF SHARES**

Your Company has paid the requisite Annual Listing Fees to BSE Limited (Scrip Code: 506543), where its securities are listed.

**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 AS TO WHETHER MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013, IS REQUIRED BY THE COMPANY AND ACCORDINGLY SUCH ACCOUNTS AND RECORDS ARE MADE AND MAINTAINED:**

The Company is not required to maintain the Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

**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 <http://www.mpagroindustries.in>.

**THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:**

During the year under review, No applications have been made and no proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

**THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:**

The disclosure under this clause is not applicable as the Company has not undertaken any one-time settlement with the banks or financial institutions.

**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 2022 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.

**GREEN INITIATIVES**

In commitment to keep in line with the Green Initiatives and going beyond it, electronic copy of the Notice of 46<sup>th</sup> Annual General Meeting of the Company including the Annual Report for Financial Year 2021-22 are being sent to all Members whose e-mail addresses are registered with the Company / Depository Participant(s).

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).

**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.

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

**Place: Vadodara  
Date: 10<sup>th</sup> August, 2022**

**Shamim Sheikh  
Chairperson of the Board**

**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms-length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis:

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transaction	Not Applicable
c)	Duration of the contracts / arrangements / transaction	Not Applicable
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Not Applicable
e)	Justification for entering into such contracts or arrangements or transactions'	Not Applicable
f)	Date of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Not Applicable
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable

2. Details of material contracts or arrangements or transactions at Arm's length basis:

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transaction	Not Applicable
c)	Duration of the contracts/arrangements/transaction	Not Applicable
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Not Applicable
e)	Date of approval by the Board	Not Applicable
f)	Amount paid as advances, if any	Not Applicable

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

**Place: Vadodara  
Date: 10<sup>th</sup> August, 2022**

**Shamim Sheikh  
Chairperson of the Board**

**Secretarial Audit Report**

(For the Financial year ended on 31<sup>st</sup> March, 2022)

[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 (CIN- L24123GJ1975SGC106981)** (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, 2022**, 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, 2022**, 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 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;

- *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.**

**Practicing Company Secretaries**

**Place: Vadodara**  
**Date: 10<sup>th</sup> August, 2022**

**(J. J. Gandhi)**

**Proprietor**

**FCS No. 3519 and CP No. 2515**

**UDIN number F003519D000738761**

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: 13<sup>th</sup> August, 2021

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.**  
**Practicing Company Secretaries**

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

**Annexure III**

As per the provisions of Section 197 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to disclose following information in the Board's Report.

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:-

Name	Ratio to median remuneration	% Increase in remuneration in the financial year
<b>Independent Directors</b>		
Mrs. Saba Sultana Memon*	N.A.	N.A.
Mrs. Arati Jadhav*	N.A.	N.A.
<b>Executive Directors, CEO &amp; CFO</b>		
Mr. Yunus Memon, Managing Director*	N.A.	N.A.
Mrs. Rafiqunnisa Merchant, Director & CFO*	N.A.	N.A.
<b>Company Secretary</b>		
Mrs. Ishita Kapure	--	--

\* Sitting fee / Remuneration waiver given

The percentage increase in the median remuneration of employees in the financial year	N.A.
The number of permanent employees on the rolls of Company	4
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	NIL

We affirm that the remuneration paid to the Managerial and Non-Managerial Personnel is as per the Nomination and Remuneration policy of the Company.

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

**Place: Vadodara  
Date: 10<sup>th</sup> August, 2022**

**Shamim Sheikh  
Chairperson of the Board**



## 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 profit during the year under review of **Rs. 2,85,106** as compared to profit of **Rs. 2,83,449** 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 reasonability 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.

Mr. Hitarth Desai, Chartered Accountants, was 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 2021-22.

**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 5 regular employees as at March 31, 2022.

## 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, 2022, the statement Profit and Loss 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, 2022, profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit 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.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the 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 Auditors' 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

That Board of Directors is 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 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards 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 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- 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, 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 except those as mentioned in Note 23.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - iii. There has 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.
  - iv. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.
  - v. (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.  
(b) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party or ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,  
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

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

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

**UDIN: 22031773AMWALB1873**  
**VADODARA, 30<sup>th</sup> May, 2022**

## 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. In respect of the Company’s Property, Plant & Equipment,
  - a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant & Equipment.  
The Company does not hold any intangible asset. Accordingly, the provisions of Clause 3(i)(a)(B) of the Companies Auditor’s Report Order, 2020 are not applicable to the Company.
  - b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of buildings are held in the name of the Company as at the Balance Sheet date.
  - d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. Accordingly, the provisions of Clause 3(i)(d) of the Companies Auditor’s Report Order, 2020 are not applicable to the Company.
  - e) According to information and explanation given to us and the records examined by us, we report that there are no proceedings, which have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made there under.
  
- ii. In respect of Company’s Inventory,
  - a) According to information and explanation given to us, the Company did not hold any inventory during the year. Accordingly, the provisions of Clause 3(ii) of the Companies Auditor’s Report Order, 2016 are not applicable to the Company.
  - b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions at any point of time during the year.
  
- iii. In respect of Company’s investment, guarantee or security, loans and advances,
  - a) According to information and explanation given to us, and based on the audit procedure, the Company has granted loans or advances and guarantees or security during the year. There details are given below.

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year	Nil	Nil	Nil	Nil
- Subsidiaries	Nil	Nil	Nil	Nil
- Joint Ventures	Nil	Nil	Nil	Nil
- Associates	Nil	Nil	Nil	Nil
- Others	Nil	Nil	350	Nil
Balance outstanding as at balance sheet date in				

respect of above cases				
- Subsidiaries	Nil	Nil	Nil	Nil
- Joint Ventures	Nil	Nil	Nil	Nil
- Associates	Nil	Nil	Nil	Nil
- Others	Nil	Nil	350	Nil

- b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions of loan granted by the Company to its related party are not prejudicial to the Company's interest. The Company has not given any guarantee or security during the year. The Company has not made any investment during the year.
- c) According to information and explanation given to us and based on the audit procedure, we are of the opinion that there is no such agreement / arrangement containing the schedule of repayment of principal and payment of interest. We are unable to make specific comment on the regularity of repayment of principal and payment of interest.
- d) According to information and explanations given to us, no agreement/ arrangement containing the schedule of repayment of principal and payment of interest. We are unable to make comment on total amount overdue for more than ninety days.
- e) According to information and explanation given to us and based on the audit procedure, no existing loan has been renewed or extended or fresh loans granted to settle the overdue of existing loans. The provisions of Clause 3(iii)(e) of the Companies Auditor's Report Order, 2020 are not applicable to the Company.
- f) According to information and explanations given to us and based on the audit procedures, the Company has granted loans on repayable on demand or without specifying any terms of repayment to promoters, related parties as defined in clause 2 (76) of the Companies Act, 2013. There details are given below.

Particulars	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans	Nil	Nil	Nil
Repayable on demand (A)	350	Nil	350
Agreement does not specify any terms or period of repayment (B)	Nil	Nil	Nil
Total (A+B)	350	Nil	350
Percentage of loans/ advances in nature of loans to the total loans	100%	Nil	100%

- iv. According to the information and explanations given to us, and based on the audit procedures conducted by us, the Company has complied with the provision of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investment and providing guarantees and securities, as applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of provisions of section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder and therefore, the provisions of clause (v) of the Companies Auditor's Report Order, 2020 are not applicable to the Company.



- vi. In our opinion and according to information and explanation given to us, the Company is not required to maintain the cost records pursuant to the Rules made by the Central Government for maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013.
- vii. In respect of statutory dues:
  - a) According to the information and explanations given to us and according to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Wealth Tax, Duty of Customs, Duty of Excise, Value added tax, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2022 for a period of more than six months from the date of becoming payable.
  - b) According to the information and explanations given to us, there were no dues of Goods and Service Tax, Income Tax, Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Wealth Tax, Custom Duty, Excise Duty and Cess and Other statutory dues, which have not been deposited on account of any dispute.
- viii. According to information and explanations given to us and based on our audit procedures, the Company has not surrendered or disclosed any transactions which were previously unrecorded in books of account as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. In respect of working capital facilities and term loan,
  - a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any banks, financial institutions and Government.
  - b) According to the information and explanations given to us and on the basis of our audit procedures, we report the Company has not been declared willful defaulter by any bank or financial institutions or Government or Government Authority.
  - c) According to the information and explanations given to us on the basis of our audit procedure, the Company has not obtained any term loan during the year.
  - d) According to the information and explanations given to us and the audit procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
  - e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
  - f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. With respect to money raised,
  - a) In our opinion and according to the information and explanations given to us, the Company has not raised a money by way of initial public offer or further public offer during the year under review. Accordingly, the provisions of Clause 3(x)(a) of the Companies Auditor's Report Order, 2020 are not applicable to the Company.
  - b) In our opinion and 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. Accordingly, the provisions of Clause 3(x)(b) of the Companies Auditor's Report Order, 2020 are not applicable to the Company.

- xi. With respect to
  - a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have not noticed or reported any instance of material fraud by the Company, during the year.
  - b) In our opinion and according to the information and explanations given to us, the auditor has not filed any report under section 143(12) of the Companies Act, 2013 with the Central Government. Accordingly, the provisions of Clause 3(xi)(b) of the Companies Auditor's Report Order, 2020 are not applicable to the Company.
  - c) The Company being a Public Limited Company, provisions relating to whistle-blower complaints are applicable to it. Hence, we have taken into consideration the whistle-blower complaints received by the company during the year, while determining the nature, timing and extent of the audit procedures.
  
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) (a), (b) and (c) of the Companies Auditor's Report, 2020 are not applicable to the Company.
  
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  
- xiv. With respect to Internal Audit,
  - a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
  - b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
  
- xv. In our opinion and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Companies Auditor's Report Order, 2020 are not applicable to the Company.
  
- xvi. With respect to Non-Banking Financial Companies,
  - a) According to the information and explanations given to us and on an examination of the Financial Statements of the year under consideration, the Company is during the year under consideration, prima facie required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, as the Company fulfils the 50-50 test prescribed by the Reserve Bank of India for the F.Y. 21-22. The Company has however represented that it has no intention to carry on business as Non-Banking Financial Company and the fact that during the year, it has no revenue related to its principal activity of trading is a temporary phenomenon.
  - b) Based on our examination of the transactions of the Company during the year, the Company has not carried on any transaction, in the nature of non-banking financial entity as it has not done any fresh lending during the year under consideration.
  
- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Hence, provisions of Clause 3(xvii) of the Companies Auditor's Report Order, 2020 are not applicable to the Company.
  
- xviii. There has been no resignation of the Statutory Auditors during the year and the provisions of Clause 3(xviii) of the Companies Auditor's Report Order, 2020 are not applicable to the Company.

- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, noting has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. With respect to Corporate Social Responsibilities,
- a) The company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our audit report. However, the time period for such transfer i.e. six months of the expiry of the financial year as permitted under the second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report.
- b) In our opinion and according to information and explanations given to us, there is no amount unspent under sub-section (5) of section 135 of the Act, pursuant to ongoing project. Hence, provisions of Clause 3(xx)(b) of the Companies Auditor's Report Order, 2020 are not applicable to the Company
- xxi. The Company does not have any holding company, subsidiary company, associate or joint venture during the year. Hence, provisions of Clause 3(xxi) of the Companies Auditor's Report Order, 2020 are not applicable to the Company.

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

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

**UDIN: 22031773AMWALB1873**  
**VADODARA, 30<sup>th</sup> May, 2022**

## **ANNEXURE – “B” TO THE INDEPENDENT AUDITORS’ REPORT**

### **Report on the Internal financial Controls over Financial Reporting under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over the financial reporting of M/s M P Agro Industries Limited (“the Company”), as on 31st March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial controls**

The respective Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy, and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by ICAI and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Notes require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control systems over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable

assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

The Company has meagre business transactions during **the year and the management of** the Company, as we have been informed, was closely connected with most of these transactions, and in view of these facts in our opinion, the Company have, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

**For PARIKH SHAH CHOTALIA & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

**Firm Reg. No. 118493W**

**CA VIJAY M. PARIKH**

**PARTNER**

**Mem. No. 031773**

**UDIN: 22031773AMWALB1873**

**VADODARA, 30<sup>th</sup> May, 2022**

**Statement of Balance Sheet as on 31<sup>st</sup> March 2022 ( In Rs.)**

Particulars	Note No.	As at March 31 <sup>st</sup> 2022		As at March 31 <sup>st</sup> 2021	
<b>Assets</b>					
<b>1. Non-Current Assets</b>					
(a) Property, Plant & equipment	<b>3</b>	26,283		37,177	
(b) Financial Assets					
(i) Loans	<b>4</b>	3,50,00,000		3,50,00,000	
(c) Other Non-Current Assets	<b>5</b>	1,00,00,000		1,15,00,000	
(d) Income Tax Assets	<b>6</b>	14,52,167	4,64,78,450	15,02,440	4,80,39,617
<b>2. Current Assets</b>					
(a) Financial Assets					
(i) Trade Receivable	<b>7</b>	--		2,65,359	
(ii) Cash and Cash Equivalents	<b>8a</b>	11,94,938		5,09,991	
(ii) Balances with banks other than Cash and Cash Equivalents	<b>8b</b>	51,17,324		48,39,230	
(ii) Loans	<b>9</b>	42,300		3,26,051	
(iii) Other Financial Asset	<b>10</b>	55,53,659		41,28,397	
(c) Other Current Assets	<b>11</b>	4,43,736	1,23,51,958	6,38,296	1,07,07,324
<b>Total</b>			<b>5,88,30,408</b>		<b>5,87,46,941</b>
<b>Equity and Liabilities</b>					
<b>1. Equity</b>					
(a) Equity share capital	<b>12</b>	58,039,140		58,039,140	
(b) Other equity	<b>13</b>	1,40,031	5,81,79,171	(1,45,075)	5,78,94,065
<b>2. Liabilities</b>					
(a) Financial Liabilities					
(i) Payables	<b>14</b>	6,42,082		6,18,076	
(i) Other Financial Liabilities	<b>15</b>	--		2,16,370	
(b) Other Current Liabilities	<b>16</b>	9,155	6,51,237	18,430	8,52,876
<b>Total</b>			<b>5,88,30,408</b>		<b>5,87,46,941</b>
<b>Significant Accounting Policies</b>	<b>1-2</b>				
<b>Other Notes</b>	<b>24-34</b>				
<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 & CHAIRMAN  
DIN: 02528327

RAFIQUNNISA MERCHANT  
DIRECTOR & CFO  
DIN: 07758223

CA VIJAY PARIKH, Mem. No. 031773  
PARTNER,  
UDIN: 22031773AMWALB1873  
VADODARA, 30<sup>TH</sup> MAY, 2022

YUNUS R. MEMON  
MANAGING DIRECTOR  
DIN: 01094396  
VADODARA, 30<sup>TH</sup> MAY, 2022

ISHITA KAPURE  
COMPANY SECRETARY

**Statement of Profit and Loss as on 31st March 2022 (in Rs.)**

<b>Particular</b>	<b>Notes</b>	<b>For the year ended March 31<sup>st</sup> 2022</b>	<b>For the year ended March 31<sup>st</sup> 2021</b>
<b>I. Revenue from Operations</b>		-	-
<b>II. Revenue from operations</b>	<b>17</b>	--	59,40,000
<b>II. Other Income</b>	<b>18</b>	30,96,332	25,89,940
<b>Total Revenue (I+II)</b>		<b>30,96,332</b>	<b>85,29,940</b>
<b>IV. Expenses :</b>			
(a) Cost of Material Consumed		--	--
(b) Purchase of Stock in Trade	<b>19</b>	--	2,44,764
(c) Changes in stock of finished goods, work-in progress and stock-in-trade	<b>20</b>	--	59,82,228
(d) Employees Benefit Expenses	<b>21</b>	16,72,960	8,40,020
(e) Finance Cost	<b>22</b>	13,008	1,96,204
(f) Depreciation	<b>3</b>	10,894	16,543
(g) Other Expenses	<b>23</b>	8,96,821	8,56,453
<b>Total Expenses</b>		<b>25,93,684</b>	<b>81,36,212</b>
<b>Profit before Tax (III-IV)</b>		<b>5,02,648</b>	<b>3,93,728</b>
<b>Tax Expense:</b>			
Current Year Tax	<b>6</b>	1,67,269	1,12,500
Tax Expenses / (Refunds) relating to prior years		50,273	(2,221)
<b>Profit/(Loss) for the Year (V- VI)</b>		<b>2,85,106</b>	<b>2,83,449</b>
<b>Other Comprehensive Income</b>		--	--
<b>Total Comprehensive Income for the Year(VII+VIII)</b>		<b>2,85,106</b>	<b>2,83,449</b>
<b>Earning Per Equity Share:</b>			
Basic	<b>24</b>	0.05	0.05
<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

CA VIJAY PARIKH, Mem. No. 031773  
PARTNER,  
UDIN: 22031773AMWALB1873  
VADODARA, 30<sup>TH</sup> MAY, 2022

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SHAMIM SHEIKH  
DIRECTOR & CHAIRMAN  
DIN: 02528327

RAFIQUNNISA MERCHANT  
DIRECTOR & CFO  
DIN: 07758223

YUNUS R. MEMON  
MANAGING DIRECTOR  
DIN: 01094396  
VADODARA, 30<sup>TH</sup> MAY, 2022

ISHITA KAPURE  
COMPANY SECRETARY

Statement of Changes in Equity for the year ended 31st March, 2022

**A. Equity Share Capital**

Balance at the beginning of the current reporting period i.e. 1st April, 2021	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year 2021-22	Balance at the end of the current reporting period i.e. 31st March 2022
58,039,140	-	-	-	58,039,140
Balance at the beginning of the current reporting period i.e. 1st April, 2020	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year 2020-21	Balance at the end of the current reporting period i.e. 31st March 2021
58,039,140	-	-	-	58,039,140

**B. Other Equity**

Particulars	Reserves and Surplus				Total
	Capital Reserve	General Reserve	Retained Earnings	OCI	
Balance as at 1 <sup>st</sup> April, 2021	9,88,771	-	(11,33,846)	-	(1,45,075)
Profit/(Loss) for the year	-	-	2,85,106	-	2,85,106
<b>Other Comprehensive Income for the year</b>	-	-	-	-	-
Balance as at 31st March, 2022	9,88,771	-	(8,48,740)	-	1,40,031

Particulars	Reserves and Surplus				Total
	Capital Reserve	General Reserve	Retained Earnings	OCI	
Balance as at 1 <sup>st</sup> April, 2020	9,88,771	-	(14,17,295)	-	(4,28,524)
Profit/(Loss) for the year	-	-	2,83,449	-	2,83,449
<b>Other Comprehensive Income for the year</b>	-	-	-	-	-
Balance as at 31st March, 2021	9,88,771	-	(11,33,846)	-	(1,45,075)

**The above Statement of Changes in Equity should be read in conjunction with the accompanying notes**

As per our report of even date attached

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For PARIKH SHAH CHOTALIA & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Reg. No. 118493W

SHAMIM SHEIKH

DIRECTOR & CHAIRMAN

DIN: 02528327

RAFIQUNNISA MERCHANT

DIRECTOR & CFO

DIN: 07758223

CA VIJAY PARIKH, Mem. No. 031773

PARTNER,

VADODARA, 30<sup>TH</sup> MAY, 2022

YUNUS R. MEMON

MANAGING DIRECTOR

DIN: 01094396

VADODARA, 30<sup>TH</sup> MAY, 2022

ISHITA KAPURE

COMPANY SECRETARY



## **Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

### **Note 1: Corporate Information**

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 situated at 924, 9th floor, Fortune tower, Sayajigunj, 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**

#### **2.1 Statement of compliance**

Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March, 2022, the Statement of Profit and Loss for the year ended 31 March 2022, the Statement of Cash Flows for the year ended 31 March 2022 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Financial Statements' or 'financial statements').

These financial statements are approved for issue by the Board of Directors on 30<sup>th</sup> May 2022.

#### **2.2 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS), under the historical cost convention on the accrual basis as per the provisions of Companies Act, 2013.

Accounting Policies has been applied consistently over all the periods reported in these Financial Statements, except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information is presented in INR.

#### **2.3 Significant Accounting Judgments, Estimates and Assumptions**

In preparing these financial statements in conformity with Ind-AS, the Management is required to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

The areas involving critical estimates or judgments are:

- Measurement of Contingent Liabilities– Note 25
- Current tax expense and current tax payable – Note 6

Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the company. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

#### **2.4 Classification of Current/Non-Current Assets and Liabilities**

All assets and liabilities are presented as Current or Non-Current as per the Company's normal operating cycle and the other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization, the Company has ascertained its operating cycle as 12 months for the purpose of Current/Non-Current classification of assets/liabilities.

#### **2.5 Standards issued but not effective (based on exposure drafts available as on date)**

The amendments are proposed to be effective for reporting periods beginning on or after 1<sup>st</sup> April 2021. Ministry of corporate affairs has carried out amendments of the following accounting standards.

- (i) Ind AS 101 – Subsidiary as a First-time Adopter
- (ii) Ind AS 109 - Fees in the '10 per cent' Test for Derecognition of Financial Liabilities
- (iii) Ind AS 41 – Taxation in fair value measurements for Agriculture.

The Company is in the process of evaluating the impact of the new amendments issued but not yet effective.

#### **2.6 Property, Plant and Equipment**

Property, Plant and Equipment, net of accumulated depreciation and accumulated impairment losses, if any.

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. It includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy based on Ind AS 23 – Borrowing costs. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. Items such as Standby Equipments and Service Equipments that meet definition of PPE are capitalized at cost.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

#### **Capital Work-in-Progress**

Assets in the course of construction are capitalised in the Capital Work in Progress account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

#### **2.7 Depreciation / Amortisation**

Depreciation is calculated on a straight-line basis as per the specified life of the assets as provided in schedule II to the Companies Act, 2013. The useful life of Item of PPE are mentioned below.

<b>Class of Assets</b>	<b>Range of Useful Life (In Years)</b>
Furniture & Fixtures	10
Computer Hardware	3

The management, based on internal technical evaluation, believes that the useful lives as given above best represent the period over which the assets are expected to be used.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

## **2.8 Impairment of Assets**

The carrying amounts of assets are reviewed at balance sheet date to check if there is any indication of impairment based on internal or external factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss, if any, recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

## **2.9 Leases**

### **The Company as a lessee**

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

- (i) The contract involves the use of an identified asset
- (ii) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

#### **Transition**

Effective 1st April, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on 1st April, 2019. Accordingly, the Company’s lease contracts of the Company are for lease tenure below 12 months and the Company has accordingly applied the exemption not to recognize right-of-use assets for such leases.

#### **The Company as a lessor**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

#### **Arrangements in the nature of lease**

The Company enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments. In case of such arrangements, the Company applies the requirements of Ind AS 116 – Leases to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 116 – Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

### **2.10 Revenue recognition**

Revenue is measured based on the consideration specified in a contract with a customer.

#### **Sale of goods**

The principal activity from which the Company generates revenue is the supply of products to customers from its various manufacturing sites and warehouses. Products are supplied under a variety of standard terms and conditions, and in each case, revenue is recognized when contractual performance obligations between the Company and the customer are satisfied and control of product has been transferred to the Customer. This will typically be on dispatch or delivery. When sales discount and rebate arrangements result in variable consideration, appropriate provisions are recognized as a deduction from revenue at the point of sale (to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue will not be required). The Company typically uses the expected value method for estimating variable consideration, reflecting that such contracts have similar characteristics and a range of possible outcomes.

#### **Sale of Services**

Revenues for services are recognised when the service rendered has been completed.

#### **Royalties and profit-sharing arrangements**

Revenues are recognized when performance obligations between the Company and the customer are satisfied in accordance with the substance of the underlying contract.

### Interest and dividend income

Interest income is recognized on a time-proportion basis using the effective interest method. Dividend income is recognized when the right to receive payment is established.

### 2.11 Inventories

The inventories are valued at cost or net realizable value whichever is lower. The basis of determining the value of each class of inventory is as follows:

Inventories	Cost Formula
Traded Goods	At Invoice Value (Also include all other costs incurred in bringing the inventories to their present location and condition)

### 2.12 Financial Instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

#### a. Financial Assets

##### (i) Initial recognition and measurement

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way trade of financial assets are accounted for at trade date.

##### (ii) Subsequent measurement

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

##### - Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, debt instruments at amortised cost are subsequently measured at amortised cost using the effective interest rate method, less impairment, if any.

##### - Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

##### - Financial assets at fair value through profit or loss

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.

**- Investment in Subsidiaries**

Investment in subsidiaries is carried at cost in the financial statements.

**(iii) Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

**b. Financial Liabilities**

**(i) Initial recognition and measurement**

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts. Financial liabilities are classified, at initial recognition, at fair value through profit and loss or as those measured at amortised cost.

**(ii) Subsequent measurement**

The subsequent measurement of financial liabilities depends on their classification as follows:

**Financial liabilities at fair value through profit and loss**

Financial liabilities at fair value through profit and loss include financial liabilities held for trading.

The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss.

**Financial liabilities measured at amortised cost**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

**Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

**c. Fair Value**

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for asset or liability or
- In the absence of principal market, in the most advantageous market for the assets or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3- inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

### **2.13 Foreign Exchange Transactions**

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

Transactions in foreign currencies are initially recorded by the Company at the rate of exchange prevailing on the date of the transaction. Monetary assets and monetary liabilities denominated in foreign currencies remaining unsettled at the end of the year are converted at the exchange rate prevailing on the reporting date.

Differences arising on settlement or conversion of monetary items are recognised in statement of profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction

### **2.14 Trade Receivables**

Trade Receivables are stated after writing off debts considered as bad. Adequate provision is made for Expected Credit Losses.

### **2.15 Borrowing costs**

- (i) Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.
- (ii) Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

### **2.16 Provisions, Contingent Liabilities and Contingent Assets**

#### **a. Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

#### **b. Contingent Liabilities**

Contingent liabilities are disclosed for

- i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or
- ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

**c. Contingent Assets**

Contingent Assets are not recognised in the financial statements. Contingent Assets if any, are disclosed in the notes to the financial statements.

**2.17 Taxes:**

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

**Current tax:**

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

**Deferred tax:**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

**Minimum Alternate Tax (MAT)**

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet



when the asset can be measured reliably, and it is probable that the future economic benefit associated with asset will be realised.

**Presentation of current and deferred tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

**2.18 Employees benefits**

The company does not have any policy of any investment benefits to its employees. The company is not currently statutorily obligated to pay the same. The company hence does not have any defined benefit obligations required to be provided for.

**2.19 Cash and Cash Equivalents**

Cash and cash equivalents for the purpose of cash flow statement comprise cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid investments where the original maturity is three months or less.

**2.20 Earnings per share**

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**2.21 Exceptional item**

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

**2.22 Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The Chief Operating Decision Maker (CODM) is responsible for allocating resources and assessing performance of the operating segments of the Company.

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

Sr No	Description	Gross Block				Depreciation				Net Block	
		Balance as at 01.04.2021	Additions/ Adjustments during the year	Disposals/ Adjustments during the year	Balance as at 31.03.2022	UPTO 01.04.2021	Provided for the year	Disposals/ Adjustments during the year	Balance as at 31.03.2022	Balance as at 31.03.2022	Balance as at 31.03.2021
1	Furniture & Fixture	3,335	-	-	3,335	1,637	307	-	1,944	1,391	1,698
2	Computer	60,171	-	-	60,171	24,692	10,587	-	35,279	24,892	35,479
Total		63,506	-	-	63,506	26,329	10,894	-	37,223	26,283	2,449
Previous Year		12,235	51,271	-	63,506	9,786	16,543	-	26,329	37,177	2,449

Sr No	Description	Gross Block				Depreciation				Net Block	
		Balance as at 01.04.2020	Additions/ Adjustments during the year	Disposals/ Adjustments during the year	Balance as at 31.03.2021	UPTO 01.04.2020	Provided for the year	Disposals/ Adjustments during the year	Balance as at 31.03.2021	Balance as at 31.03.2021	Balance as at 31.03.2020
1	Furniture & Fixture	3,335	-	-	3,335	1,330	307	-	1,637	1,698	2,005
2	Computer	8,900	51,271	-	60,171	8,456	16,236	-	24,692	35,479	444
Total		12,235	51,271	-	63,506	9,786	16,543	-	26,329	37,177	2,449
Previous Year		12,235	-	-	12,235	9,427	359	-	9,786	2,449	2,808

Note: Depreciation has been provided on entire property, plant and equipment 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 2022**

**(In Rs.)**

Note – 4	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Loans</b>		
Loans to Related Parties	4,13,41,445	4,13,41,445
Less: Allowances for Doubtful	63,41,445	63,41,445
<b>Total</b>	<b>3,50,00,000</b>	<b>3,50,00,000</b>

Type of Borrower	Amount of loan or advance in the nature of loan outstanding as on 31.03.2022	% To the total loans and advances in the nature of loans FY 2021-22	Amount of loan or advance in the nature of loan outstanding as on 31.03.2021	% To the total loans and advances in the nature of loans FY 2020-21
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	-	-	-	-
Kayyum Razak Dhanani	<b>3,50,00,000</b>	84.66	<b>3,50,00,000</b>	84.66

Note – 5	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Investments</b>		
Other bank balance-In Deposit Accounts*	1,00,00,000	1,00,00,000
<b>Total</b>	<b>1,00,00,000</b>	<b>1,00,00,000</b>

\* These Fixed Deposits are pledged for Bank Overdraft facility

**Please refer Note – 6 after Note - 16**

Note – 7	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Trade Receivable</b>		
Unsecured, considered good	-	2,65,359
<b>Total</b>	<b>-</b>	<b>2,65,359</b>

**Trade Receivables as at 31st March 2022**

Particulars	Outstanding for the following periods from the due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 years	1-2 years	2-3 years	More than 3 years	
(i)Undisputed Trade Receivables- considered good	-	-	-	-	-	-	-
(ii)Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
(iv)Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v)Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Trade Receivables as at 31st March 2021**

Particulars	Outstanding for the following periods from the due date of payment						Total
	Not Due	Less than 6 months	6 months- 1 years	1-2 years	2-3 years	More than 3 years	
(i)Undisputed Trade Receivables- considered good	-	-	265,359	-	-	-	265,359

(ii)Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
(iv)Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v)Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	-	265,359	-	-	-	265,359

**Note – 8**

**Cash And Cash Equivalents**

(A)Cash And Cash Equivalents

Cash Balance	15,050	2,73,533
Balance with banks		
-In Current Accounts	11,79,888	2,36,458
<b>Total</b>	<b>11,94,938</b>	<b>5,09,991</b>

(B)Bank Balances other than (a) above

Other bank balance		
In Deposit Accounts #	51,17,324	48,39,230
<b>Total</b>	<b>51,17,324</b>	<b>48,39,230</b>

# These represents deposits with original maturity of more than 3 months but less than 12 months.

**Note – 9**

**LOANS**

Loan to employees	-	40,000
Loan to related parties	42,300	2,86,051
<b>Total</b>	<b>42,300</b>	<b>3,26,051</b>

**Note – 10**

**Other Financial Assets**

Interest Accrued on FDR	57,311	61,224
Interest Accrued on unsecured loan	54,96,348	40,67,173
<b>Total</b>	<b>55,53,659</b>	<b>41,28,397</b>

**Note – 11**

**Other Current Assets**

Short Term Loans and Advances	1,956	60,342
Balances with Statutory Authorities	4,41,781	5,77,954
<b>Total</b>	<b>4,43,736</b>	<b>6,38,296</b>

**Note – 12**

	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Equity Share Capital		
<b>Authorized Capital</b>	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
58,03,914 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>

**Reconciliation of number of Ordinary (Equity) Shares and amount outstanding :**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Equity Shares at the beginning of the year</b>	58,039,14	5,803,914
Add: Issued during the year	-	-
<b>Equity Shares at the end of the year</b>	58,039,14	5,803,914

**Share Capital**

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Balance at the beginning of the year</b>	58,039,140	58,039,140
Issued during the year	-	-
<b>Balance at the end of the year</b>	58,039,140	58,039,140

The company has only one class of share referred to as equity share having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. Payment of dividend is also made in foreign currency to shareholders outside India. In the unlikely event of the liquidation of the company the equity shareholders are eligible to receive the residual value of the assets of the company if any after preferential amount are paid off, in the proportion of their shareholding in the company.

Over the period of five years immediately preceding March 31, 2022 and March 31, 2021, neither any bonus shares were issued nor any shares were allotted for consideration other than cash. Further, no shares were bought back during the said period.

List of Shareholders holding 5% or more Shares (In Nos.)	31 <sup>st</sup> March, 2022			31 <sup>st</sup> March, 2021	
	Name of Shareholders	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 Hajjumar Sheikh	497,000	8.56	497,000	8.56	

**Shares held by promoters at the end of the year 31st March, 2022**

Name Of Promoters	No. of shares	% of total shares	% change during the year 2021-22
Rafiq Maqsood Merchant	526110	9.06	-
Gulshanbanu R Dhanani	130000	2.24	-
Shamim Sheikh	130000	2.24	-
Habibunisha R Dhanani	71000	1.22	-
Late Sajid Razak Dhanani	69600	1.20	-
Suchitra Dhanani	60000	1.03	-
Nasim Sujit Desai	60000	1.03	-
Rabiabai Abdulrazak Dhanani	95000	1.64	0.78*
Havabai Dawood	850	0.01	-
Kantilal Ramanlal Patni	100	-	-

\*Due to merger of two folios

**Shares held by promoters at the end of the year 31st March, 2021**

Name Of Promoters	No. of shares	% of total shares	% change during the year 2021-22
Rafiq Maqsood Merchant	526110	9.06	-
Gulshanbanu R Dhanani	130000	2.24	-
Shamim Sheikh	130000	2.24	-
Habibunisha R Dhanani	71000	1.22	-
Late Sajid Razak Dhanani	69600	1.20	-
Suchitra Dhanani	60000	1.03	-

Nasim Sujit Desai	60000	1.03	-
Rabiabai Abdulrazak Dhanani	50000	0.86	-
Havabai Dawood	850	0.01	-
Kantilal Ramanlal Patni	100	-	-
<b>Note – 13</b>			
<b>Other Equity</b>			
Capital Reserve		988,771	988,771
<b>Retained Earnings</b>			
Opening Balance (P&L)		(11,33,846)	(14,17,295)
Add: Profit & Loss for the Year (loss)		2,85,106	2,83,449
Closing Balance		(8,48,740)	(11,33,846)
	Balance in Profit & Loss Account	<b>1,40,031</b>	<b>(1,45,075)</b>

**1. Capital reserve**

Capital reserve represent reserve created pursuant to the business combinations upto year end.

**2. Retained Earnings**

General reserve is created from time to time by transferring profits from retain earning and can be utilised for purposes such as dividend pay out, bonus issued etc. and it is not an item of other comprehensive income.

Note – 14	As at	As at
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>PAYABLES</b>		
Total outstanding dues to micro and small enterprises(Refer Note No.28)	-	-
Total outstanding dues to creditors other than micro and small enterprises	6,42,082	6,18,076
<b>Total</b>	<b>6,42,082</b>	<b>6,18,076</b>

**Trade Payables ageing schedule for the year ended as on 31st March,2022**

Particulars	Outstanding for the following periods from the due date of payment					Total
	NOT DUE	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-		-	-	-	-
(ii) Others	-	642082				642082
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-

**Trade Payables ageing schedule for the year ended as on 31st March,2021**

Particulars	Outstanding for the following periods from the due date of payment					Total
	NOT DUE	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	17469				17469
(ii) Others		600607				600607
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-

**Note – 15**

**Other Financial Liabilities**

Bank Overdraft against FDR*		-	2,16,370
<b>Total</b>		<b>-</b>	<b>2,16,370</b>

\* Nature of Security : Overdraft is secured against Fixed Deposits with State Bank of India

\* Rate of Interest : 7.5% p.a.

**Note – 16**

**Other Current Liabilities**

Duties and Taxes		18,430	18,430
<b>Total</b>		<b>18,430</b>	<b>18,430</b>

**Note – 06****INCOME TAX ASSETS (NET)****A) Major Components of Deferred Tax Liabilities /(Assets) arriving on account of timing difference are as follow:****As at 31st March 2022****(Rs. in INR)**

Particulars	As at 31st March, 2021	Availment of MAT Credit	Recognised in profit and loss	Recognised in OCI	As at 31st March, 2022
Fixed assets :- Impact of difference between WDV as per Income Tax Act and as per books of accounts*	-	NIL	NIL	NIL	-
MAT Credit Entitlement	(15,02,440)	NIL	50,273	NIL	(14,52,167)
Expense Allowable for Tax on payment*	-	NIL	NIL	NIL	-
Carried Forward Losses*	-	NIL	NIL	NIL	-
<b>Total</b>	<b>(15,02,440)</b>	<b>-</b>	<b>50,273</b>	<b>-</b>	<b>(14,52,167)</b>

**As at 31st March 2021****(Rs. in INR)**

Particulars	As at 31st March, 2020	Availment of MAT Credit	Recognised in profit and loss	Recognised in OCI	As at 31st March, 2021
Fixed assets :- Impact of difference between WDV as per Income Tax Act and as per books of accounts*	-	NIL	NIL	NIL	-
MAT Credit Entitlement	(15,00,219)	NIL	(2,221)	NIL	(15,02,440)
Expense Allowable for Tax on payment*	-	NIL	NIL	NIL	-
Carried Forward Losses*	-	NIL	NIL	NIL	-
<b>Total</b>	<b>(15,00,219)</b>	<b>-</b>	<b>(2,221)</b>	<b>-</b>	<b>(15,02,440)</b>

\* DTA is not recognised on the same in the books as matter of prudence

<b>B) Income Taxes</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
<b>Major component of Tax expenses for the year are as under :</b>		
<b>(i) Income tax recognised in the Statement of Profit and Loss</b>		
Current Tax	1,67,269	1,12,500
Income Tax for Prior years	50,273	(2,221)
<b>(ii) Income tax recognised in OCI</b>		
Income tax expenses on remeasurement of defined employee benefits plans	<b>NIL</b>	<b>NIL</b>
Income Tax expenses on Remeasurement of financial instruments	<b>NIL</b>	<b>NIL</b>
<b>Total</b>	<b>2,17,542</b>	<b>1,10,279</b>

**C) Reconciliation of Tax expenses and the accounting profit for the year is as under :**

Profit before tax	5,02,648	4,10,271
Income Tax exp. @ 26% (P.Y. @ 26%)	1,30,689	1,06,670
Tax effect on non- deductible exp.	-	7,800
Tax effect on depreciation	-	1,525
Brought forward losses	-	-
Interest on Income Tax	-	-
Others	-	806
<b>Total</b>	<b>1,30,689</b>	<b>1,16,802</b>

Note – 17	As at 31st March, 2022	As at 31st March, 2021
<b>REVENUE FROM OPERATIONS</b>		
<b>A. Revenue from contracts with customers disaggregated based on nature of product or services</b>		
Sales of Products	-	59,40,000
<b>Total</b>	<b>-</b>	<b>59,40,000</b>
<b>B. Revenue from contracts with customers disaggregated based on geography</b>		
Domestic	-	59,40,000
Exports	-	-
<b>Total</b>	<b>-</b>	<b>59,40,000</b>
<b>C. Reconciliation of Gross Revenue from Contracts With Customers</b>		
Gross Revenue	-	59,40,000
Less: Discount	--	--
Less: Returns	--	--
Less: Others (Specify)	--	--
<b>Total</b>	<b>-</b>	<b>59,40,000</b>
<b>Note – 18</b>		
<b>Other Income</b>		
Interest	27,74,468	25,73,591
Other	3,21,864	16,349
<b>Total of Revenue</b>	<b>30,96,332</b>	<b>25,89,940</b>
<b>Note – 19</b>		
<b>Purchase of Traded Goods</b>		
Opening Stock	-	-
Add: Purchases	-	-
Add: Purchases related cost	-	2,44,764
<b>Total</b>	<b>-</b>	<b>2,44,764</b>
<b>Note – 20</b>		
<b>Changes in Inventory Of Traded Goods</b>		
Opening Stock	-	59,82,228
Closing Stock	-	-
<b>Total</b>	<b>-</b>	<b>59,82,228</b>
<b>Note – 21</b>		
<b>Employees Benefit Expenses</b>		
Salaries & Wages	16,72,960	8,40,020
<b>Total</b>	<b>16,72,960</b>	<b>8,40,020</b>
<b>Note – 22</b>		
<b>Finance Cost</b>		
Interest Expense	13,008	1,96,204
<b>Total</b>	<b>13,008</b>	<b>1,96,204</b>
<b>Note – 23</b>		
<b>Other Expenses</b>		
Audit Fees (Refer Note No. 31)	25,000	35,000
Office and General Expenses	2,75,815	2,27,266
Legal and Professional Expenses	5,84,066	5,94,187
Rent, Rates & Taxes (excluding Income Tax)	11,940	-
<b>Total</b>	<b>8,96,821</b>	<b>8,56,453</b>



## Notes to Financial Statements

### 24. Earning Per Share (EPS)

Rs. In INR

For the period ended	31st March, 2022	31st March, 2021
Profit after Tax available for equity shareholders (Rs. In INR)	285,106	283,449
Weighted Average number of equity shares	5,803,914	5,803,914
Basic and Diluted Earnings per share (Face value per share 10/- each )	0.05	0.05

### 25. Capital Commitment and Contingent Liabilities

Rs. In INR

As at	31st March, 2022	31st March, 2021
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*	-	-
*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.

Rs. In INR

Particular	Currency	31st March, 2022		31st March, 2021	
		FC	Rs. In INR	FC	Rs. In INR
Amount receivable (net) in foreign currency	USD	-	-	-	-
Amount payable (net) in foreign currency	USD	-	-	-	-

### 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 2022	As at 31st March 2021
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

#### 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.

**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 Rs.)

Particulars	Domestic	Overseas	Total
1) Segment revenue	-	-	-
2) Total carrying amount of Segment Assets	<b>5,88,30,408</b>	-	<b>5,88,30,408</b>

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)**

A. Key Management Personnel	1. Mr. Yunus R. Memon - Managing Director 2. Mrs. Rafiqunnisa Merchant - Director 3. Mrs. Shamim Sheikh - Director 4. Mrs. Saba Memon- Director 5. Mrs. Arati Jadhav 6. Mrs. Ishita Kapure- 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. Bhavnagar Agro Industries Limited

**Significant Related Party Transaction**

Rs. In INR

Particulars	Year 2021-22	Year 2020-21
<b>Unsecured Loans/Advances Given</b>		
Bharat Equity Services Ltd.	7,30,242	302,610
<b>Total</b>	<b>7,30,242</b>	<b>302,610</b>
Particulars	Year 2021-22	Year 2020-21
<b>Unsecured Loans/Advances Received</b>		
Bharat Equity Services Ltd.	9,73,993	3,179,119
Rafiqunnisa Merchant	-	16,000
<b>Total</b>	<b>9,73,993</b>	<b>3,195,119</b>

Particulars	Year 2021-22	Year 2020-21
<b>Remuneration to Key Managerial Person</b>		
Ishita Kapure	5,60,000	112,500
<b>Total</b>	<b>5,60,000</b>	<b>112,500</b>
Particulars	Year 2021-22	Year 2020-21
<b>Director Sitting Fees Paid</b>		
Rafiqunnisa Merchant	-	-
Chatur Patel	-	-
Saba Sultan Memon	-	-
Shamim Sheikh	-	-
Aarti Salve	28,000	-
<b>Total</b>	<b>28,000</b>	<b>-</b>
Particulars	Year 2021-22	Year 2020-21
<b>Closing balances</b>		
Bharat Equity Services Limited Dr Balance	<b>42,300</b>	286,051
Kayyum Razak Dhanani Dr Balance	<b>35,000,000</b>	35,000,000

### 30. Auditors' Fees and Expenses

Rs. In INR

<b>PAYMENT TO AUDITORS</b>	<b>2021-22</b>	<b>2020-21</b>
<b>As Auditor :</b>		
Audit fees	25,000	35,000
<b>In other capacity :</b>		
(I) Other services	17,000	20,000
	<b>42,000</b>	<b>55,000</b>

### 31 (A) : Category-wise classification of Financial Instruments

Rs. In INR

Particulars	Refer Note	Non-Current		Current	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
<b>Financial assets measured at amortised cost</b>					
Loans	Note No. 4 & 10	<b>35,000,000</b>	35,000,000	<b>42,300</b>	<b>326,051</b>
Cash and cash equivalents	Note No. 9a	-	-	<b>11,94,938</b>	<b>509,991</b>
Other Balances with Bank	Note No. 9b	-	-	<b>51,17,324</b>	<b>4,839,230</b>
Other Current Financial Assets	Note No. 11	-	-	<b>57,311</b>	<b>61,224</b>
		<b>35,000,000</b>	<b>35,000,000</b>	<b>64,11,873</b>	<b>5,736,496</b>
<b>Financial liabilities measured at amortised cost</b>					
Overdraft from banks	Note No. 16	-	-	-	<b>216,370</b>
Trade payables	Note No. 15	-	-	-	<b>618,076</b>
		-	-	-	<b>834,446</b>

**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, 2022, 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.

**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	2021-22		2020-21	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	-	-	-	-
Increase/ (decrease) in profit or loss	-	-	-	-

**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, 2022 and 31st March, 2021:

Particulars	As at March 31, 2022		
	Less than 1 year	1-2 years	2 years and above
Borrowings*	-	-	-
Trade Payables	-	-	-
Other financial liabilities (Current and Non-Current)	9,155	-	-

(Rs. In INR)

Particulars	As at March 31, 2021		
	Less than 1 year	1-2 years	2 years and above
Borrowings*	216,370	-	-
Trade Payables	618,076	-	-
Other financial liabilities (Current and Non-Current)	18,430	-	-

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

### 32: LEASES

The company has applied Ind AS 116 using the modified retrospective approach.

#### As Lessee

#### Amounts recognised in profit or loss

(Rs in INR)

Particulars	2021-22	2020-21
Expenses relating to short-term leases (*Included in Other Expenses Note No. 23)	42,000	31,500

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

(Rs in INR)

Particulars	2021-22	2020-21
Total cash outflow for leases	42,000	31,500

#### Note 33:

Ratio	Numerator	Denominator	31st March 2022	31st March 2021	% Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	19.01	12.55	-51.45%	
Debt Equity Ratio	Long Term Debt	Shareholders Equity	N.A.	N.A.	N.A.	
Debt Service Coverage Ratio	Profit before Depreciation, Interest & Tax	Interest Charges	43.78	3.09	-1316.30%	Bank Overdraft has been repaid during the year.
Return on Equity Ratio	Profit After Tax	Average Shareholders Equity	0.49	0.49	-0.18%	

Inventory Turnover Ratio	Net Sales	Average Inventories	-	1.99	100.00%	There is no sales and inventory at the year end
Trade Receivable Turnover Ratio	Net Sales	Average Account Receivables	-	44.77	100.00%	There is no sales during the year end
Trade Payable Turnover Ratio	Net Purchases	Average Trade Payables	N.A.	N.A.	N.A.	
Capital Turnover Ratio	Net Sales	Average Working Capital	-	0.61	100.00%	There is no sales during the year end
Net Profit Ratio	Profit After Tax	Net Sales	-	4.77	100.00%	There is no sales during the year end
Return on Capital Employed	Profit before Interest & Tax	Capital Employed	0.88	1.02	13.24%	
Return on Investment	Profit After Tax	Shareholders Equity	0.49	0.49	-0.17%	

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

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**                      **RAFIQUNNISA MERCHANT**  
**DIRECTOR & CHAIRMAN**      **DIRECTOR & CFO**  
**DIN: 02528327**                      **DIN: 07758223**

**CA VIJAY PARIKH, Mem. No. 031773**  
**PARTNER,**  
**UDIN: 22031773AMWALB1873**  
**VADODARA, 30<sup>TH</sup> MAY, 2022**

**YUNUS R. MEMON**                      **ISHITA KAPURE**  
**MANAGING DIRECTOR**      **COMPANY SECRETARY**  
**DIN: 01094396**  
**VADODARA, 30<sup>TH</sup> MAY, 2022**

## CASH FLOWS STATEMENT FOR YEAR ENDED 31<sup>ST</sup> MARCH 2022

PARTICULARS	For the year ended			
	31st March, 2022		31st March, 2021	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
NET PROFIT(LOSS) BEFORE TAX		5,02,648		3,93,728
Add:- Adjustments for:				
Depreciation	10,894		16,543	
Interest received	(27,74,468)	(27,63,574)	(25,73,591)	(25,57,048)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>(22,60,926)</b>		<b>(21,63,320)</b>
Adjustments for:				
(Increase)/decrease in Inventories	-		<b>59,82,228</b>	
(Increase)/decrease in Current Financial Assets	<b>(11,41,511)</b>		<b>13,42,736</b>	
(Increase)/decrease in Other Current Assets	<b>1,94,559</b>		<b>10,98,490</b>	
(Increase)/decrease in Other Current Liabilities	<b>(9,275)</b>		<b>5,680</b>	
(Increase)/decrease in Receivables	<b>2,65,359</b>		<b>(2,65,359)</b>	
(Increase)/decrease in Payables	<b>24,006</b>	<b>6,66,862</b>	<b>(53,38,066)</b>	<b>28,25,710</b>
<b>CASH GENERATED FROM OPERATIONS</b>		<b>(29,27,788)</b>		<b>6,62,390</b>
Direct Taxes Paid		1,67,269		1,12,500
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>30,95,057</b>		<b>5,49,890</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Payments to acquire financial assets	(2,78,094)		(3,01,054)	
Purchase of Property, Plant and Equipment	-		(51,271)	
Decrease/(increased) in Loans ( Financial Assets )	-		-	
Decrease/(increased) in Non-current Financial Assets	15,00,000		-	
Interest received	27,74,468		25,73,591	
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>39,96,374</b>		<b>22,21,266</b>
Cash and Cash equivalents as at the beginning of the year		<b>2,93,621</b>		<b>(24,77,534)</b>
Net Increase/(Decrease) in cash and cash equivalents		<b>9,01,317</b>		<b>27,71,155</b>
Cash and Cash equivalents as at the end of the year		<b>11,94,938</b>		<b>2,93,621</b>

Note:-

(a) Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS-7

(b) Cash and Cash Equivalents Comprises of

PARTICULARS	As at 31st Mar 2022	As at 31st Mar 2021
i) Balances with Banks in Current accounts	<b>1,179,888</b>	236,458
ii) Cash on hand	<b>15,050</b>	273,533
	<b>1,194,938</b>	509,991
Less:-Bank overdraft refer Note No-16	-	216,370
<b>Cash and Cash Equivalents as per Cash Flow Statement</b>	<b>1,194,938</b>	293,621

**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**                      **RAFIQUNNISA MERCHANT**  
**DIRECTOR & CHAIRMAN**      **DIRECTOR & CFO**  
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**YUNUS R. MEMON**                      **ISHITA KAPURE**  
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**DIN: 01094396**  
**VADODARA, 30<sup>TH</sup> MAY, 2022**