



Agro Phos India Limited

**17th Annual Report
(2018-2019)**



Registered office:

M-87, Trade Centre 18M, South Tukoganj, Indore, M.P.452001

[Tel:0731-2529488-89-90-91](tel:0731-2529488-89-90-91), Email-agrophos@rediffmail.com

Website:WWW.agrophos.com



CORPORATE INFORMATION

NAME OF THE COMPANY

Agro Phos (India) Limited

CIN

L24123MP2002PLC015285

COMPANY SECRETARY

CS Sumit Sharma

BOARD OF DIRECTORS

- | | |
|--------------------------|------------------------------|
| 1. Mr. Raj Kumar Gupta | Chairman & Managing Director |
| 2. Mr. Vishnu Kant Gupta | Whole-time Director |
| 3. Mr. Abhishek Kalekar | Director |
| 4. Mr. Omprakash Chourey | Independent Director |
| 5. Mrs. Vidhi Jain | Independent Director |
| 6. Mr. Ashok Pande | Independent Director |

CHIEF FINANCIAL OFFICER

CA Rajendra Kumar Mittal

COST AUDITOR

M.P. Turakhia & Associates

STATUTORY AUDITOR

Ashok Khasgiwala & Co., LLP
Chartered Accountants
702, Shekhar Central,
A.B. Road, Palasia Square
Indore (MP)-452001

WORKS

Fertilizer Manufacturing Units
1) Dewas Unit
13 A/2, Industrial Area,
A.B. Road, Dewas, M. P.

REGISTERED OFFICE

M-87, Trade Centre 18m
South Tukoganj, Indore (M.P.)
Tel No.: +9107312529488/89/91
Email : agrophos@rediffmail.com

SECRETARIAL AUDITORS

M/s Neelesh Gupta & Co.
Companies Secretaries

2) Meghnagar Unit
135A-138A, Industrial Area,
Meghnagar, Jhabua, M.P.

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd

1st Floor, Bharat Tin Works Building
Opp. Vasant Oasis, Makwana Road
TMarol, Andheri East, Mumbai ,
Maharashtra 400059
Tel: 91-22-6263 8200
Fax: +91-22-6263 8299
Email : investor@bigshare.com
Website: www.bigshareonline.com

STOCK EXCHANGE LISTING

The National Stock Exchange of India Ltd.

BANKER,

Axis Bank of India

Madhya Pradesh Financial Corporation

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Overview

Incorporated in 2002, our Company M/s. Agro Phos (India) Limited is an ISO 9001:2008 certified Company engaged in the manufacturing of fertiliser products such as Single Super Phosphate (SSP), Nitrogen Phosphate and Potassium (NPK), Zinc Sulphate, Organic manure and Calcium Sulphate commonly known as soil conditioner or gypsum. Our Company also undertakes trading of Diammoium Phosphate (DAP), Urea, Ammonium Sulphate and other fertilizers depending upon the demand of the customer. The registered office of the Company is situated at M-87, Trade Centre 18M, South Tukoganj, Indore, Madhya Pradesh.

Our manufacturing facilities are located at Dewas and Meghnagar, Madhya Pradesh and are well equipped with required facilities including machinery, crane, conveyor belt, other handling equipments to facilitate smooth manufacturing process and easy logistics. We endeavor to maintain safety in our premises by adhering to key safety norms. Our manufacturing process is completely integrated from procurement of raw materials and final testing and packing of fertilisers for direct use of our customers.

We have entered into marketing agreement for our product NPK with Indian Potash Limited for supply of minimum 25,000 mt per annum of NPK, for marketed in the states of Madhya Pradesh and Chattisgarh. Our Company is well equipped with in-house testing laboratory to test the products as per quality standards and relevant chemical composition. In our quest to maintain high standards of quality for our products, we have imported testing machine to test the product in real time basis. The final product has to pass special quality test to ensure that it is of the requisite quality and contains the requisite chemical composition. We use gazette bags for packing of our products. These bags are very easy to handle and facilitates easy stacking as well apart from providing quality products at an affordable cost, our Company also emphasizes on the product reach through its distribution network. We have over 200 dealers and distributors.

Vision

To be a leading national enterprise with global aspirations, effectively pursuing multiple growth opportunities, maximizing returns to the stakeholders, remaining socially and ethically responsible.

Mission

To provide our customers with premium quality products in a safe, reliable, efficient and environmentally sound manner, deliver exceptional services and customer support, maximizing returns to the shareholders through core business and diversification, providing a dynamic and challenging environment for our employees.

Manufacturing Process

I. Single Super Phosphate (SSP)



Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of SSP is Rock Phosphate and Sulphuric acid. The procurement of Rock Phosphate is fulfilled by importing the same from countries like Egypt, Iran, Jordan, Morocco, Syria, Togo, Tunisia, etc. The requirement of Sulphuric acid is met by purchasing the same from local vendors. After the procurement of raw materials, the manufacturing process starts in Grinding mill where Rock Phosphate is grinded and then the grinded rock phosphate is moved to mixer where Sulphuric acid and water is added. The mixture is then



mixed properly and is moved via the den machine to cutter to cut the huge chunks of mixture into powder form. Our Company manufactures both powder and granulated SSP. The manufacturing process of powdered and granulated SSP is same till the mixing process and after this process the mixture is then treated separately.

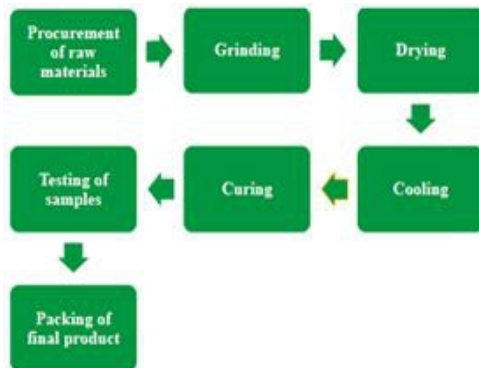
Powdered SSP

After the mixing process, the mixture is then moved for further curing process, wherein the drying and mixing of SSP takes place and samples of the final product is sent to the in house laboratory for testing and quality check to ensure that the final product contains the required chemical composition. Once the samples pass the final quality check the product is then sent to hopper for packing the same into HDPE bags for dispatch.

Granulated SSP

After the mixing process, the mixture is then moved for further curing process, wherein the drying and mixing of SSP takes place. After the curing process the mixture is moved via crane to granulation drum where water is added and then the granulated mixture is moved via conveyor belt to dryer drum wherein the mixture is heated at a temperature of around 1000 degree Celsius. After the heating process, the mixture is then moved to the cooler drum to extract moisture and then the product moves to the vibrating screen to ensure that the granules are of adequate and required size. The samples of granulated SSP now move to the in house laboratory for final testing and quality check and to determine whether the product contains the required chemical composition or not. After the samples pass the final quality check, the product is then sent to hopper for packing the same into HDPE bags for dispatch.

II. Nitrogen Phosphorus and Potassium (NPK)



Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of NPK is Nitrogen, Phosphate and Potassium. After the procurement of raw materials, actual manufacturing process starts with Granulation as the first step. In this step, raw materials are mixed with water to form granules. These granules are then moved to the drying drum via conveyor belt to dry the granules.





After this process, the granules are moved to the coolant drum to extract moisture and then the product passes through the vibrating screen to ensure that the product is available in various sizes. The final product then passes a quality check in the in house laboratory to ensure that the final product is of adequate quality and contains the required chemical composition. Our Company manufactures NPK of varied chemical compositions. Our in house laboratory checks whether different types of NPK contains the required chemical composition as per the said chemical formulae. We use gazette bags for packing of our products. These bags are very easy to handle and facilitates easy stacking as well.

III. Organic Manure

Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of organic manure is Neem DOC, Castor DOC, Karanja DOC, Mahua DOC and Tobacco dust. These raw materials are procured from the local market and before the manufacturing process the raw material undergo a quality check to check the final quality and chemical composition.

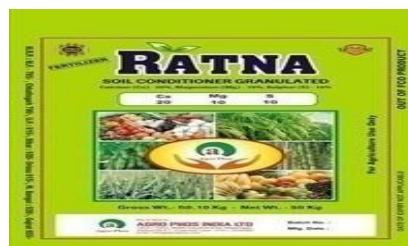
These raw materials are feeded in the hopper as per the required chemical composition, stated as under:

| | |
|-----------------|-------------------|
| Neem DOC: 30% | Tobacco dust: 35% |
| Castor DOC: 25% | |
| Karanja DOC: 5% | |
| Mahua DOC: 5% | |

The chemical composition of the required raw materials can be changed depending upon their availability. After feeding the raw materials in the feeder, the materials are then moved to the blending machine via conveyor belt. The materials are blended properly in the blender and then the mixture moves to the drying machine to extract moisture from the final product.

The next process is the quality check to ensure that the final product is of adequate quality and contains the required chemical composition. If the final product passes the quality check, then the same is packed into HDPE bags for final dispatch. We use gazette bags for packing of our products. These bags are very easy to handle and facilitates easy stacking as well.

IV. Soil Conditioner (Calcium Sulphate)



After the procurement of raw materials, the raw materials undergo a quality check to ensure that the raw materials are of required quality. The actual manufacturing process starts with Granulation as the first step. In this step, raw materials are mixed with water to form granules. These granules are then moved to the drying drum via conveyor belt to dry the granules.

After this process, the granules are moved to the coolant drum to extract moisture and then the product passes through the vibrating screen to ensure that the product is available in various sizes. The final product then passes a quality check in the in house laboratory to ensure that the final product is of adequate quality and contains the required chemical composition.

Our product, soil conditioner is sold under the brand name – "Ratna".

Our Company manufactures soil conditioner of a notified chemical composition mentioned below: Soil Conditioner (20, 10, 10): This fertilizer contains 20% Calcium Sulphate, 10% Magnesium Sulphate and 10% Sulphur



Chairman & Managing Director's Message



Dear Shareholders, It is my honour and privilege to interact with you as the Chairman of the Board at Agro Phos (India) Limited.

First I would like to share with you about one more important milestone added to the company's existing achievements after getting listed on SME Platform of NSE, in Nov. 2016 and after completion of two successful financial year, company during F.Y. 2018-19 was got migrated to main Board of NSE Limited, and now way to invest in company's securities are open for small investors also as the requirement of Minimum Investment is removed, it also provides company to get traded its securities in Capital Market at a wider platform.

Now came to the Indian economy which mainly depends upon its agricultural produce and the agricultural output contributes to about 25% of the country's GDP. as a result of the chemical fertilizers being one of the related parts of the agriculture, there is tremendous scope for the growth of the chemical fertilizer industry and despite strong historical growth, fertilizer consumption in India remains highly skewed. There are currently a number of states in India which still have a very low penetration of fertilizers. This leaves a lot of room for future growth and considering these factors your company is moving steps toward future growth and will definitely grab every possible opportunities as exist in Indian Market.

The Indian fertilizer market was worth INR 5,437 Billion in 2018 and expecting a growth around INR 11,116 Billion by 2024, growing at a CAGR of 12.3% during 2019-2024. Fertilizers have played a key role in the success of India's green revolution and subsequent self-reliance in food-grain production.

The government's decision to change the contour of giving fertiliser subsidy to companies on actual sales made to farmers through point of sale (PoS) devices is aimed at streamlining the Rs 70,000-crore annual subsidy it gives to the sector. Currently, farmers get urea and 21 grades of phosphatic and potassic fertilisers at subsidised rates and such a unique and transparent reform for fertilizers sector as well as farmers both will get the actual benefit without intervention of any mediator.

From your Company's point of view Agro Phos has posted total revenue of Rs. 7216.42 Lacs for the year 2018-19 as compared with Rs. 5940.82 for the year 2017-18, while PAT of company came around Rs. 82.80 Lacs which is Rs. 53.54 Lacs lesser than Rs. 135.84 in previous year, we are expecting a better profit in future years as company's Migration on Main Board made applicable on Company IND-AS (standard & Global format of making and reporting of Financials) requirement, as effect of which there are a lots of grouping and re-grouping was required in existing accounting entries and some of income needed to be recorded on receipt basis only as compared to accrual basis in previous accounting standard which affect total income of company also cost of material consumed was also increased in respect to previous year which concurrently increase cost of direct expenses and resulted in lesser of profit compared to last year.

Lastly, I wish to thank the shareholders for showing their undeterred support, business associates for allying through our journey and employees for being Company's growth engine. While the public listing opens up opportunities for us to take the business to new heights, it also adds additional challenges for the Company to meet increased expectations from all our stakeholders. We have laid strong foundations over the previous years and we are confident of meeting and exceeding the expectations. We believe we have a compelling story and we look forward with great passion to the future, creating greater value for our shareholders.



NOTICE

Notice is hereby given to all the members of the Company that the Annual General Meeting of the Company will be held on Monday the 30th September, 2019 at 12:30 P.M. at registered office of the company situated at M-87, Trade Centre, 18 South Tukoganj, Indore, Madhya Pradesh 452001 to transact the following business:

Ordinary Business

1. To receive and adopt the Audited Balance Sheet as at 31st March, 2019 and Profit and Loss Account of the Company for the year ended on 31st March, 2019 and the report of the Directors & Auditors thereon.
2. To Appoint Director in place of Mr. Vishnu Kant Gupta, Who retires by rotation and being eligible offers himself for re-appointment.

Special Business:

3. **Appointment of Mr. Ashok Pande as Independent Director of the company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution

“RESOLVED that Ashok Pande (DIN 08374646), who was appointed by the Board of Directors as an Additional Director of the Company with effect from February 26, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.”

“RESOLVED FURTHER that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, the appointment of Ashok Pande, who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing February 26, 2019 up to February 25, 2024, be and is hereby approved.”

4. **Confirmation of Payment of Remuneration to M/s M.P. Turakhia & Associates as Cost Auditor**

To confirm payment of remuneration of cost auditors for the financial year ending March 31, 2020 and this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such Orders, Rules, Notifications, as may be promulgated by the appropriate authorities in this regard, the remuneration of Rs. 30,000/- (Rs. Thirty Thousand only) plus tax as applicable for the financial year ending 31st March, 2020 as approved by the Board of Directors of the Company, payable to M.P. Turakhia & Associates., Cost Accountant (Firm Registration No. 000417) for conducting the audit of the cost records of the Company be and is hereby confirmed.”

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS A PROXY TO ATTEND AND VOTE AT THE MEETING ON HIS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
3. In terms of Sec. 105 of the Companies Act, 2013 read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10 percent of the total share capital of the company carrying voting rights. A member holding more than 10 percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.

5. Appointment / Re-Appointment of Directors

At the ensuing Annual General Meeting Shri Vishnu Kant Gupta, Director of the company retire by rotation and being eligible offer themselves for re- appointment.

Detail of Shri Vishnu Kant Gupta

| Name of Director | Vishnu Kant Gupta |
|---------------------------------|----------------------------|
| Designation | Whloe Time Director |
| Date of Birth | 14.06.1980 |
| Date of Appointment on Board | 16.03.2012 |
| Qualification | Bachelors in Physiotherapy |
| Directorship in other companies | NA |
| No. or % of holding in Company | 1596075(7.87%) |

6. An Explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") in respect of item no. 3 to 4 of the notice set out above, is annexed hereto.
7. Register of Members and Share Transfer Books of the Company will remain closed from September 23, 2019 to September 30th, 2019 (both days inclusive).
8. In terms of Regulation 40(7) and 61(4) read with Schedule VII of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, it is mandatory for the transferor and the transferee(s) of the physical shares to furnish copy(ies) of their PAN card(s) for registration of transfer of shares, so the transferor or transferee of company's Physical shares are requested to provide Copy of PAN along with Signed Transfer Deed and Share Certificate for off market transaction/ Private Transactions to to the company / Registrar and Transfer Agents, as the case may be, for registration of such transfer of securities.
However SEBI vide Notification dated June 08, 2018 have conveyed amendment to Regulations 7 and 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which shall come into force from December 05, 2018, which made it mandatory in case of transfer of securities of the Company cannot be processed unless the securities are held in dematerialized from with a depository, the said requirement of Dematerializations is not mandatory in case of Transmission or Transposition of Shares or one can hold securities in physical form until the securities are not intended for transfer.
View above, we request the shareholders holding shares in physical form to kindly dematerialize equity shareholding in Agro Phos (India) Limited.
9. Members are requested to notify immediately any change in their address and E-Mail ID to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar



and Share Transfer Agent of the Company viz. Bigshare Services Pvt. Ltd. Located at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra having email Id investor@bigshareonline.com to receive the soft copy of Annual Report of the Company.

10. Members are requested to :
 - a. Complete the attendance slip and deliver the same at the entrance of the meeting hall.
 - b. Bring their copies of the Annual Report at the time of attending the Annual General Meeting.
 - c. Send their questions at least 10 days in advance of the Annual General Meeting about any further information on accounts so as to enable the Company to answer their question satisfactorily.
11. All documents referred to in the accompanying Notice and Explanatory Statements are open for inspection at the Registered Office of the Company on all working days except Saturday between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.
12. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Nos. for easy identification of attendance at the meeting.
13. The Notice of Annual General Meeting and Annual Report of the Company for the year 2018-19, circulated to the Members of the Company, is available on the Company's website viz. www.agrophos.com.
14. Electronic copy of the Annual report for the year 2018-19 is being sent to the members whose email IDs are registered with the Share Transfer Agent of the Company/Depository Participants unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual reports being sent in the permitted mode.
15. At the meeting, after all the items of the notice have been discussed, the Chairman will order poll in respect of all the items. Poll will be conducted and supervised under the Scrutinizer appointed for the same as stated above. After conclusion of the poll, the Chairman may declare the meeting as closed.
16. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.agrophos.com not later than 2 (two) days of passing of the resolution at the Annual General Meeting of the Company and will be communicated to the Stock Exchange(s).
17. Members may also note that the Notice of Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot/Poll Paper and the Annual Report for the year 2018-19 will also be available on the company website www.agrophos.com for their download. For any communication, the shareholders may also send request to the company on the aforementioned Email ID.
18. In accordance with Regulation 44 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 22 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to shareholders through such e-voting system. Notice of this meeting has been sent to all the shareholders who have registered their e-mail id's with the Company or the Registrar and Transfer Agent/ Depository Participants. Necessary arrangements have been made by the Company with Central Depository Services India Ltd (CDSL) to facilitate e-voting.

Procedure For Remote Voting

19. In compliance with 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 the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing remote e-voting facility to all its Members to enable them to cast their vote on the matters listed in the Notice of 17th AGM by electronic means.

The instructions to members for voting electronically are as under

- (i) Log on to the e-voting website www.evotingindia.com



- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME as Agro Phos (India) Limited” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters.</p> |
| DOB | <p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p> |
| Bank Details | <p>Enter the Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Bank details field.</p> |

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



- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 09:00 A.M. on Friday 27 September and ends on 05:00 P.M. on Sunday 29 September 2019, 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 20th September 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com, or Company at agrophos@rediffmail.com.

20. The Map of Venue of AGM is given at the last page of Annual Report

**For and on behalf of the Board of Directors of
AGRO PHOS (INDIA) LIMITED**

Sd/-

**Raj Kumar Gupta
Director
DIN: 00244925**

**Place: Indore
Date: 06/09/2019**



**Annexure To The Notice
Explanatory Statement
(Pursuant to Section 102(1) of the Companies Act, 2013)**

Item No.4

Mr. Ashok Pande was appointed as an Additional Director of the Company in the category of Non-Executive Independent Director by the Board of Directors with effect from 26th February, 2019 in terms of the provisions of the companies Act 2013, he holds office till the conclusion of this Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from Member proposing the candidature of Mr. Ashok Pande for the office of Independent Director of the Company.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Ashok Pande, being eligible for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to February 25th, 2024.

Brief Profile:

Mr. Ashok Pande, aged 62 yr, holds Degree of M.A. with Economics, he is a retired senior Regional Manager from Indian Potash Limited in the state of Madhya Pradesh, he holds an overall experience of about 39 years starting from the year 1978, and upto the year 2016, over this long span of working, he was worked with or had employed in big groups of Company's like DCM (Shri Ram Group), Aditya Birla Group, Madhya Pradesh Oil seeds Corporation, Indian Potash Limited, etc, his core area of work was to promote domestic and Export sales, a part of which he also played role of member or director of various project teams at above groups, apart from the sales promotion he was also worked in the field of marketing and Purchase.

No director, Key Managerial Personnel or their relatives, except Mr. Ashok Pande, being the appointee is interested or concerned in the resolution.

Item No. 5

The Board of Directors of the Company on the recommendation of the Audit Committee has approved the appointment and remuneration of M.P. Turakhia & Associates, Cost Accountant (Firm Registration No. 000417), to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020 at a remuneration of Rs. 25,000/- (Rupees Twenty Five Thousand only) plus service tax as applicable and reimbursement of out of pocket expenses. In accordance with the provisions of Section 148 of the Companies Act, 2013, the remuneration payable to the cost auditors has to be determined by the shareholders of the Company. The Board recommends the Ordinary Resolution at Item No. 5 for approval of the members.

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

Brief Profile of M/s M.P. Turakhia & Associates, Cost Accountants:

M.P. Turakhia & Associates, a partnership firm was promoted in the year 1998 by Cost Accountants with meticulous track record and sound professional background.

The firm is wonderful combination of experience and energy, comprising of three partners, namely:

1) MIHIR P TURAKHIA (AGE: 41 years) B.Com, LLB, FCMA. having experience of 17 years in the practice of cost and management consultancy.

2) DEEPIKA PRADHAN (AGE: 37 years) B.Com, FCMA having working experience of 12 years in various industries.

The firm is handling assignments in consultancy and cost audit of various companies of repute, Export-Import Services, Excise and Service Tax Advisory, covering public sector, private sector and government sector.



The Head office of the firm is located at prime location in Indore (M.P.) and having branch office at Mumbai and Nagpur (MH).

The Firm is an Independent Firm of Cost Accountants and are maintaining arm's Length relationship with our Company.

The Firm is registered with the Institute of Cost Accountants of India under Registration No. 000417.

**For and on behalf of the Board of Directors of
AGRO PHOS (INDIA) LIMITED**

**Place:Indore
Date: 06/09/2019**

**Sd/-
Raj Kumar Gupta
Managing Director
DIN: 00244925**



DIRECTORS REPORT

To,
The Members,

Your directors have pleasure in presenting their 17th Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March, 2019.

1. Financial Highlights

During the year under review, performance of your company as under:

| Particulars | Year ended 31 st march 2019 | Year ended 31 st march 2018 |
|--|---|---|
| Revenue from operation and Other Income | 721642000 | 594082000 |
| Less: Expenditure | 705317000 | 573462000 |
| Profit/(Loss) before tax | 16325000 | 20620000 |
| Less: Tax Expense | | |
| Income tax (current year) | 3455000 | 4150000 |
| Income tax paid for earlier years | 0 | 0 |
| Deferred tax | 4590000 | 2886000 |
| Profit/(Loss) after tax | 8280000 | 13584000 |

2. Financial Performance

During the year under review company's Profit was Rs. 82.80 Lacs as compare to Rs. 135.84 Lacs in previous year, these fall down in profit is on account of various factors such as increase in the cost of Raw material, block of subsidy due to receipt basis accounting under IND- AS reporting and non receipt of timely payments from customers, however some more factors are also influenced our profitability, the Board of directors of the company decides to overcome the above situation by effective measures as accounting on receipt is now on roll so from next year it will not place negative impact on credit of income of company, we are also finding some specific resources from where we can get raw material at reduced prize.

2. Change In Nature Of Business

There was no change in the nature of Business during the year as no expansion or diversifications in the existing business cycle of the company was exposed, company's Management thinks it better to first focus on available opportunities in the market to enhance the existing growth of the company, however in the previous year company was added some new objects in the form of Manufacturing, trading, Import & Export of Agriculture Commodities, horticulture, organic, medicinal and forest produce and all types of metals, steel and iron products and accordingly change its object clause in the Memorandum of Association of company.

3. Dividend

To strengthen the financial position of the Company, no dividend is recommended by the Board of Directors for the Financial Year 2018-19.

4. Amount Transferred To Reserve

During the year under review, the Company has transferred amount of Rs. 82,80,000/- in General Reserve.

5. Deposits

The Company did not accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read with the rules made there under.

6. Insurance

During the year under review all the fixed assets of the company are adequately insured.



6. Share Capital

a) Authorized Capital

There was no change made in the Authorized Capital of the company during this financial year 2018-19.

b) Issued Subscribed and Paid up Share Capital

The issued subscribed and paid up share Capital of the Company is same as in the previous Year that means no further issue or bonus issue was brought by company.

Issue of Bonus Equity Shares Nil

Issue of Equity Shares Nil.

7. Human Resource & Industrial Relations

The Industrial relations of the company were harmonious with suppliers, customers employees, factory labor, financial leaders and become a worth full fertilizer manufacturer company is having it's identity as market performer company is having a good position in Market, company's promoter are also having their goodwill in Fertilizer industry as previously our Managing Director was chairman of fertilizer association of middle east of India.

Further we would like to share with you that your company's management always believes in doing study and practice of collective bargaining, trade unionism, and harmonious labor-management relations, provide friendly environment and comfort to company's employees so that they may explore their maximum output throughout the year.

We also would like to place on record our sincere appreciation to the cooperation extended by all the employees in maintaining cordial relations.

8. Management Discussion And Analysis

Management Discussion and Analysis, forming part of this report as required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached as "Annexure-E" separately to this Report.

9. Directors' Responsibility Statement

To the best of the knowledge and belief and according to the information and explanations obtained by them, your Directors confirms the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual accounts for the year ended 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in the Financial Statements have been selected and applied consistently. Such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs and of Profit of the Company for the financial year ended on March, 31st 2019.
- c. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that they have prepared the Annual Accounts on a going concern basis;
- e. that they have laid down internal financial controls for the company and such internal financial controls were adequate and were operating effectively.
- f. that they have devised proper systems to ensure compliance with the provisions of all applicable laws and such system are adequate and operating effectively.



9. Details of Directors And Key Managerial Personnel

A. Changes in Directors:

I Cessation of Directors:

- a) Mr. Vijay Singh Bharaktiya (DIN:00017285), a Non Executive & Independent Director of the Company on account of his pre- occupation at somewhere else and some of other personal reason have resigned w.e.f. closing of working hours of May 30th, 2019, the Board recorded its sincere appreciation for his valuable contribution during his long association with the Company
- b) Mrs. Vani Gupta (DIN:07590997), Independent Director of the company have Resigned w.e.f. 26th June 2018 and Mr. Palash Gupta (DIN:03599982), Independent Director have also resigned w.e.f. 12th June 2018 due to their pre-occupation, the Board recorded its sincere appreciation for his valuable contribution during their association with the Company

II Appointment of Directors

- a) The Board at its meeting held on 12th July 2018, pursuant to the recommendation of Nomination and Remuneration Committee and subject to necessary Confirmation by shareholders, appointed Mr. Omprakash Chourey (DIN: 08178285) and Mrs. Vidhi Jain (DIN: 08178291) as additional directors, with the designation as Independent directors of the Company for a period of five years with effect from 12th July 2018.
- b) The Board at its meeting held on 26th February 2019, pursuant to the recommendation of Nomination and Remuneration Committee and subject to necessary Confirmation by shareholders, appointed Mr. Ashok Pande (DIN: 08374646) as additional director, with the designation as Independent director of the Company for a period of five years with effect from 26 February 2019.

Necessary intimations regarding above mentioned appointment and cessation as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given to stock exchange and also detail of appointment of Mr. Ashok Pande has placed in the notice of annual general meeting for approval by shareholders.

III. Retirement by Rotation:

The independent directors hold office for a fixed term not exceeding five years from the date of their appointment and are not liable to retire by rotation.

However as per the provision of the Companies Act, 2013 and Article 145(b) of article of association of the company Mr. Vishnu Kant Gupta, Director of the company, who has longest in the office are become liable to retire by Rotation in ensuing Annual General Meeting and, being eligible have offered their candidature for re-appointment.

Brief details of Mr. Vishnu Kant Gupta Director, who are seeking re-appointment are given in the notice of annual general meeting.

B. Changes in Key Managerial Personnel:

- a) The Board at its meeting held on 15th September 2018, pursuant to the recommendation of Nomination and Remuneration Committee appointed Mr. Dilip Kumar Jain as Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. 15th September 2018 in place of Mr. Vidit Garg, whose office has been ceased as Chief Financial Officer of the Company w.e.f. 15th September 2018.
The Board at its meeting held on 15th September 2018, pursuant to the recommendation of Nomination and Remuneration Committee appointed Mr. Sumit Sharma as Company Secretary and Key Managerial Personnel of the Company w.e.f. 15th September 2018 in place of Ms. Neelam Jain, whose office has been ceased as Company Secretary of the Company w.e.f. 15th September 2018.
- c) Further the Board at its meeting held on 26th February 2019, pursuant to the recommendation of Nomination and Remuneration Committee appointed Mr. Rajendra Kumar Mittal as Chief Financial



Officer and Key Managerial Personnel of the Company w.e.f. 26 February 2019 in place of Mr. Dilip Kumar Jain, who have resigned due to some of his personal reason w.e.f. 26th February 2018.

Necessary Compliances and intimations regarding above mentioned appointment and cessation as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given to stock exchange and Registrar of Companies.

The Detailed Information on the directors is provided in the Corporate Governance Report

As on the 31st March 2019 the Board consist of the following directors namely:-

| DIN / PAN NO. | Name | Designation | Date Of Appointment | Date Of Cessation |
|---------------|------------------------|----------------------|---------------------|-------------------|
| 00244925 | Raj Kumar Gupta | Managing director | 24/09/2002 | - |
| 05233476 | Vishnu Kant Gupta | Whole-time director | 16/03/2012 | - |
| 07595771 | Abhay Gupta | Director | 24/08/2016 | 14.08.2019 |
| 00017285 | Vijay Singh Bharkatiya | Independent Director | 16/08/2016 | 30.05.2019 |
| 08178291 | Vidhi Jain | Independent Director | 12/07/2018 | - |
| 08178285 | Omprakash Chourey | Independent Director | 12/07/2018 | - |
| 07758751 | Abhishek Kalekar | Additional Director | 08/03/2017 | - |
| KGIPS4560K | Sumit Sharma | Company Secretary | 18/09/2018 | - |
| ACCPM1042Q | Rajendra Kumar Mittal | CFO | 26/02/2019 | - |

10. Subsidiaries, Joint Ventures And Associates

As on March 31, 2019, the Company does not have any subsidiary or joint venture or associate Company.

11. Number of Board Meetings

During the Financial Year 2018-19, [08] meetings of the Board of Directors of the company were held.

| S.NO | DATE OF BOARD MEETING | Total No. of Directors | No. of Directors attended the Meeting |
|------|-----------------------|------------------------|---------------------------------------|
| 01 | 06/04/2018 | 7 | 7 |
| 02 | 29/05/2018 | 7 | 6 |
| 03 | 12/07/2018 | 5 | 5 |
| 04 | 03/09/2018 | 7 | 7 |
| 05 | 15/09/2018 | 7 | 7 |
| 06 | 14/11/2018 | 7 | 7 |
| 07 | 06/12/2018 | 7 | 7 |
| 08 | 26/02/2019 | 7 | 5 |

12 Separate Meeting Of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013; a separate meeting of the Independent Directors of the Company was held on 15th July, 2019 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.



13. Committees of The Board

The Company is having required committees of Board of Directors as per the provisions of the Companies Act, 2013 and SEBI(Listing obligations and Disclosures Requirements), Regulations 2015, all the committees are having required composition of executive & Non Executive Directors as chairman as well as members.

The Complete details of the committee and its Meeting are given in corporate governance portion of this Report.

14. Declaration by Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

15. Particulars Of Contracts Or Arrangements With Related Parties

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2018-19 in the prescribed format, AOC 2 as "Annexure-C" has been enclosed with the report, further it was observed that all transactions with the related parties are at arms length basis and in ordinary course of business of company., details of the transactions were placed before audit committee for their review.

16. Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements and are within the limits.

16. Vigil Mechanism / Whistle Blower Policy

As per the requirement of Section 177 (9) of the Companies Act, 2013, and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism called the 'Whistle Blower Policy' for Directors and Employees to report concern of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and the details of the Whistle Blower Policy has been uploaded on the Company's website <http://www.agrophos.com> .

17. Material Changes Affecting The Financial Position Of The Company

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report. however at the end of the financial year company get approval for migration of its securities to main Board from SME platform of NSE Limited, which is considered as milestone in the company's history and also affects company's Financial position as now company is entered in capital market segment and market of the company is expect to grow in future.

18. Conservation Of Energy, Technology, Absorption, Foreign Exchange Earnings And Outgo

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are disclosed in "Annexure-G" enclosed with this Report.

21. Risk Management Policy:

The Company has adequate risk management process to identify and notify the Board of Directors about the risks or opportunities that could have an adverse impact on the Company's operations or to that could be exploited to maximize the gains. The processes and procedures are in place to act in a time bound manner to manage the risks or opportunities.

20. Significant & Material Orders

There are no significant and material orders passed by the regulator or courts or tribunals impacting the going concern status of the Company and future operations.



21. Auditors, Their Report & Comments By The Management

Statutory Auditors

M/s. Ashok Khasgiwala & Co. ,LLP Chartered accountants was appointed as Statutory auditor of the company for a period of Five years commencing from the year 2017-18 to 2021-2022, after their appointment they have conducted audit for 2017-18 and for the reporting year 2018-19.

In respect to Audit conducted for the year under review Your Board is pleased to inform that the notes on accounts referred to and the Auditors' Report are self explanatory and therefore do not call for any explanatory note.

Cost Auditor

The Board of Directors, in pursuance of an order under section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, issued by the Central Government, has appointed on the recommendation of Audit Committee M/s. M.P. Turakhia & Associates, Cost Accountants, Indore as Cost Auditors to conduct audit of the cost accounts maintained by the Company in respect of Fertilizers manufactured for the financial year 2018-19. As required under Companies Act, 2013 a resolution seeking member's approval for the remuneration payable to cost Auditor forms part of the notice conveying the Annual General Meeting for their ratification.

Internal Auditor

M/s Pankaj Somaiya & Associates LLP, Chartered accountants was appointed as an Internal Auditor of the Company to conduct the internal audit of the Company for the Financial Year 2018-19, as required under Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the Internal Control System and suggest improvements to strengthen the same. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board. Based on the report of internal audit function, Company undertakes corrective action in their respective areas and thereby strengthen the controls. Recommendations along with corrective actions thereon are presented to the Audit Committee of the Board and accordingly implementation has been carried out by the Company.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s Neelesh Gupta & Co., Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report for the financial year 2018-19 is annexed in "Annexure-H" herewith as " forming part of this report. There are no adverse comments, qualifications or reservations or adverse remarks in the Secretarial Audit Report.

Reporting of fraud by auditor

During the year under review, none of the above mentioned auditor have reported any instances of fraud committed against the company by its officers or employees, to the audit committee under section 143(12) of Companies Act, 2013.

22. Corporate Governance

A detailed report on Corporate Governance, along with certificate on corporate governance forming part of this report as required under Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached separately as "Annexure-D" to this report.

23. Corporate Social Responsibility (CSR) Policy



CSR is made applicable to the Company pursuant to the profitability of the company in the F.Y.2015-16, Company has constituted a CSR Committee having Optimum no. as members, A Policy on CSR was also made and approved in Board Meeting in earlier year, Complete Detail about CSR has been disclosed in "Annexure-F" to this Report.

24. Managerial Remuneration

Company has paid total managerial remuneration amounting to Rs. 48,00,000/- during the year to its Directors.

25. Disclosures Under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

During the year the Company has not received any complaint, which is appreciable as the management of the company endeavor efforts to provide safe environment for the female employees of the company.

26. Employee's Remuneration

The detail of the employee, who was in receipt of remuneration as specified under Rule 5 (2) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. are given in Annexure- attached to this Report.

27. Internal Financial Controls

The company is having adequate internal financial controls with reference to the financial statements in terms of Section 134 (3) (q) of Companies Act, 2013 read with Rule 8 (5) (viii) of Companies (Accounts) Rules, 2014.

28. Board Evaluation

Pursuant to the provisions of section 134 (3) (p) of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees with the Company.

29. Extract of Annual Return

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure-A " forming part of this report.

30. Secretarial Standards of CSI

The Secretarial Standards as specified by the Institute of Company Secretaries of India and your company is in compliance with the same.

31. Acknowledgment

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge support of the NSE Ltd. Lead Manager, Share Transfer Agent and other intermediaries of the Public Issue of the Company and also to all stakeholders of the Company viz. customers, members, dealers, vendors, bankers and other business partners for the excellent support received from them during the year. The



Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board of Directors of
AGRO PHOS (INDIA) LIMITED

Date: 06/09/2019

Place: Indore

Sd/-
Raj Kumar Gupta
Managing Director
DIN: 00244925

Sd/-
Vishnu Kant Gupta
Whole Time Director
DIN: 05233476

**Annexure to the Directors Report
Annexure 'A'**

Form No. MGT -9

Extract of Annual Return

as on the financial year ended on 31/03/201

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other Details:

| | | |
|------|---|--|
| i) | CIN | L24123MP2002PLC015285 |
| ii) | Registration Date | 19/09/2002 |
| iii) | Name of the Company | AGRO PHOS (INDIA)LIMITED |
| iv) | Category/Sub-Category of the Company | Company limited by shares/ Indian Non Government |
| v) | Address of the Registered office and contact details | M-87, Trade Centre 18m, South Tukoganj, Indore |
| vi) | Whether listed company | Yes |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | Bigshare Services Pvt. Ltd. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra. Tel No: 91-22-6263 8200 |

II. Principal Business Activities of The Company (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| S. No. | Name and Description of main products / services | NIC Code of the Product/ Service | % to total turnover of the company |
|--------|--|----------------------------------|------------------------------------|
| 1. | Fertilizers and agrochemical products | 9961172 | 83.15% |
| 2. | Trading of Agriculture Commodity | 9961111 | 16.85% |

III. Particulars of Holding, Subsidiary and Associate Companies- Nil



| Name and address of the Company | CIN / GLN | Holding/Subsidiary/Associate | % of shares held | Applicable Section |
|---------------------------------|-----------|------------------------------|------------------|--------------------|
| -- | -- | - | - | - |

IV. Share Holding Pattern(Equity Share Capital Breakup aspercentage of Total Equity)

(A) Categorywise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year (As on 31 st March 2018) | | | | No. of Shares held at the end of the year (As on 31 st March 2019) | | | | % Change during the year |
|---|---|----------|-----------------|-------------------|---|----------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters. | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 11002425 | 0 | 11002425 | 54.27 | 11002425 | 0 | 11002425 | 54.27 | - |
| b) Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| c) State Govt.(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| d) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| e) Bank/FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| f) Any Other... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Total Shareholding of Promoter (A) | 11002425 | 0 | 11002425 | 54.27 | 11002425 | 0 | 11002425 | 54.27 | - |
| B. Public share holding | | | | | | | | | |
| 1. Institutions | 0 | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| b) Bank/ FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| c) Central Govt.(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| d) State Govt.(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| e) Venture Capital Fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| g) FIIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| h) Foreign Venture capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| i) Others (Foreign Portfolio Investors) | 576000 | 0 | 576000 | 2.84 | 672000 | 0 | 672000 | 3.31 | 0.47 |



| | | | | | | | | | |
|--|-----------------|----------------|-----------------|--------------|-----------------|----------------|-----------------|--------------|-------------|
| Sub-Total (B) (1):- | 576000 | 0 | 576000 | 2.84 | 672000 | 0 | 672000 | 3.31 | 0.47 |
| 2. Non Institutions | | | | | | | | | |
| a) Bodies Corp. | 0 | 0 | 0 | 0 | | | | | |
| i) Indian | 1445998 | 0 | 1445998 | 7.13 | 1290538 | 0 | 1290538 | 6.36 | 0.77 |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| b) Individuals | | | | | | | | | |
| i) Individual Shareholders holding nominal share capital upto Rs. 2 lakh | 970939 | 0 | 970939 | 4.79 | 417436 | 0 | 417436 | 2.06 | -2.73 |
| ii) Individual Shareholders holding nominal share capital in excess of Rs.2 lakh | 3048104 | 1761090 | 4809194 | 23.72 | 3828948 | 1761090 | 5590038 | 27.57 | -3.85 |
| c) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Non Resident Indians | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Overseas Corporate Bodies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Foreign Nationals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Clearing Members | 1469559 | 0 | 1469559 | 7.25 | 1301678 | 0 | 1301678 | 6.42 | 0.83 |
| Trust | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Foreign Bodies DR | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Sub Total (B)(2):- | 6934600 | 1761090 | 8695690 | 42.89 | 9247690 | 1761090 | 9247690 | 42.42 | 0.47 |
| Total Public shareholding(B)= (B)(1)+(B)(2) | 7510600 | 1761090 | 9271690 | 40.5 | 9295690 | 1761090 | 9919690 | 45.74 | 5.74 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Grand Total (A+B+C) | 18513025 | 1761090 | 20274115 | 100 | 18513025 | 1761090 | 20274115 | 100 | - |

| S. No. | Shareholder's Name | Shareholding at the beginning of the year | Shareholding at the end of the year |
|--------|--------------------|---|-------------------------------------|
|--------|--------------------|---|-------------------------------------|



| | | No. of shares | % of Total shares of the company | % of shares pledged / encumbered to total shares | No. of shares | % of Total shares of the company | % of shares pledged / encumbered to total shares | % change in share holding during the year |
|----|---------------------------|-----------------|----------------------------------|--|-----------------|----------------------------------|--|---|
| 1. | Rajesh Chand Suhane | 81000 | 0.4 | 0 | 81000 | 0.4 | | 0 |
| 2 | Rajesh Kumar Suhane (HUF) | 8150 | 0.4 | 0 | 8150 | 0.4 | | 0 |
| 3 | Ramesh Chand Suhane | 1795050 | 8.85 | 0 | 1795050 | 8.85 | | 0 |
| 4 | Ramesh Chand Suhane (HUF) | 242625 | 1.2 | 0 | 242625 | 1.2 | | 0 |
| 5 | Raj Kumar Gupta | 4300435 | 21.21 | 1000000 4.93 | 4300435 | 21.21 | 1000000 4.93 | 0 |
| 6 | Raj Kumar Suhane (HUF) | 408460 | 2.01 | 0 | 408460 | 2.01 | | 0 |
| 7 | Smt. Asha Gupta | 551925 | 2.72 | 0 | 551925 | 2.72 | | 0 |
| 8 | Rakesh Kumar Gupta | 88500 | 0.44 | 0 | 88500 | 0.44 | | 0 |
| 9 | Vinod Kumar Gupta | 125000 | 0.62 | 0 | 125000 | 0.62 | | 0 |
| 10 | Vinod Kumar Suhane (HUF) | 158000 | 0.78 | 0 | 158000 | 0.78 | | 0 |
| 11 | Vishnu Kant Gupta | 1596075 | 7.87 | 0 | 1596075 | 7.87 | | 0 |
| 12 | Nitin Gupta (Suhane) | 231000 | 1.14 | 0 | 231000 | 1.14 | | 0 |
| 13 | Abhay Gupta | 407520 | 2.01 | 0 | 407520 | 2.01 | | 0 |
| 14 | Vishnu Kant Gupta, HUF | 189985 | 0.94 | 0 | 189985 | 0.94 | | 0 |
| 15 | Shraddha gupta | 100000 | 0.49 | 0 | 100000 | 0.49 | | 0 |
| 16 | Nitin Suhane HUF | 82500 | 0.41 | 0 | 82500 | 0.41 | | 0 |
| 17 | Uma Gupta | 636200 | 3.14 | 0 | 636200 | 3.14 | | 0 |
| | Total | 11002425 | 54.27 | 0 | 11002425 | 54.27 | 1000000 4.93 | 0 |

(B) Shareholding of Promoter**C) Change in Promoters' Shareholding:**

| S. No. | Particulars | Shareholding at the beginning of the year | Cumulative Shareholding during the year |
|--------|-------------|---|---|
|--------|-------------|---|---|



| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
|----|--|---------------|----------------------------------|---------------|----------------------------------|
| 1. | | | | | |
| | At the beginning of the year | 11002425 | 54.27 | 11002425 | 54.27 |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | |
| | At the End of the year | 11002425 | 54.27 | 11002425 | 54.27 |

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

| Sr. no. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|---------|--|---|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| 1 | Anupam Narain Gupta | 100000 | 0.49 | 636000 | 3.137 |
| 2 | New Leaina Investments Limited | 0 | 0 | 576000 | 2.84 |
| 3 | Ashtamangal Projects Limited | 0 | 0 | 505490 | 2.49 |
| 4 | Shriram Insight Share Brokers Ltd. | 0 | 0 | 360000 | 1.77 |
| 5. | Pro Fin Capital Services Ltd | 0 | 0 | 267000 | 1.32 |
| 6. | Mahendra Kumar Bachhawat (HUF) | 252000 | 1.24 | 252000 | 1.24 |
| 7. | Mansukh Securities And Finance Limited | 0 | 0 | 250000 | 1.23 |
| 8. | Anupam N Gupta | 0 | 0 | 244000 | 1.20 |
| 9. | Hitesh Harakhchand Vora | 0 | 0 | 240000 | 1.18 |
| 10. | Narain Kumar Gupta | 78000 | 0.38 | 222000 | 1.095 |

(E) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | For Each of the Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| Mr. Raj Kumar Gupta (Managing Director) | | | | | |
| | At the beginning of the year | 4300435 | 21.21 | 4300435 | 21.21 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g.allotment | 0 | 0 | 0 | 0 |



| | | | | | |
|--|---|---------|-------|---------|-------|
| | / transfer / bonus/ sweat equity etc): | | | | |
| | At the End of the year | 4300435 | 21.21 | 4300435 | 21.21 |
| Mr. Vishnu Kant Gupta(Wholetime Director) | | | | | |
| | At the beginning of the year | 1596075 | 7.87 | 1596075 | 7.87 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer / bonus/ sweat equity etc): | | | | |
| | At the End of the year | 1596075 | 7.87 | 1596075 | 7.87 |
| Mr. Abhay Gupta(Non Executive Director) | | | | | |
| | At the beginning of the year | 407520 | 2.01 | 407520 | 2.01 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer / bonus/ sweat equity etc): | | | | |
| | At the End of the year | 407520 | 2.01 | 407520 | 2.01 |
| Mr. Abhishek Kalekar (Non Executive Director) | | | | | |
| | At the beginning of the year | 150000 | 0.73 | 150000 | 0.73 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer / bonus/ sweat equity etc): | | | | |
| | At the End of the year | 150000 | 0.73 | 1500000 | 0.73 |

V. Indebtedness

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

(Amount in Lacs)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 1844.33 | 0 | 0 | 1844.33 |
| ii) Interest due but not paid | 0 | 0 | 0 | |
| iii) Interest accrued but not due | 0 | 0 | 0 | |
| Total (i+ii+iii) | 1844.33 | 0 | 0 | 1844.33 |
| Change in Indebtedness during the financial year | | | | |
| Addition | 73.91 | 0 | 0 | 73.91 |



| | | | | |
|--|----------------|----------|----------|----------------|
| Reduction | 0 | 0 | 0 | 0 |
| Net Change | 73.91 | 0 | 0 | 73.91 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 1918.24 | 0 | 0 | 1918.24 |
| ii) Interest due but not paid | 0 | 0 | 0 | |
| iii) Interest accrued but not due | 0 | 0 | 0 | |
| Total (i+ii+iii) | 1918.24 | 0 | 0 | 1918.24 |

*In note no.17 of financial statement one amount is showing as Dealership Deposit, the same is not counted as deposit as per Companies Act, 2013 but it is just an advance amount received from dealers as deposit amount which are an ordinary course of activity of Company.

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Wholetime Directors and/or Manager:

| Sl. no. | Particulars of Remuneration | Name of MD/WTD/ Manager | | Total Amount |
|---------|---|-------------------------|-------------------|------------------|
| | | Raj Kumar Gupta | Vishnu Kant Gupta | |
| 1. | Gross salary | 30,00,000 P.A. | 18,00,000 P.A. | 48,00,000 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 0 | 0 | 0 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 0 | 0 | 0 |
| 2. | Stock Option | 0 | 0 | 0 |
| 3. | Sweat Equity | 0 | 0 | 0 |
| 4. | Commission - as % of profit - others, specify... | 0 | 0 | 0 |
| 5. | Others, please specify | 0 | 0 | 0 |
| | Total (A) | 30,00,000 | 18,00,000 | 48,00,000 |
| | Ceiling as per the Act (@ 10% of profits calculated under Section 198 of the Companies Act, 2013) | 11,16,000 | 11,16,000 | |

Note:-

Remuneration paid to MD and Whole Time Director is approved by the shareholder via Special Resolution passed in their Meeting held on 29th September 2017 as per the requirement of Schedule V, Sec. 197 of Companies Act, 2013.

**B. Remuneration to Executive Directors Nil**

| Sl. no. | Particulars of Remuneration | Remuneration to Executive Directors | | Total Amount |
|---------|---|-------------------------------------|----------|--------------|
| 1. | | | - | |
| | Gross salary | 0 | - | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 0 | - | 0 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 0 | - | 0 |
| 2. | Stock Option | 0 | - | 0 |
| 3. | Sweat Equity | 0 | - | 0 |
| 4. | Commission - as % of profit - others, specify... | 0 | - | 0 |
| 5. | Others, please specify | 0 | - | |
| | Total (A) | 0 | - | 0 |
| | Ceiling as per the Act (@1% of profits calculated under Section 198 of the Companies Act, 2013) | | | |
| | | | | |

C. Remuneration to other directors:

| Sl. no. | Particulars of Remuneration | Name of Directors | | | Total Amount |
|---------|---|----------------------------|-----------------|-----------------|--------------|
| | 1. Independent Directors | Mr. Vijay Singh Bharkatiya | Mrs. Vidhi Jain | Mr. Abhay Gupta | |
| | · Fee for attending board / committee meetings | 20000 | 40000 | 0 | 60000 |
| | · Commission | 0 | 0 | 0 | 0 |
| | · Others, please specify | 0 | 0 | 0 | 0 |
| | Total (1) | 20000 | 40000 | 0 | 60000 |
| | 2. Other Non-Executive Directors | - | - | - | - |
| | · Fee for attending board / committee meetings | 0 | 0 | 25000 | 25000 |
| | · Commission | 0 | 0 | 0 | 0 |
| | · Others, please specify | 0 | 0 | 0 | 0 |
| | Total (2) | 0 | 0 | 25000 | 25000 |
| | Total (B)=(1+2) | 20000 | 40000 | 25000 | 85000 |
| | Total Managerial Remuneration | 20000 | 40000 | 25000 | 85000 |
| | Ceiling as per the Act (@1% of profits calculated under Section 198 of the Companies Act, 2013) | 111590 | 111590 | 111590 | |
| | | 0 | 0 | 0 | 0 |

**D. Remuneration to Key Managerial Personnel other than MD /MANAGER/WTD :**

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | | | |
|---------|---|--|------------------|--|--|---------------------|---------------|
| | | Company Secretary | *CFO | *CFO | | | TOTAL |
| | | Mrs. Neelam Jain (Ceased w.e.f. 15/09/2018) | Mr. Sumit Sharma | Mr. Vidit Garg (Ceased w.e.f. 15/09/2018) | Mr. Dilip Jain (Ceased W.e.f. 26.02.2019) | Mr. Rajendra Mittal | |
| 1. | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 95150 | 142218 | 250000 | 242740 | 133304 | 863412 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 0 | | 0 | 0 | | 0 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 0 | | 0 | 0 | | 0 |
| 2. | Stock option | 0 | | 0 | 0 | | 0 |
| 3. | Sweat Equity | 0 | | 0 | 0 | | 0 |
| 4. | Commission - as % of profit - others, specify... | 0 | | 0 | 0 | | 0 |
| 5. | Others, please specify | 0 | | 0 | 0 | | 0 |
| | Total | 95150 | 142218 | 250000 | 242740 | 133304 | 863412 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: None

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



**Annexure to the Board Report:
Annexure-B**

Particulars Of Employees

(A) Particulars of Employees as per [Rule 5 of Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

(i) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.

| S.No. | Name of Director | Ratio of remuneration of each Director/to No. median remuneration of employees |
|-------|--|--|
| 1. | Mr. Raj Kumar Gupta Managing Director | 18.87:1 |
| 2. | Mr. Vishnu Kant Gupta Whole Time Director | 11.32:1 |
| 3. | Vidhi Jain Independent Director | 0.25:1 |
| 4. | Vijay Singh Bharaktiya Independent Director | 0.12:1 |
| 5. | Abhay Gupta Non- Executive Director | 0.12:1 |

II) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year **(Rs. In Lacs)**

| S.No. | Name | 2018-19 | 2017-18 | % Increase in remuneration |
|-------|--|---------|---------|----------------------------|
| 1 | Mr. Raj Kumar Gupta Managing Director | 30 | 30 | - |
| 2 | Mr. Vishnu Kant Gupta Whole Time Director | 18 | 18 | - |
| 3 | Vidhi Jain Independent Director | 0.40 | 0 | 40% |
| 4 | Vijay Singh Bharaktiya Independent Director | 0.20 | 0.28 | - |
| 5. | Vani Gupta Independent Director | 0 | 0.15 | - |
| 6 | Abhay Gupta Non- Executive Director | 0.25 | 0.25 | - |
| 7. | Ms. Neelam Jain | 0.95 | 1.13 | - |
| 8. | Mr. Sumit Sharma | 1.42 | 0 | - |
| 9. | Mr. Vidit Garg | 2.50 | 5.71 | - |
| 10. | Mr. Dilip Jain | 2.42 | 0 | - |
| 11. | Mr. Rajendra Kumar Mittal | 1.33 | 0 | - |



1. Ms. Neelam Jain Was ceased from office of Company Secretary w.e.f. 15.09.2018 and Mr. Sumit Sharma was appointed on the same designation w.e.f. 18.09.2018
2. Mrs. Vani Gupta, Independent Director was ceased from office w.e.f.26.06.2018 and Mrs. Vidhi Jain was appointed w.e.f. 12.07.2018
3. Mr. Vidit Garg, ceased from office of CFO w.e.f. 15.09.2018
4. Mr. Dilip Jain ceased from office w.e.f. 26.02.2019 and Mr. Rajendra Kumar Mittal was appointed on the same date

(iv) The percentage increase in the median remuneration of employees in the financial year

| Median Remuneration 2018-19 | Median Remuneration 2017-2018 | % Increase in the Median Remuneration |
|--------------------------------|----------------------------------|--|
| 159000 | 123812 | 28.42% |

(v) No. of Permanent Employees on Roll as on 31st march 2019 : 46,

company has more employees or workers but they are not on permanent basis and are working on contract basis through some other entity.

(vi) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: the detail is as provided above

(v) Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the company.

Annexure 'C'

Form No. AOC -2

(Pursuant to clause (h) of subsection (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 | - |
| b) | Nature of contracts/arrangements/transaction | - |
| c) | Duration of the contracts/arrangements/transaction | - |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | - |
| e) | Justification for entering into such contracts or arrangements or transactions' | - |
| f) | Date of approval by the Board | - |
| g) | Amount paid as advances, if any | - |



| | | |
|----|---|---|
| h) | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | - |
|----|---|---|

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

As per Note No.41 Related party Transaction of financial Statement

| SL. No. | Particulars | Details |
|---------|---|--|
| a) 1. | Name (s) of the related party & nature of relationship | M/S VINOD Trading Co. (Prop. Ramesh Chand Suhane) -Proprietor is brother of Managing Director |
| b) | Nature of contracts/arrangements/transaction | Sales of Goods |
| c) | Duration of the contracts/arrangements/transaction | On Going |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | Rs. 169.16 Lacs |
| f) | Date of approval by the Board | 06/04/2018 |
| g) | Amount paid as advances, if any | 15,00,000/- |

| SL. No. | Particulars | Details |
|---------|---|---|
| a) 1. | Name (s) of the related party & nature of relationship | Mahadhan Phosphate Pvt. Ltd. - Brother of MD is Director |
| b) | Nature of contracts/arrangements/transaction | Purchase of Goods |
| c) | Duration of the contracts/arrangements/transaction | On going |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | Rs. 60.5 Lacs |
| f) | Date of approval by the Board | 06/04/2018 |
| g) | Amount paid as advances, if any | - |

| SL. No. | Particulars | Details |
|---------|---|--|
| a) 1. | Name (s) of the related party & nature of relationship | Suhane Agro India Pvt. Ltd. - Brother is Director |
| b) | Nature of contracts/arrangements/transaction | Purchase/ Sale of Goods |
| c) | Duration of the contracts/arrangements/transaction | On going |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | Rs. 56.81 Lacs (Purchase) Rs. 405.39 Lacs (Sales) |
| f) | Date of approval by the Board | 06/04/2018 |
| g) | Amount paid as advances, if any | - |

| SL. No. | Particulars | Details |
|---------|--|--|
| a) 1. | Name (s) of the related party & nature of relationship | Madhav Agrochem Pvt. Ltd. (Brother is Director) |
| b) | Nature of contracts/arrangements/transaction | Purchase/ Sale of Goods |
| c) | Duration of the | |



| | | |
|----|---|---|
| | contracts/arrangements/transaction | |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | Rs.43.89 Lacs (Purchase) Rs. 27.07 Lacs (Sales) |
| f) | Date of approval by the Board | 06/04/2018 |
| g) | Amount paid as advances, if any (Purchase of Goods) | 2079000 |

| SL. No. | Particulars | Details |
|---------|---|---|
| a) 1. | Name (s) of the related party & nature of relationship | Nafco Commodities Pvt. Ltd. (Company with common Director) |
| b) | Nature of contracts/arrangements/transaction | Purchase/ Sale of Goods |
| c) | Duration of the contracts/arrangements/transaction | On going |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | Rs. 464.41 Lacs (Purchase) Rs. 142.10 Lacs (Sales) |
| f) | Date of approval by the Board | 18/08/2016 |
| g) | Amount given as advances, if any (for sale of Goods) | 90000 |

* Nafco commodities ceased from related party w.e.f. 04.01.2019

| SL. No. | Particulars | Details |
|---------|---|---|
| a) 1. | Name (s) of the related party & nature of relationship | Madhav Sales Corp. (Entity controlled by Relative) |
| b) | Nature of contracts/arrangements/transaction | Purchase/ Sale of Goods |
| c) | Duration of the contracts/arrangements/transaction | On Going |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | Rs.8.02 Lacs (Sales) Rs. |
| f) | Date of approval by the Board | 06/04/2018 |
| g) | Amount given as advances, if any (for sale of Goods) | NA |

| SL. No. | Particulars | Details |
|---------|---|--|
| a) 1. | Name (s) of the related party & nature of relationship | Madhav Sales Corp. Pvt. Ltd. (Relative of KMP have significant influence) |
| b) | Nature of contracts/arrangements/transaction | Purchase/ Sale of Goods |
| c) | Duration of the contracts/arrangements/transaction | On Going |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | Rs. 5.69(Purchase) Rs. 61.71(Sales) |
| f) | Date of approval by the Board | 06/04/2018 |
| g) | Amount given as advances, if any (for sale of Goods) | NA |

| SL. No. | Particulars | Details |
|---------|--|---|
| a) 1. | Name (s) of the related party & nature of relationship | APINDIA Biotech Limited KMP able to exercise Significant Influence |



| | | |
|----|---|-------------------|
| b) | Nature of contracts/arrangements/transaction | Purchase of Goods |
| c) | Duration of the contracts/arrangements/transaction | On Going |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | Rs. 347.45 Lacs |
| f) | Date of approval by the Board | 06/04/2018 |
| g) | Amount given as advances, if any (for sale of Goods) | NA |

*APINDIA ceased from Related party w.e.f. 30th September 2018

** All the transactions mentioned above is as per the Limit prescribe U/s 188 of Companies Act, 2013 and Reg. 23 of SEBI(LODR), Regulations, 2015.

For and on behalf of the Board of Directors of
AGRO PHOS (INDIA) LIMITED

Date: 06/09/2019

Place: Indore

Sd/-

Raj Kumar Gupta
MANAGING DIRECTOR
DIN: 00244925

Sd/-

Vishnu Kant Gupta
DIRECTOR
DIN: 05233476

Annexure to the Board Report Annexure 'D'

Corporate Governance Report

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments there to (hereinafter referred to as 'SEBI Listing Regulations'), given below are the corporate governance report of Agro Phos (India) Ltd. for the year 2018-19.

This Report, therefore, states compliance as per requirements of the Companies Act, 2013 and SEBI Listing Regulations, as applicable to the Company. As will be seen, the Company's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws, including SEBI Listing Regulations

Company's Philosophy on Corporate Governance

The Corporate Governance philosophy of the Company is driven by the interest of stakeholders, focus on fairness, transparency and business needs of the organization, in view of company's management a corporate governance programme should always be friendly with applicable laws rules and regulations, each part of it i.e. optimum mix of Executive and Non- Executive directors in the composition of Board, constitution of various committees of required non- Executive Directors, Code of Conduct for Directors and Senior Management Personnel, Whistle Blower policy, Code for trading by Insider shall be as per the concerned regulations.

Company's Corporate Governance regime is based on the following key points:

An optimum Combination of Executive and Non- Executive directors including Independent Directors in the composition of Board, company's board mainly consist Independent Directors as Non Executive Directors, currently Company has Four Independent Director out of total 8 Directors of the Board.

Constitution of Committees of Board, Board of directors of the Company has diluted its Power through Various Committee, We have Audit Committee, Nomination and Remuneration Committee,



Stakeholders Relationship Committee, as well as CSR Committee and each has composition of directors as member and chairman as per the required Regulation of Companies Act, 2013 and SEBI(Listing Obligation and Disclosure requirements), Regulations, 2015

Constitute Various Code i.e. Code of conduct for Directors and Senior Management Personnel, Code of Conduct for prevention of insider trading.

Policy for Remuneration and other Fees to Executive, Non- Executive as well as KMP's of the company

More Concern about enhancement of shareholder value, protection of interest of the public shareholders, growth, profitability and stability of business of company.

Be ensure about well compliance and abide by the various Rules, Regulations and statutes through which company is regulating, the whole structure of the company should be as per the instructions or directions provided under various act's and regulations.

Board of Directors

In Keeping requirement of the Regulations of SEBI(Listing Obligation and Disclosure requirements), Regulations, 2015 the Company's policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management, as on the 31st March 2019 company was having a Executive Chairman who is also director promoter of the company and rest of the Board Consist One WTD, Two Non- Executive Non Independent director and four Independent Director.

The details of the directors, their directorships, membership/chairmanship of the committee, attendance at Board meeting and last AGM, shareholding of each Director as at March 31 2019.is as follows:

| Name, Designation & Category of the Director | Directorship in other public companies | Committee Membership/Chairmanship in other Public companies | | Attendance at Meeting held during the year | | | No. of Equity Shares held in reporting company |
|--|--|---|--------------|--|----------|--------------|--|
| | | Membership | Chairmanship | No. of meeting | Attended | AGM Attended | |
| Promoter Directors | | | | | | | |
| Raj Kumar Gupta | 0 | 0 | 0 | 8 | 8 | Yes | 4300435 |
| Vishnu Kant Gupta | 0 | 0 | 0 | 8 | 8 | Yes | 1596075 |
| Non Executive Director | | | | | | | |
| Abhay Gupta | 0 | 0 | 0 | 8 | 8 | Yes | 407520 |
| Abhishek Kalekar | 0 | 0 | 0 | 8 | 8 | Yes | 150000 |
| Independent Director | | | | | | | |
| Vijay Singh Bharkatiya | 4 | 0 | 3 | 8 | 6 | Yes | 0 |
| Omprakash Chourey | 0 | 1 | 1 | 8 | 5 | Yes | 0 |
| Vidhi Jain | 0 | 2 | 0 | 8 | 5 | Yes | 0 |
| Ashok Pande | 0 | 0 | 0 | 8 | 1 | No | 0 |



Excluding Private Companies, Section 8 Companies and Foreign Companies as per Companies Act, 2013 but including Directorship in Agro Phos (India) Limited.

Committees for this purpose mean Audit Committee and Stakeholders Relationship Committee of Indian public companies, including Committees of Agro Phos(India) Limited.

Shri Raj Kumar Gupta and Shri Abhay Gupta are related as father and son and Mr. Vishnu Kant Gupta is son of Mr. Raj Kumar Gupta's Brother and except these two no other directors are Inter se related with each other.

All the Meetings of the Board of Directors were conducted at the Reg. off. of the company situated at M-87, Trade Centre, 18 South Tukoganj, Indore-452001, M.P.

Key Board Qualifications, Expertise and Attributes

The Company's Board is a professional Body with right mix of knowledge, skills and expertise with an optimum combination of Executive and Non-Executive Directors including Independent Directors and Women Directors. Besides having financial literacy, experience, leadership qualities, committed to the Company, each director of the company is having handsome experience in their fields which are very useful for the growth of the company, most of the Independent directors were previously working with big group of companies and most of which are related with the fertilizer business industry, one of our Independent director was held post in agriculture department, and agriculture being main area of concern of our business, he is become an guidance provider for us.

Our Promoter Director Mr. Raj Kumar Gupta who is successfully running this Business of the company from the pioneering stage who was also former chairman of Fertilizer Association and have an 20plus Year experience in the same Field another executive promoter director Mr. Vishnu Kant Gupta having experience in the filed of Accounts & Finance also act as channel of Communication between company and outsiders including govt./ non govt. bodies, is the backbone of the company working cycle.

Remuneration to Direcbrs

Company is having its Policy on Remuneration to Directors and KMP/ Senior Management Personnel which are uploaded on the company's Website, pursuant to which company's Executive Directors like Managing Director and Whole Time Director are allowed to take remuneration upto the limit as provided under the Companies Act, 2013 and as confirmed by the shareholders of the company, apart from the remuneration company may also provide various facilities to them like medical facility, car, telephone Expenses, Insurance policies or other kind of facilities.

In case of Non - Executive Director they may receive any amount by way of Sitting fees for attending meeting and remuneration provided under the ceiling/limit prescribed under Companies Act, 2013 and such remuneration shall be approved by the Nomination and Remuneration Committee and approved by the Board or Shareholders as the case may be and sitting fees of one director may vary from sitting fees of other directors as per his terms of appointment.

An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company

If any Director are serving any professional services apart from his Directorship and are getting some amount in revert of the said service than in that case such amount will not be considered under the payment of remuneration or sitting fees.

Here is the details of Remuneration or Sitting Fees provided to Executive and Non Executive Directors During the year 2018-19

| (In Lacs) | | | | |
|---------------------|-------------------|----------------------------|--------------|-------|
| Director | Designation | Remuneration & Perquisites | Sitting Fees | Total |
| Mr. Raj Kumar Gupta | Managing Director | 30 | NA | 30 |



| | | | | |
|----------------------------|------------------------|----|------|------|
| Mr. Vishnu Kant Gupta | Whole Time Director | 18 | NA | 18 |
| MR. Abhay Gupta | Non Executive Director | - | 0.25 | 0.25 |
| Mrs. Vidhi Jain | Independent Director | - | 0.40 | 0.40 |
| Mr. Vijay Singh Bharaktiya | Independent Director | - | 0.20 | 0.20 |

Meetings of Board/Committee/ Shareholders:

1. Board Meeting

Total 08 Meetings of the Board were held during the year which were on 06th April 2018, 29th May 2018, 12th July 2018, 03rd September 2018, 15th September 2018, 14th November 2018, 06th Dec. 2018 and 26th February 2019., gap between two meetings did not exceed one hundred and twenty days.

The Board members are provided with well-structured agenda papers and presentations in advance of the meetings. In case where it is not practicable to forward the document(s) with the agenda papers, the same are circulated before the meeting/placed at the meeting. The Company placed before the board most of the information specified in Part A of Schedule II to the SEBI (LODR) Regulations, 2015 from time to time. The Board periodically reviews compliance reports of all laws applicable to the Company. The Company takes effective steps to rectify instances of non-compliance, if any.

2.Independent Directors Meeting:

A meeting of company's all independent directors was held on 15th July 2018 where all the directors under the category of Independent directors were present and evaluate performance of the board as whole and individually of each director including managing director of the company

3. General Body Meeting

Annual General Meeting

Meeting of shareholders of the company, the 16th Annual General Meeting was held on 29th September 2018 which was duly held and conducted in the manner as provided under Companies Act, 2013 and SEBI (Listing Obligation and Disclosures Requirement) Regulation, 2015, Except the Annual General Meeting no other Meeting of Shareholder was held or conducted during the year under review.

The venue and time of Annual General Meetings (AGM) held during the last three years were

| Date | Time | Venue | Whether any Special Resolution passed |
|-----------------------------------|------------|---|--|
| Friday, 30.09.2016 (14th AGM) | 11:00 A.M. | M-87, Trade Centre, 18M South Tukoganj, Indore-452001, M.P. | NO |
| Friday, 29.09.2017 (15th AGM) | 12:00 P.M. | Hotel Best Western Plus O2,31/1, Main Road South Tukiganj, Indore-452001,M.P. | Yes 1.Re- appointment of MD 2. Revision in Remuneration of WTD |
| Saturday,29.09.2018 (16th AGM) | 3:30 P.M. | Hotel Best Western Plus O2,31/1, Main Road South Tukiganj, Indore-452001,M.P. | NO |

Resolution throughPostal Ballot

During the year under review resolution of shareholder of company was passed through Postal ballot on 15th January 2019 as per the Sec. 110 and Chapter IX of the SEBI(ICDR) Regulations, 2018, as company was



needed approval of shareholders for Migration of Company's Securities to main Board of NSE Limited which required conduct postal ballot process for approval.

As per the Reg. 44 of SEBI(LODR) Regulations 2015, Shareholders was also provided E- Voting Facility along with Postal Ballot process, and company was made arrangement with CDSL for e-voting to shareholders, after completion of Voting Period company was declared result of Postal Ballot and e-voting and uploaded the same on the Website of the Company.

Committees of Board

The Company has following four Committees as follows:

(a) Audit Committee:

The Company has constituted Audit Committee as per section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;. The terms of reference of Audit Committee are broadly in accordance with the provisions of SEBI (LODR) Regulations 2015 and Companies Act, 2013.

The Audit Committee comprises of the following Directors of the Company as on 31st March, 2019.

| Name of director | Nature of Directorship | Designation in the Committee |
|----------------------------|------------------------|------------------------------|
| Mr. Vijay Singh Bharkatiya | Independent Director | Chairman |
| Mr. Omprakash Chourey | Independent Director | Member |
| Ms. Vidhi Jain | Independent Director | Member |

As on Year first composition of Audit Committee include Mr. Palash Gupta and Ms. Vani Jain, independent Directors of company as member, who have resigned from his office w.e.f 12th June 2018 and 26th June 2018 and later on 12th July Board Re- constitute the committee through appointing Mr. Omprakash Chourey and Mrs. Vidhi Jain as member of the Committee.

During the year under review audit Committee meet Five times and the gap between two meeting did not exceed one hundred and twenty days, the detail of attendance of members are as given below

| S.No. | Date of Meeting | V.S. Bharkatiya | Palash Gupta | Vani Gupta | OP Chourey | Vidhi Jain |
|-------|-----------------|-----------------|--------------|------------|------------|------------|
| 1. | 06.04.2018 | √ | √ | √ | - | - |
| 2. | 27.05.2018 | √ | √ | √ | - | - |
| 3. | 30.07.2018 | √ | - | - | √ | √ |
| 4. | 14/11/2018 | √ | - | - | √ | √ |
| 5. | 25.02.2018 | √ | - | - | √ | √ |
| | Total | 5 | 2 | 2 | 3 | 3 |

(b) Nomination and Remuneration Committee

The Company has constituted a Nomination and Remuneration Committee in accordance section 178 of the Companies Act, 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on 16th August, 2016. The Nomination and Remuneration Committee comprises of the following Directors of the Company as on 31st March, 2019.



| Name of Director | Nature of Directorship | Designation in the Committee |
|----------------------------|------------------------|------------------------------|
| Mr. Vijay Singh Bharkatiya | Independent Director | Chairman |
| Mr. Omprakash Chourey | Independent Director | Member |
| Ms. Vidhi Jain | Independent Director | Member |

The Nomination and Remuneration committee was re-constituted on 12th July 2018 by Board of the company and appoint Mr. Omprakash Chourey and Mrs. Vidhi Jain as members of the Committee.

During the year under review 3 meeting of the Nomination and Remuneration Committee were held.

| S.No. | Date of Meeting | V.S. Bharkatiya | OP Chourey | Vidhi Jain |
|-------|-----------------|-----------------|------------|------------|
| 1. | 12.07.2018 | √ | √ | √ |
| 2. | 15.09.2018 | √ | √ | √ |
| 3. | 26.02.2019 | √ | √ | √ |
| | Total | 3 | 3 | 3 |

(c) Stakeholders' Relationship Committee

The Company has constituted a shareholder/investors grievance committee ("Stakeholders Relationship Committee") to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on 16th August, 2016. The Stakeholders' Relationship Committee comprises the following Directors as on 31st March, 2019:

| Name of Director | Nature of Directorship | Designation in the Committee |
|----------------------------|------------------------|------------------------------|
| Ms. Omprakash Chourey | Independent Director | Chairman |
| Mrs. Vidhi Jain | Independent Director | Member |
| Mr. Vijay Singh Bharkatiya | Independent Director | Member |

The Stakeholder relationship committee was also re-constituted on 12th July 2018 as the member of the committee were same as in above mentioned Committees.

The Committee looks into the redressal of stakeholders' grievances related to share transfer, transmission, issue of duplicate share certificates, non-receipt of annual report, etc. during the year under review company has received no Complain from stock exchange SEBI except one from shareholder which was later withdraw by shareholder himself on account of misunderstanding or lack of knowledge on his part., Mr. Sumit Sharma Company Secretary is the Compliance officer.

During the year under review there were 4 meetings of the committee held, details of which are as below

| S.No. | Date of Meeting | V.S. Bharkatiya | Palash Gupta | Vani Gupta | OP Chourey | Vidhi Jain |
|-------|-----------------|-----------------|--------------|------------|------------|------------|
| 1. | 09.04.2018 | √ | √ | √ | - | - |
| 2. | 13.07.2018 | √ | - | - | √ | √ |
| 3. | 08.10.2018 | √ | - | - | √ | √ |
| 4. | 15.01.2019 | √ | - | - | √ | √ |
| | Total | | | | | |



(d) Corporate Social Responsibility Committee

Company has constituted a Corporate Social Responsibility Committee in accordance section 135 of Companies Act, 2013. The constitution of the Corporate Social Responsibility was approved by a meeting of the Board of Directors held on April 15, 2014 and reconstituted by the Board of Directors at their meeting held on 16th August, 2016. The Corporate Social Responsibility Committee comprises the following Directors 31st March, 2019:

| Name of Director | Nature of Directorship | Designation in the Committee |
|-----------------------|------------------------------|------------------------------|
| Mr. Raj kumar Gupta | Chairman & Managing Director | Chairman |
| Mr. Omprakash Chourey | Independent Director | Member |
| Mr. Vishnu Kant Gupta | Whole Time Director | Member |

Meeting of the Committee was held on 10th December 2018 for discussion on the investment required to be made on account of CSR applicability and it was decided that it would be better to invest such amount to some orphanage or for greedy persons and management has also approach some NGO through where company can serve to the society , previously company was co-ordinate with a Media Partner through which company was proposed some special kind of farmers awareness programme but due to some problem in negotiation between company and said media partner it was not been possible and now committee propose some more areas as mentioned in schedule VII of the Companies Act, 2013.

Disclosures

a) Related Party Transaction

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015 during the financial year were in the ordinary course of business and on arm's length basis and do not attract the Limit provided under the provisions of Section 188 of the Companies Act, 2013. There were no material significant transactions with related parties during the year under review which were in conflict with the interest of the Company. The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

b) Whistler Blower Policy & Affirmation

As per the requirement of Section 177 (9) of the Companies Act, 2013, and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism called the 'Whistle Blower Policy' for Directors and Employees to report concern of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and the details of the Whistle Blower Policy has been uploaded on the Company's website <http://www.agrophos.com>.

further it is hereby affirmed that no personnel has been denied access to the audit committee.

c) Details of compliance with mandatory requirements and adoption of the nonmandatory requirements:

The Company has complied with the mandatory requirements and also adopted some of the non-mandatory requirements as stipulated under the SEBI (LODR) Regulations, 2015.

d) Web link where policy for determining 'material' subsidiaries is disclosed:

The Company does not have any subsidiary.



e) Web link where policy on dealing with related party transactions is disclosed:

Company's policy on dealing with related parties are available at website of the company viz <http://www.agrophos.com>.

f) Details of Non-Compliances

During the year under review, there were no structures or penalties imposed on the Company either by the Stock Exchanges or SEBI or any other statutory authority for non-compliance of any matter related to capital markets.

g) Disclosure of commodity price risks and commodity hedging activities:

The company is exposed to risk of price fluctuation in few raw material which are being used by company in manufacturing its final products, however no substantial amount is affected as the same is related to a small portion of raw material used.

h) In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insider for its Directors, Officers and Specified Employees.

i) Reporting of Internal Control

The company's Internal Auditor is reporting about the Internal control of the company.

J) Audit Qualification

Company's Auditor has not placed any qualification or remarks in his report for the year 2019. company has also fix remuneration to statutory Auditor details of which are provided in the Notes to Financial Accounts of the company.

k) Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The disclosure as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given in the Directors' Report of the Company.

L) Compliance with Code of Conduct

The Company has adopted code of conduct for directors and senior Management Personnel and the same is posted on the website of the company, declaration on compliance of the said code of conduct by Directors and Senior Management personnel is mentioned in below at the end of Corporate Governance Report.

Means of Communication

a) Financial Results

As required under SEBI (LODR), Regulations 2015, company is reporting its Quarterly/Half Yearly/Yearly Financial results to stock exchange on timely basis and also published the same in one English and one Hindi Newspaper along with posting on the company's website as required under concerned regulation.

b) Website of Company

Company is maintaining its Website viz. <http://www.agrophos.com>. on which all required official press releases and Financial Results shareholding Patterns, notice of Board Meeting, Shareholders Meeting , Postal Ballot, Annual Report etc have been uploaded, it is a place provided by the company to its stakeholders or outsiders to view company's activities and charter of the company, a investor can get all necessary details about the company and we have also place there detail of company and its' Contact no.



investor mail id, for investor who have any quarry or required any information on company's Part, and we are regular in updating information on website.

c) Email Communication

Company has Email id's Viz, Investor@agrophos.com, cs@agrophos.com for investors and for those who are willing to contact with company or want some information or inquiry from company.

General Shareholder Information

a) Financial Year

Company's Financial Year Start from 01st April ends on 31st March.

b) Dividend Payment Date

company has not recommended dividend this year however company was distributed dividend of Rs. 0.05/- per Share during the last financial year 2017-18.

c) Stock Exchange where company's Security is listed

Name of the Exchange : National stock Exchange
 NSE Symbol : AGROPHOS
 Address : Exchange Plaza, C-1, Block G,
 Bandra Kurla Complex, Bandra (E)
 Mumbai - 400 051
 Tel No: (022) 26598100 - 8114 / 66418100
 Fax No: (022) 26598120

Company has paid annual listing Fees for the year 2018-19 to the stock exchange and no further amount is outstanding now.

d) Market Price Data:

Details of High and Low, during each month in last Financial Year

| Month | Share Price (NSE) | | NSE Nifty | |
|-----------|-------------------|-------|-----------|----------|
| | High | Low | High | Low |
| April | 39.90 | 33.60 | 10759 | 10111.30 |
| May | 42 | 36.10 | 10929.20 | 10417.80 |
| June | 39.50 | 29.20 | 10893.25 | 10550.90 |
| July | 38.50 | 29.50 | 11366 | 10604.65 |
| August | 36.80 | 32.55 | 11760.20 | 11294.55 |
| September | 36.75 | 30 | 11751.80 | 10850.30 |
| October | 38.25 | 31.10 | 11035.65 | 10004.55 |
| November | 47.05 | 32.65 | 10922.45 | 10341.90 |
| December | 51 | 42.50 | 10985.15 | 10333.85 |
| January | 56.25 | 47 | 10987.45 | 10612.85 |
| February | 59.25 | 50.10 | 11118.10 | 10585.65 |
| March | 79.95 | 52.60 | 11630.35 | 10823.10 |



Share Price Performance in comparison to broad based indices NSE Nifty :

| Name of Entity | 1st April 2018 | 31st March 2019 | % Change |
|-------------------|----------------|-----------------|----------|
| Share Price (NSE) | 39.70 | 70.20 | 76.83 |
| Nse Nifty | 10220.10 | 11630.35 | 13.80 |

e) Registrar and Share Transfer Agent

Name : Bigshare Services Private Limited
 Address : 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,
 Makwana Road, Marol, Andheri East,
 Sankasth Pada Welfare Society, Marol,
 Andheri East, Mumbai, Maharashtra 400059
 Cont. No: + 91-22-6263 8200
 Fax: +91-22-6263 8299
 Email: investor@bigshareonline.com

f) Share Transfer system

Share transfers received by the share transfer agent/Company are registered within 15 days from the date of receipt, provided the documents are complete in all respects. The total number of shares transferred in the physical category during 2018-19 were 5,05,490 shares. The details thereof were placed before the Board.

g) Distribution of Shareholding as on 31st March 2019

| Slab of Shareholders | No. of Shareholders | % of total | No of Shares | % of Total Shares |
|----------------------|---------------------|------------|-----------------|-------------------|
| 01 - 5000 | 149 | 48.3766 | 63793 | 0.3147 |
| 5001 - 10000 | 53 | 17.2078 | 327823 | 1.6170 |
| 10001 - 20000 | 18 | 5.8442 | 243862 | 1.2028 |
| 20001 - 30000 | 11 | 3.5714 | 303909 | 1.4990 |
| 30001 - 40000 | 6 | 1.9481 | 209871 | 1.0352 |
| 40001 - 50000 | 4 | 1.2987 | 185000 | 0.9125 |
| 50001 - 100000 | 26 | 8.4416 | 2029448 | 10.0100 |
| 100001 - 999999999 | 41 | 13.3117 | 16910409 | 83.4089 |
| Total | 308 | | 20274115 | 100.00 |

h) Shareholding pattern as on March 31, 2019

| S.No. | Category | No. of Shares | % of Shareholding |
|-----------|-----------------------------------|-----------------|-------------------|
| A. | Promoter Holding | | |
| 1. | Promoter & Promoter Group | 11002425 | 54.27 |
| | Sub Total (A) | 11002425 | 54.27 |
| B. | Non Promoter Holding | | |
| 1. | Institutional Investors | 0 | 0 |
| 2. | Mutual Fund and UTI | 0 | 0 |
| 3. | Bank, Financial Institution, NBFC | 0 | 0 |
| 4. | Central Govt./State Govt. | 0 | 0 |
| | Sub Total of (B) | 0 | 0 |



| C. | Others | | |
|----|-----------------------------|-----------------|------------|
| 1. | Body Corporate | 1290538 | 6.3654 |
| 2. | NRI's | 672000 | 3.3146 |
| 3. | Individual/Trust/HUF | 6007474 | 29.631 |
| 4. | Clearing Member | 1301678 | 6.2404 |
| | Sub Total of (c) | 9271690 | 45.73 |
| | Grand Total (a +b+c) | 20274115 | 100 |

i) Dematerialization of shares and liquidity

18513025 equity shares represents 91.32% of total shares of company are held in Dematerialized form with both CDSL and NSDL and rest 1761090 equity shares represent 8.68% are held in physical form as same as, was in previous year, company's shares are trading on National Stock Exchange of India Limited.

j) Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF):

Section 124 of the Act mandates the Company to transfer entire amount of dividend which has not been paid or claimed within thirty days (30) from the declaration date to an Unpaid Dividend Account and if, such amount remains unclaimed for a period of seven (7) years, then required to transfer to IEPF, In respect of the same we would like to inform that company was paid whole amount of dividend as declared in Last AGM, however later it was founds that amount of dividend of one shareholder remains to unclaimed and the same was transferred to Dividend Unclaimed Account, further no liability to transfer dividend to IEPF was arised as there was no amounts stands for the same.

k) Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity:

As on March 31, 2018, no FCCBs/ GDRs/ ADRs/ Warrants or convertible instruments were outstanding.

l) Plants Location: Dewas: 13 A/2 Industrial Area No. 1, AB Road, Dewas, M.P.
Meghnagar: 135-138 AKVN Industrial Area No. 1, Meghnagar, M.P.

m) Address for Investor Correspondence:

1. Address of Company's RTA : Bigshare Services Pvt. Ltd.
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai 400059,
Maharashtra.
Cont. + 91-22-6263 8200
Email: investors@bigshare.com
Website: www.bigshareonline.com

2. Address of Company. : M-87, trade Centre, 18 South Tukoganj
Indore, M.P.- 452001
Cont. No. 0731-2529488
Email: investors@agrophos.com
cs@agrophos.com

n) MD and CFO Certification:

The MD and the CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8) read with Part B of Schedule II to th[e SEBI Listing Regulations.



**Declaration regarding compliance by board members and
Senior management personnel with the code of conduct**

It is hereby declared that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the year ended March 31, 2019.

Place: Indore
Date: 30th May 2019

Sd/-
Raj Kumar Gupta
Chairman & Managing Director

**Annexure to the Corporate Governance Report
Certificate on Compliance of Corporate Governance**

To
The Members,
Agro Phos (India) Limited
M-87, Trade Centre, 18M
south Tukoganj, Indore
M.P. 452001

We have examined the compliance of the conditions of Corporate Governance by Agro Phos (India) Limited ('the Company') for the year ended on March 31, 2019, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company.

Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2019.

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

Date:30/05/2019
Place: Indore

For Neelesh Gupta & Co.
Company Secretaries

Sd/-
CS. Neelesh Gupta
Proprietor
C.P. No.6846



**Annexure to the Board Report
Annexure-'E'
Management Discussion and Analysis**

Overview

As all we know that agriculture plays a vital role in the Indian economy over 70 per cent of the rural households depend on agriculture. this is an important sector of Indian economy as it contributes about 17% to the total GDP and provides employment to over 60% of the population.

Our company M/s Agro Phos (India) Limited being a fertilizer manufacturer is also a part of the agriculture sector of India and continuously serving our best since its pioneering stage, we have previously one unit at dewas, M.P. only which has its capacity of 60000 MT per year and taking steps toward more growth and development, company in the year 2014 inaugurated a new plant at Meghnagar, M.P, we are manufacturing Single Super Phosphate (SSP), Nitrogen Phosphate and Potassium (NPK), Zinc Sulphate, Organic manure and Calcium Sulphate commonly known as soil conditioner or gypsum. Our Company also undertakes trading of Diamonium Phosphate (DAP), Urea, Ammonium Sulphate and other fertilizers depending upon the demand of the customer, we are haing at our plant a well equipped in-house testing laboratory to test the products as per quality standards and relevant chemical composition. In our quest to maintain high standards of quality for our products, we have imported testing machine to test the product in real time basis. The final product has to pass special quality test to ensure that it is of the requisite quality and contains the requisite chemical composition, apart from manufacturing of above products company since last two years also trading in agricultural produce mainly in rice and management is expecting an extensive growth in this segment in future.

Fertilizer Industry and its Impact on Indian Economy

India is predominantly an agrarian economy. The Indian economy mainly depends upon its agricultural produce. The agricultural output contributes to about 25% of the country's GDP. As a result of the chemical fertilizers being one of the related parts of the agriculture, there is vast scope for the growth of the chemical fertilizer industry.

The Indian Fertilizer Industry has shown tremendous growth in the last five decades and at present ranks third in the world. India is the second largest consumer of fertilizers after China. India also ranks second in the production of nitrogenous fertilizers and third in phosphatic fertilizers whereas the requirement of potash is met through imports since there are limited reserves of potash in the country, Being an important industry to the Indian economy, the government has ensured the availability of adequate quantity and proper quality of fertilizers to the farmers.

The Indian fertilizer market was worth INR 5,437 Billion in 2018. Looking forward, the market is projected to reach INR 11,116 Billion by 2024, growing at a CAGR of 12.3% during 2019-2024. Fertilizers have played a key role in the success of India's green revolution and subsequent self-reliance in food-grain production. The increase in fertilizer consumption has contributed significantly to sustainable production of food grains in the country. As a result, the demand of fertilizers has witnessed double digit growth rates over the past several years.

Industry structure and developments

The fertilizer industry in India consists of three major players; The Government owned Public Sector undertakings, Cooperative Societies like KRIBHCO, IFFCO and units from Private sector. There are about 33 major producers producing N, NP and NPK fertilizers in the country at present. The fertilizer industry of India had made constructive use of the fertilizer subsidy provided by the Government of India to ensure that the country achieved reasonable self-sufficiency in food grain production. The fertilizer industry has organized itself through Fertilizer Association of India to coordinate with the Government of India to achieve the macro-economic objectives related to agricultural sector and to provide other services. Indian fertilizer industry has succeeded in meeting almost fully the demand of all chemical fertilizers.



Future Outlook

India is the third largest producer and consumer of mineral fertilizer globally. Over the years, the Indian fertiliser industry has grown significantly on the back of favorable demand, government's support and increasing agricultural output. Presently, the Government is actively focusing on addressing balanced crop nutrition and improving soil health. Towards this, neem coating of Urea, soil health cards, moderation of Urea bag size and customized fertilizers usage is being promoted. Direct Benefit Transfer, introduced in 2017, is likely to increase awareness towards balanced nutrition practices among the farmers. Industry's fertilizer sales during the year have improved by 6 percent. Lower opening channel inventories and early monsoon onset during Kharif helped in consumption during the first half of the year.

The agriculture industry is restricting the usage of chemical fertilizers and is increasingly adopting organic and biofertilizers globally to promote not only plant growth but also soil health. The global biofertilizer market was estimated to be in the range of \$1.2-1.5 billion in 2017 and is anticipated to expand at a CAGR of 13-15 percent over the next five-year period. In terms of volume, it is expected to exceed 1,200-1,400 kilotons (KT) by 2023-2024.

Risks and Concerns

There are a lots of risk factors which Company faces but these are some main Risk factors which adversely affect Company's working.

1. Fertilizer Prices:

In the fertilizer industry – and pretty much any other commodity companies – revenue depends on fertilizer prices and the quantity of fertilizer companies sell. Fertilizer prices are driven by industry capacity, rivalry (competition among firms), marginal producers' cost, proximity to customers, inventory, and demand.

2. Fertilizer demand and purchases:

Demand, in turn, is driven by fertilizer prices, crop economics, currencies, cycles, economic activity, and macro factors like subsidy programs. Crop economics consist of factors like crop inventory, crop demand and supply, and crop prices, which depend on economic activity, food consumption, diet patterns, crop yields, nutrient application, weather, plantation, and energy consumption.

3. The cost of raw material input:

Expenses generally depend on changes in mining costs and fluctuations in raw material prices, which vary by location. Fluctuations in raw material prices or input prices depend on supply and demand dynamics for the specific raw material, which are affected by macro economic activity, weather, and industry-specific trends. Movements in input price can impact fertilizer prices – and therefore demand too.

As you can see, analyzing the factors that affect expense and revenue can be confusing. This weekly fertilizer series breaks them down into key parts to show investors how they're affecting (or how they could affect) the industry and its respective companies.

4. Change in Government Policies/ Procedures:

Sometimes the polices/ regulation or procedure of Government is change frequently which affects the liquidity of fund in Company, secondly Company suffers with ideal Time loss due to managing its affairs or programmes as per these changes, when Government makes changes in the Tax Rates, it directly affect Cost of the Product, simultaneously reduces demands among customers.

The year 2018-19 was the first full year of implementation of Direct Benefit Transfer (DBT) in Fertiliser. Under the scheme, the subsidy is released to the fertiliser companies, after the sale is made by the retailers to the farmers. The retailer carries out the sales based on Aadhaar-based authentication of the farmers on Point of Sale (PoS) devices. The process under DBT has fairly stabilised during the year, though there were transitional challenges with respect to the reconciliation of opening stocks which



delayed the subsidy claim generation process initially. Fertiliser companies are now able to generate claims seamlessly and file with the Government for refunds.

5. The fertilizer business is highly seasonal and such seasonality may affect our operating results.
6. We are subject to various laws and regulations relating to the handling and disposal of hazardous materials and wastes and bio-medical wastes. If we fail to comply with such laws and regulations, we can be subjected to prosecution, including imprisonment and fines or incur costs that could have a material adverse effect on the success of our business.
7. Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.
8. We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.
9. Our operations may be adversely affected in case of industrial accidents at any of our production facilities.
10. Conflicts of interest may arise out of common business undertaken by our Company, Promoters and our Group Company.
11. Our Company is dependent on third party transportation providers for the delivery of our goods and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.
12. Continued operations of our manufacturing facility are critical to our business and any disruption in the operation of our facility may have a material adverse effect on our business, results of operations and financial condition.
13. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.
14. The industry segments in which we operate being fragmented, we face competition from other players, which may affect our business operations and financial conditions.
15. We have taken guarantees from Promoters, Directors as well as others in relation to debt facilities provided to us.
16. Any changes in regulations or applicable government incentives can materially and adversely impact our operations and growth prospects.
17. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.
18. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.
19. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.
20. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.
21. Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.
22. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.



Internal Control System and their Adequacy

The Company has clearly laid down policies, guidelines and procedures that form a part of the internal control system which provide for automatic checks and balances. The Audit committee reviews the effectiveness and efficiency of these systems to ensure that all the assets are protected against loss and that the financial and operational information is complete and accurate, company has also appointed Internal Auditor to list out any deficiency or loop holes in company's Internal Control and financial reporting, Audits are finalized and conducted based on the internal risk assessment. Significant findings are brought to the notice of the Audit committee of the Board and corrective measures recommended for implementation. Our work opportunities and competitive compensation policy helps us in attracting and retaining our personnel.

Health, Safety, Security and Environment

Health, safety, security and environment have always been an integral part of our value system, we always having concern about Health safety and security of our Employees, workers at their work place, we are aiming at "Zero Accident" as goal of our company, when the matter is about health and safety, company always follow these some important measure

Identification of hazard and risk present in work environment and its rectification.

Continuous monitoring of unsafe condition and unsafe acts through safety inspection.

Safety induction training for all employees and specific job safety awareness programs on a continuous basis.

Our factory are well equipped with required facilities including machinery, crane, conveyor belt, other handling equipments to facilitate smooth manufacturing process and easy logistics. We endeavor to maintain safety in our premises by adhering to key safety norms.

We are having enough greenery at our plant location and also having modern and efficient system to dispose of factory waste, mainly we focus on re- made process of waste and scrap and we always keep in mind about optimum use of energy resources and conservation of natural resources, company is continuously visited by pollution control officers and, we will do it good, if they found any lack of safety measure and other element to protect the surrounding environment of the company.

Cautionary Statement:

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among other things, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes and incidental factors.

Annexure to the Board Report Annexure F' Annual Report on Corporate Social Responsibility

1. Overview

We believes that Corporate Social Responsibility ("CSR") extends beyond the ambit of business and should focus on a broad portfolio of assets - human, physical, environmental and social. with this intent and for the requirement under sec. 135 company has constituted a CSR committee having optimum composition of Executive and Non Executive directors as members.



Policy on CSR has been approved by the Board of Directors and duly uploaded on company's Website www.agrophos.com

Brief of the CSR are as mentioned below

2. CSR Vision

Promote sustainable and inclusive development as a responsible corporate citizen.

3. CSR Objective

Promote a comprehensive and integrated development through social and economic transformation.

4. CSR Committee

The Composition of our CSR Committee is as follows

| | | |
|----------------------------|---|----------|
| Mr. Raj Kumar Gupta | : | Chairman |
| Mr. Vishnu Kant Gupta | : | Member |
| Mr. Vijay Singh Bharaktiya | : | Member |

Mr. Vijay Singh Bharaktiya has been ceased as member of the company w.e.f. 30th May 2019 and in place of whom Board has appointed Mr. Omprakash Chourey, Independent Director of the company as member of the committee.

5. Average net profit for last three years

Average net profit of company for last three years i.e. from 2016 to 2018 is Rs. 33,176,069.06/-

6. CSR Budget and investment of company

For the F.Y. 2018-19 company is not required to invest any amount in CSR, as company in this year came out from the ambit of CSR applicability due to company's net profit in last three F.Y. was not more than 5Cr. nor the company fall under rest of two criteria of Turnover or Net worth.

However Company is still required to invest the below mentioned amount of previous years, as per the provision of Sec. 135 of Companies Act, 2013 Company is require to invest every year an amount equal to at least 2% of avg. Net profit of last three financial years, detail of the same are as follows

| Financial Year | Average Net Profit of last three years | 2% of Avg. Net profit |
|----------------|--|-----------------------|
| 2015-16 | 35484257.3/- | 709685 |
| 2016-17 | 45740819.76/- | 914816.3953 |
| 2017-18 | 48355979.85?- | 967119.59 |
| | Total | 2591620.98 |

7. Reason for not spending required amount in CSR Activities

At first Company was entered into a contract with Alok Jain Production for producing the episodes to educate the farmers and to motivate to the farmers and give them the message not to commit suicide, Title of the episode was to be HIMMAT NA HAR. Company had also approached the DD National Channel for broadcasting the episodes. however due to lack of co-ordination between company and media Broadcaster the said initiative of the company was not possible to complete, further Committee members in their meeting discuss on some more areas, where company can invest its amount of CSR and founds some NZO's in nearby locality, which are working for orphan Childs, needy persons and for other social services, our management is spending their valuable efforts to finalize the same, we are hoping that very soon we will complete our responsibility toward society, as we believe in "serve to the society serve to the nation" concept.



**Annexure to the Board Report
Annexure- 'G'**

Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo

A. Conservation of Energy

1. Conservation Of Energy:

The steps taken or impact on conservation of energy:

The company has a energy conservation cell which consistently monitor all the energy conservation efforts and ensure implementation of its energy management policy. we are taking every possible efforts to conserve the energy consumption at our plants as well as our administrative office.

The company has taken below mentioned steps at its plant for conservation of energy during the year under review:

Efforts were made to reduce Electrical energy in our different lines by:

- (i) Installation of energy efficient machines.
- (II) Installation of energy efficient electronic equipments.
- (III) Replace the old electronic equipments with new on timely basis.
- (IV) Effectively monitor our system of annual maintenance of plants.

There was reduction in energy consumption on account of aforesaid steps taken by the company. The steps taken by the company for utilising alternate source of energy:

During the year the company has not taken any steps for utilising alternate sources of energy. Capital Investment on energy consumption equipments

Capital Investment on energy consumption equipments during the year Nil

B. Technology Absorption

During the year under review the company has not taken any steps, toward technology absorption. however the company takes necessary steps towards technology absorption whenever it feels necessary.

C. Foreign Exchange Earnings And Outgo

During the year foreign exchange and outgo of the Company as follows

| Particular | In USD | In Rs. |
|--------------------------|--------|----------|
| Foreign Currency Earning | Nil | Nil |
| Foreign Currency Outgo | 281600 | 20922880 |

The above foreign currency outgo was against import of Raw Material during the year. except as mentioned above no other foreign currency exposure during the year under review.



**Annexure to the Board Report
Annexure- 'H'**

MR-3

Secretarial Audit Report

For The Financial Year Ended 31 March, 2019

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

**To,
The Members,
Agro Phos (India) Limited
CIN - L24123MP2002PLC015285
M -87, Trade Centre 18m,
South Tukoganj,
Indore (MP) 452001**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Agro Phos (India) Limited** (hereinafter called 'the company'). The 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.

Company's Board of Directors is responsible for the matters of Compliances of the various provisions of the Companies Act, 2013 and other applicable laws. Our responsibility to conduct the audit of the Compliances made during the year upon test check basis, We have adopted such methods and procedure and based on our verification of the **Agro Phos (India) Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the **financial year ended 31st March, 2019** as 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 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;



(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

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

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., mentioned above.

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 period under review were carried out in compliance with the provisions of the Act.

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

All decisions at Board Meetings and Committee Meetings were carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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.

We further report that:

During the audit period of the company, there were instances of:

Omnibus Approval for Related Party Transactions for the Year Ended on 31st March, 2019

The Board in its meeting held on 06th April 2018 granted the authorization to the Audit Committee to give omnibus approval in accordance with provisions of the Companies Act, 2013 and rules made there under.

As pursuant to the provisions of Section 2(76), 177 and Section 188 of the Companies Act, 2013, read with rules made there under (including modification or re-enactment thereof) and subject to approval of the Board and Shareholders wherever applicable, the omnibus approval of the committee for Related Party Transactions for the Year Ended on 31st March, 2019 was given in Audit Committee meeting held on 06th April 2018.

Appointment of Cost Auditor

The Company has appointed M/s M.P. Turakhia & Associates, Cost Accountant as the cost auditor of the company under section 148 of the Companies act, 2013 and subject to the approval of Central Government in Board Meeting held on 29th May 2018 to conduct audit of cost accounting records maintained by the Company for product(s)/Services covered under MCA Cost Audit Order for the year ending on 31st March 2019.

Appointment of Internal Auditor

M/s Pankaj Somaiya & Associates LLP, Chartered accountants is appointed as an Internal Auditor of the Company in Board Meeting held on 29th May, 2018 to conduct the internal audit of the Company for the Financial Year 2018-19, as required under Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014.



Appointment of Secretarial Auditor

The Company has appointed M/s Neelesh Gupta & Co., Practicing Company Secretaries, Indore in Board Meeting held on 29th May, 2018 under section 204 of the Companies act, 2013 to conduct the Secretarial audit of the Company for the Financial Year ending 31st March, 2018.

Recommendation of Final Dividend

The Company has declared dividend @ 0.5% i.e. Rs. 0.05/- per equity share of the face value of Rs.10/- for the year ended 31st March 2018 in the Annual General Meeting held on 29th September, 2018.

Approval for Migration of Company to Main Board of NSE Ltd

Company has migrated from SME Platform of National Stock Exchange of India Ltd. ("NSE Ltd.") i.e. EMERGE to the Main Board of NSE Ltd after seeking approval of the Board of Director in the Board meeting held on 06th December, 2018 and obtained the approval of the members by way of passing the special resolution by postal ballot and NSE has granted approval on 08.03.2019

Appointment of Key Managerial Personnel under section 203 of Companies Act, 2013

The following appointments were made during the year:

Mr. Palash Gupta (DIN: 03599982), resigned as additional director (Independent Director) on Board Meeting held on 12/06/2018.

Mrs. Vani Gupta (DIN: 07590997), resigned as additional director (Independent Director) on Board Meeting held on 26/06/2018.

Mr. Omprakash Chourey (DIN: 08178285), appointed as additional director (Independent Director) on Board Meeting held on 12/07/2018.

Mrs. Vidhi Jain (DIN: 08178291), appointed as additional director (Independent Director) on Board Meeting held on 12/07/2018.

Mr. Vidit Garg resigned as Chief Financial Officer of the Company on Board Meeting held on 15/09/2018.

Mr. Dileep Jain appointed as Chief Financial Officer of the Company on Board Meeting held on 15/09/2018.

Mrs. Neelam Jain resigned as Company Secretary of the Company on Board Meeting held on 15/09/2018.

Mr. Sumit Sharma appointed as Company Secretary of the Company on Board Meeting held on 18/09/2018.

Change in designation of Mrs. Vidhi Jain from additional director to Director (Independent, Non-Executive Director) on AGM dated 29.09.2018.

Change in designation of Mr. Omprakash Chourey from additional director to Director (Independent, Non-Executive Director) on AGM dated 29.09.2018.

Mr. Dileep Jain resigned as Chief Financial Officer of the Company on Board Meeting held on 26/02/2019.

Mr. Rajendra Mittal appointed as Chief Financial Officer of the Company on Board Meeting held on 26/02/2019.

Mr. Ashok Pande (DIN: 08374646), appointed as additional director on Board Meeting held on 26/02/2019.

Regarding Applicability of CSR

Provision relating to CSR is not applicable to the Company for the year ended 31st March, 2019. The provisions were applicable for the year ended 2018 and Company has failed to spend any amount on it..

For Neelesh Gupta & Co.

Company Secretaries

Sd/-
CS. Neelesh Gupta
Proprietor
C.P. No.6846

Date: 29/08/2019

Place: Indore



Part to Secretarial Audit Report:

**To,
The Members,
Agro Phos (India) Limited
CIN - L24123MP2002PLC015285
M -87, Trade Centre 18m,
South Tukoganj, Indore (MP) 452001**

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 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 practices, we followed provide 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.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

- Company has held all requisite no. of Board Meetings/audit committee meetings/Nomination & Remuneration committee complied with the provision of Companies Act, 2013.

- Management properly maintained minutes book and duly authenticated by the chairman.

- Management has kept and properly entered records in all statutory books in their registered office

- The request for transfer of shares have been received by the company during the year. Hence, there was no request for transmission of shares during the year.

- Notice of Board meetings were duly sent to all the directors.

- Notice of annual general meeting has been duly sent to all the members.

- Company has not obtained secured loans from banks/ financial institutions and duly entered in statutory register.

- company has not directly indirectly advanced any loans to any of the its Director or KMP or any other person in whom the director is interested or given any guarantee or provided any security in connection with any loan taken by him or such other person (under section 185 & 188).

Company has not accept any deposit (u/s 73)

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, Standards are 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.

Date: 29/08/2019

Place: Indore

**For Neelesh Gupta & Co.,
Company Secretaries**

**Sd/-
CS. Neelesh Gupta
Proprietor
C.P. No.6846**



Independent Auditors Report

To,
The Members of
Agro Phos (India) Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the Ind AS Financial Statements of **Agro Phos (India) Limited** (“the Company”), which comprise the Balance sheet as at 31st March 2019, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the Ind AS Financial Statements, including 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 Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2019, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor’s Responsibilities for the Audit of the Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS 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 Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matters | Auditor’s Response |
|--|--|
| <p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 “Revenue from Contracts with Customers” (new revenue accounting standard)</p> <p>The application of the new revenue accounting standard involves some key points which includes Identification of contract with customer, identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to</p> | <p>Principal Audit Procedures</p> <p>We assessed the Company’s process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <p>Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. Sample selected from continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.</p> <p>We have performed the following procedures:</p> <ul style="list-style-type: none"> • Read, analysed and identified the distinct performance |



| | |
|--|---|
| <p>measure revenue recognized. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> | <p>obligations in these contracts.</p> <ul style="list-style-type: none"> • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. • Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. • We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. |
|--|---|

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

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

Our opinion on the IndAS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained 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 Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using



the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements.

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

- a. Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. 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.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS Financial Statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other



matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matter

The comparative financial information of the Company for the year ended 31st March 2018 and transition date opening balance sheet as at 1st April 2017 included in these Ind AS financial statements are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 whose audit report for the year ended 31st March, 2018 and 31st March, 2017 respectively expressed an unmodified opinion on those financial statements and have been restated to comply with Ind AS. Adjustments made to the previously issued said financial information, prepared in accordance with the Companies (Accounting Standards) Rules, 2006, to comply with Ind AS have been audited by us.

Our opinion on the financial statements above and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matter.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("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 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. 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 (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid Ind AS 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 has disclosed the impact of pending litigations on its financial position in its Ind AS Financial Statements - Refer Note 35 to the Ind AS Financial Statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- h. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, 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.

For Ashok Khasgiwala & Co. LLP
Chartered Accountants
Firm Reg. No. 000743C/C400037)

Place Indore
Date: 30/05/2019

Sd/-
CA Avinashbaxi
(Partner)
M.No.079722

Annexure A to Independent Auditor's Report

Referred to in paragraph (1) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Agro Phos (India)Limited on the Ind AS Financial Statements for the year ended 31st March, 2019.

- i. In respect of its Fixed Assets :
- a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to us, the fixed assets of the Company have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. In respect of its Inventories:
- The inventories has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable and no material discrepancies were noticed.
- iii. According to the information and explanations given to us, the Company has not granted loans secured or unsecured to company, firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion provisions of para 3 clause (iii) of the order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the investments made. The company has not granted any loan or given any guarantee or provided any security in terms of section 185 and 186 of the Act.



- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules, framed there under. As informed to us no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of Statutory dues :
- a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion the Company is generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, goods and service tax, duty of customs, Cess and any other statutory dues with the appropriate authorities. There were no undisputed statutory dues in arrears, as at 31st March, 2019 for a period of more than six months from the date they became payable except Property tax amounting to Rs. 16861 outstanding from 2017-18, Rs. 32988 outstanding since 2016-17 not deposited.
 - b) According to the information and explanations given to us, there are no dues of income tax, service tax, sales tax, goods and service tax, duties of customs and duties of excise which have not been deposited with appropriate authorities on account of any dispute.
- viii. According to the records of the company examined by us and as per the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to a financial institution, bank or government as on the balance sheet date. The Company has not issued any debenture.
- ix. In our opinion and according to the information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) and In our opinion and according to the information and explanations given to us, the term loan has been applied for the purpose for which they were raised.
- x. During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the company by the officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to information and explanation given to us, the company is not a Nidhi Company therefore, the provision of para 3 (xii) of the Order is not applicable to the company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.



- xiv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, therefore the provision of para 3 (xiv) of the Order is not applicable to the company.
- xv. In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him during the year, hence the provision of para 3 (xv) of the Order is not applicable to the company.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 therefore, the provision of para 3 (xvi) of the Order is not applicable to the company for the year under audit.

**For Ashok Khasgiwala & Co. LLP
Chartered Accountants
(Firm Reg. No. 000743C/C400037)**

**Sd/-
CA Avinash baxi
(Partner)
M.No. 079722**

**Date :30.05.2019
Place : Indore**

Annexure B to the Independent Auditor's Report of even date on the Ind AS Financial Statements of Agro (Phos) India Limited

Report on the Internal Financial Controls under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting Agro Phos (India) Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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") 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 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ashok Khasgiwala & Co. LLP
Chartered Accountants
(Firm Reg. No. 000743C/C400037)

Sd/-
CA Avinash Baxi
(Partner)
M.No. 079722

Date : 30.05.2019
Place : Indore

AGRO PHOS (INDIA) LIMITED

(CIN: L24123MP2002PLC015285)

BALANCE SHEET AS AT MARCH 31, 2019

(Amount in lacs)

| | Particulars | Notes | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|------------|---|-------|----------------------------|----------------------------|------------------------|
| I. | ASSETS | | | | |
| (1) | Non-current assets | | | | |
| | (a) Property, Plant and Equipment | 1 | 1391.95 | 1435.48 | 1532.96 |
| | (b) Capital work-in-progress | 2 | 8.83 | 18.14 | 13.56 |
| | (c) Financial Assets | | | | |
| | (i) Investments | 3 | 39.97 | 37.43 | 35.16 |
| | (ii) Loans | 4 | 21.37 | 26.75 | 12.45 |
| | (iii) Others | 5 | 0.60 | 5.83 | 6.06 |
| | (d) Other non-current assets | 6 | 26.87 | 19.87 | 21.43 |
| | Total Non-current assets | | 1489.59 | 1543.49 | 1621.62 |
| (2) | Current assets | | | | |
| | (a) Inventories | 7 | 1901.75 | 1541.51 | 1293.02 |
| | (b) Financial Assets | | | | |
| | (i) Trade receivables | 8 | 2014.49 | 2413.23 | 2932.14 |
| | (ii) Cash and cash equivalents | 9 | 12.98 | 7.26 | 207.54 |
| | (iii) Bank balances other than (ii) above | 10 | 90.67 | 86.00 | 134.22 |
| | (iv) Loans | 11 | 154.44 | 115.96 | 153.52 |
| | (v) Others | 12 | 998.85 | 1418.08 | 1894.72 |
| | (c) Other Current Assets | 13 | 349.97 | 171.57 | 105.66 |
| | Total Current assets | | 5523.15 | 5753.61 | 6720.82 |
| | Total Assets | | 7012.74 | 7297.10 | 8342.44 |
| II. | EQUITY AND LIABILITIES | | | | |
| | Equity | | | | |
| | (a) Equity share capital | 14 | 2027.41 | 2027.41 | 2027.41 |
| | (b) Other Equity | 15 | 1441.50 | 1370.95 | 1235.52 |
| | Total Equity | | 3468.92 | 3398.36 | 3262.93 |
| (1) | LIABILITIES | | | | |
| | Non-Current Liabilities | | | | |
| | (a) Financial Liabilities | | | | |
| | (i) Borrowings | 16 | 161.58 | 129.88 | 106.45 |
| | (ii) Others | 17 | 7.11 | 6.61 | 10.07 |
| | (b) Provisions | 18 | 14.97 | 10.59 | 8.03 |
| | (c) Deferred tax liabilities (Net) | 19 | 300.53 | 254.64 | 225.93 |
| | Total Non-Current Liabilities | | 484.19 | 401.72 | 350.48 |
| (2) | Current liabilities | | | | |
| | (a) Financial Liabilities | | | | |
| | (i) Borrowings | 20 | 1750.39 | 1713.13 | 2144.15 |
| | (ii) Trade payables | 21 | 1098.35 | 1672.49 | 2314.06 |
| | (iii) Other financial liabilities | 22 | 56.80 | 66.38 | 49.83 |
| | (b) Other current liabilities | 23 | 152.23 | 33.47 | 195.57 |
| | (c) Provisions | 24 | 1.86 | 0.75 | 0.15 |
| | (d) Current Tax liabilities (net) | 25 | - | 10.81 | 25.26 |

| | | | | |
|---|---------|----------------|----------------|----------------|
| Total Current liabilities | | 3059.63 | 3497.02 | 4729.02 |
| | | | | |
| Total Equity and Liabilities | | 7012.74 | 7297.10 | 8342.44 |
| | | | | |
| The accompanying notes to accounts forming an integral part to the financial statements | 1 to 50 | | | |
| General information and significant accounting policies | A-B | | | |

AS PER OUR REPORT OF EVEN DATE

FOR ASHOK KHASGIWALA & CO. LLP
CHARTERED ACCOUNTANTS
(FRN : 000743C/C400037)

Sd/-
CA AVINASH BAXI
Partner
M. NO. 079722

Place : Indore
Date : 30th May, 2019

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-
Rajkumar Gupta
Managing Director
DIN : 00244925

Sd/-
CS Sumit Sharma
Company Secretary

Sd/-
Vishnukant Gupta
Whole Time Director
DIN : 05233476

Sd/-
Rajendra Kumar Mittal
Chief Financial Officer

AGRO PHOS (INDIA) LIMITED

(CIN: L24123MP2002PLC015285)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in Lacs)

| Particulars | Notes | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|---|-------|---|--|
| INCOME | | | |
| I Revenue from Operations | 26 | 6292.51 | 5048.15 |
| II Other Income | 27 | 923.91 | 892.67 |
| III Total Revenue (I+II) | | 7216.42 | 5940.82 |
| IV EXPENSES | | | |
| Cost of material consumed | 28 | 3066.35 | 2425.32 |
| Purchases of Stock-in-Trade | 29 | 2480.00 | 2513.68 |
| Changes in inventories of finished goods, work-in-progress and stock in trade | 30 | 16.81 | (607.74) |
| Excise Duty | | - | 5,21,284 |
| Employee Benefits Expense | 31 | 231.47 | 209.10 |
| Finance Costs | 32 | 258.86 | 262.03 |
| Depreciation, amortisation and impairment Expenses | 33 | 107.48 | 106.33 |
| Other Expenses | 34 | 892.21 | 820.68 |
| Total Expenses | | 7053.17 | 5734.62 |
| V Profit before exceptional items and tax (III-IV) | | 163.25 | 206.20 |
| VI Exceptional Items | | | |
| VII Profit before tax (V-VI) | | 163.25 | 206.20 |
| VIII Tax expense | | | |
| Current Tax | | 34.55 | 41.50 |
| Deferred Tax | 19 | 45.90 | 28.86 |
| IX Profit after tax (VII-VIII) | | 82.80 | 135.84 |
| X (A) Other Comprehensive Income/(loss) | | | |
| (i) Items that will not be reclassified to statement of profit or loss | | | |
| Remeasurement of defined benefit obligation | | (0.06) | (0.56) |
| Tax thereon | | 0.01 | 0.16 |
| (ii) Items that will be reclassified to statement of profit or loss | | | |
| Total other comprehensive income | | (0.05) | (0.40) |

| | | | | |
|------------|---|---------|--------------|---------------|
| XI | Total comprehensive income (IX+X) | | 82.74 | 135.43 |
| XII | Earnings per equity share of face value of `10 each | | | |
| | Basic and Diluted earnings per share | 38 | | |
| a | Basic (in `) | | 0.41 | 0.67 |
| b | Diluted (in `) | | 0.41 | 0.67 |
| | The accompanying notes to accounts forming an integral part to the financial statements | 1 to 50 | | |
| | General information and significant accounting policies | A-B | | |

**AS PER OUR REPORT OF EVEN DATE
FOR ASHOK KHASGIWALA & CO. LLP**
CHARTERED ACCOUNTANTS
(FRN : 000743C/C400037)

Sd/-

CA AVINASH BAXI

Partner
M. NO. 079722

Place : Indore

Date : 30th May, 2019

**FOR AND ON BEHALF OF BOARD OF DIRECTORS
AGRO PHOS(INDIA) LIMITED**

Sd/-

Rajkumar Gupta

Managing Director

DIN : 00244925

Sd/-

CS Sumit Sharma

Company Secretary

Sd/-

**Vishnukant
Gupta**

Whole Time
Director

DIN : 05233476

Sd/-

**Rajendra Kumar
Mittal**

Chief Financial
Officer

| |
|---------------------------------------|
| AGRO PHOS INDIA LIMITED |
| (CIN: L24123MP2002PLC015285) |

Cash Flow Statement for the year ended 31st March, 2019

(Amount in lacs)

| Particulars | 2018-19 | 2017-18 |
|---|-----------------|-----------------|
| A. Cash flow from Operating activities | | |
| a. Net Profit/ (Loss) before Tax & Exceptional item | 163.25 | 206.20 |
| Adjustment for : | | |
| Depreciation | 107.48 | 106.33 |
| Finance costs | 258.86 | 262.03 |
| Interest Received | (5.70) | (5.11) |
| (Gain) / Loss on sale of Property, Plant and Equipment | (1.12) | 6.83 |
| Ind As adjustment on lease rental | - | 1.56 |
| Net gain on fair value of investments | (2.54) | (2.27) |
| Provision /(Reversal of provision) on doubtful debts | 3.67 | (8.02) |
| IND as adjustment from OCI | (0.06) | (0.56) |
| Unrealised gain / (loss) on Foreign currency exchange rate | (4.47) | 0.51 |
| b. Operating profit/(loss) before working capital changes | 519.37 | 567.49 |
| Adjustment for : | | |
| Trade and Other receivables | 185.13 | 484.27 |
| Inventories | (360.24) | (248.49) |
| Trade and other payables | (464.89) | (788.56) |
| c. Cash generated from Operations | (120.63) | 14.72 |
| Direct Taxes (paid)/Refund | (53.91) | (55.94) |
| Net Cash Flow from Operating activities | (174.54) | (41.23) |
| B. Cash flow from investing activities | | |
| Purchase of Property, Plant and Equipment | (59.42) | (24.22) |
| Sale of Property, Plant and Equipment | 5.89 | 3.97 |
| Purchase of Investment | - | - |
| Subsidy Received | 422.54 | 476.64 |
| Interest Received | 4.62 | 7.34 |
| Change in Bank balances not considered as cash and cash Equivalents | (1.67) | 46.22 |
| Net Cash Flow from Investing activities | 371.96 | 509.95 |
| C. Cash flow from Financing activities | | |
| Proceeds from Borrowings | 73.91 | 23.43 |
| Repayment of Borrowings | - | (431.02) |
| Dividend paid | (12.20) | - |
| Finance costs | (253.41) | (261.40) |
| Net Cash flow from Financing activities | (191.70) | (668.99) |

| | | |
|---|-------------|-----------------|
| D. Net Increase / (Decrease) in Cash and Cash Equivalent | 5.72 | (200.27) |
| Cash and Cash Equivalent at the beginning of the year | 7.26 | 207.54 |
| Cash and Cash Equivalent at the end of the year | 12.98 | 7.26 |
| Cash and Cash Equivalent Comprises : | | |
| Balances with Banks | 6.92 | 1.82 |
| Cash on hand | 6.06 | 5.44 |

**AS PER OUR REPORT OF EVEN DATE
FOR ASHOK KHASGIWALA & CO. LLP
CHARTERED ACCOUNTANTS
(FRN : 000743C/C400037)**

Sd/-

CA Avinash Baxi

Partner

M. No. : 079722

Place : Indore

Date : 30th May, 2019

**FOR AND ON BEHALF OF BOARD OF DIRECTORS
AGRO PHOS(INDIA) LIMITED**

Sd/-

Rajkumar Gupta

Managing Director

DIN: 00244925

Sd/-

Wishnu Kant Gupta

Whole Time Director

DIN:05233476

Sd/-

Mahnukant Gupta

Whole Time Director

DIN : 05233476

Sd/-

CS Sumit Sharma

Company Secretary

Sd/-

Rajendra Kumar Mittal

Chief Financial Officer

| |
|--------------------------------|
| AGRO PHOS INDIA LIMITED |
|--------------------------------|

Notes forming part of financial statements

Note - 1 Property, Plant and Equipment

(Amount in lacs)

| Particulars | Buildings | Plant & Equipment | Furniture & Fixtures | Vehicles | Office Equipments | Total |
|---------------------------------------|---------------|-------------------|----------------------|--------------|-------------------|----------------|
| a. Gross carrying amount | | | | | | |
| Deemed cost as at 1 April 2017 | 640.06 | 836.66 | 23.09 | 26.16 | 6.99 | 1532.96 |
| Additions | - | 5.55 | 0.51 | 11.55 | 2.05 | 19.65 |
| Deduction/Adjustments | - | 2.04 | - | 10.08 | - | 12.12 |
| As at March 31, 2018 | 640.06 | 840.17 | 23.59 | 27.63 | 9.04 | 1540.48 |
| Additions | 27.78 | 7.60 | 0.56 | 28.31 | 4.48 | 68.73 |
| Deduction/Adjustments | - | - | - | 7.01 | - | 7.01 |
| As at March 31, 2019 | 667.84 | 847.77 | 24.15 | 48.93 | 13.52 | 1602.20 |

b. Accumulated depreciation and impairment

| | | | | | | |
|--|---------------|--------------------|---------------|-------------|-------------------|--------------------|
| As at 1 April 2017 | - | - | - | - | - | - |
| Depreciation charge for the year | 22.54 | 72.35 | 2.53 | 5.82 | 3.10 | 106.33 |
| Deduction/Adjustments | - | 0.07 | - | 1.25 | - | 1.32 |
| As at March 31, 2018 | 22.54 | 72.27 | 2.53 | 4.57 | 3.10 | 105.01 |
| | | | | | | 0.00 |
| Accumulated depreciation and impairment | | | | | | 0.00 |
| Opening accumulated depreciation as at 1 April 2017 | 13934 | 45397688.00 | 733572 | 4.57 | 2337881.00 | 69005479.57 |
| | 185.00 | | 1.00 | | | |
| Depreciation charge for the year | 22.98 | 72.72 | 2.54 | 6.06 | 3.18 | 107.48 |
| Deduction/Adjustments | - | - | - | 2.23 | - | 2.23 |
| As at March 31, 2019 | 45.52 | 144.99 | 5.07 | 8.40 | 6.27 | 210.25 |

c. Net Carrying Amount

| | | | | | | |
|-----------------------------|---------------|---------------|--------------|--------------|-------------|----------------|
| As at April 1, 2017 | 640.06 | 836.66 | 23.09 | 26.16 | 6.99 | 1532.96 |
| As at March 31, 2018 | 617.52 | 767.89 | 21.06 | 23.06 | 5.94 | 1435.48 |
| As at March 31, 2019 | 622.32 | 702.78 | 19.08 | 40.53 | 7.24 | 1391.95 |

Note 2 : Capital Work-In-Progress

| Capital Work in Progress | Amount |
|-------------------------------|--------------|
| As at 1st April 2017 | 13.56 |
| Additions | 4.58 |
| Deduction/Adjustments | - |
| As at 31st March 2018 | 18.14 |
| Additions | 18.47 |
| Deduction/Adjustments | 27.78 |
| As at 31st March, 2019 | 8.83 |

Notes forming part of financial statements**(Amount in Lacs)**

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|--|-------------------------|-------------------------|------------------------|
| FINANCIAL ASSETS | | | |
| Note - 3 Non -Current Investments | | | |
| Investment in Mutual Funds (at Fair value through Profit and Loss (FVTPL) | | | |
| a) Quoted | | | |
| Union Capital Protection Oriented Fund Series 7 - Regular Plan - Growth - INF582M01CN2 3,50,000 Units (Previous year 350000 Units, as at 1 April 2017 350000) | 39.97 | 37.43 | 35.16 |
| | 39.97 | 37.43 | 35.16 |
| Aggregate amount of quoted investments and market value thereof | 39.97 | 37.43 | 35.16 |
| Aggregate provision for diminution in value of unquoted investments | - | - | - |
| NOTE 4- Loans -Non Current (Unsecured, considered good) | | | |
| Security Deposits | 21.37 | 26.75 | 12.45 |
| | 21.37 | 26.75 | 12.45 |
| Note - 5 Other Financial Assets | | | |
| Interest Accrued but not due On Fixed Deposits With Bank | 0.02 | 2.25 | 4.49 |
| Balance with Banks in Deposit Accounts with original maurity of more than 12 months (earmarked) | 0.57 | 3.57 | 1.57 |
| | 0.60 | 5.83 | 6.06 |

| | | | |
|--|----------------|----------------|----------------|
| Note -6 Other Non Current Asset | | | |
| Advance Tax (Net off Provision) | 8.56 | - | - |
| Prepaid Lease rentals | 18.31 | 19.87 | 21.43 |
| | 26.87 | 19.87 | 21.43 |
| Note - 7 Inventories | | | |
| Raw Materials (including packing materials) | 789.13 | 412.08 | 771.33 |
| Work-in-progress | 111.19 | 107.00 | 65.76 |
| Finished goods | 321.32 | 435.31 | 79.80 |
| Stock- in- Trade (in respect of goods acquired for trading) | 680.11 | 587.12 | 376.13 |
| | 1901.75 | 1541.51 | 1293.02 |
| <p>i) Inventories are valued at lower of cost and net realisable value, except scrap, which is valued at net realisable value.</p> <p>ii) The cost of inventories recognised as an expense include Nil (previous year Nil, as at 1st April 2017 Nil) in respect of write down of inventory to net realisation value.</p> | | | |

| | | | |
|---|----------------|----------------|----------------|
| Note - 8 Trade Receivables | | | |
| Unsecured, considered good | 2014.49 | 2413.23 | 2932.14 |
| Unsecured, considered doubtful | 21.00 | 17.33 | 25.35 |
| | 2035.49 | 2430.56 | 2957.49 |
| Less: Allowance as per ECL/ Provision for doubtful debts | 21.00 | 17.33 | 25.35 |
| | 2014.49 | 2413.23 | 2932.14 |
| (i) The above includes debts due from firms/private companies in which directors are interested Nil [previous year Nil, as at 1st April, 2017 Rs.0.09 lacs]. | | | |
| Note - 9 Cash and Cash Equivalents | | | |
| Balances with Banks | | | |
| In Current Accounts | 6.92 | 1.82 | 200.46 |
| Cash on hand | 6.06 | 5.44 | 7.08 |
| | 12.98 | 7.26 | 207.54 |
| Note - 10 Bank Balances Other Than Cash and Cash Equivalents Above | | | |
| Dividend Accounts earmarked | 0.25 | - | - |
| In Deposit Accounts with original maturity More than 3 months but less than or equal to 12 months (earmarked) | 90.42 | 86.00 | 134.22 |
| | 90.67 | 86.00 | 134.22 |
| Note - 11 Loans | | | |
| (Unsecured, considered good) | | | |
| Security Deposits | 154.44 | 115.96 | 153.52 |
| | 154.44 | 115.96 | 153.52 |
| Note - 12 Other Financial Assets | | | |
| Accrued interest | 3.31 | - | - |
| Subsidy Receivable | 995.54 | 1418.08 | 1894.72 |
| | 998.85 | 1418.08 | 1894.72 |

| Note - 13 Other Current Assets | | | |
|---|----------------|----------------|----------------|
| Advance against supply | 92.33 | 104.21 | 102.60 |
| Balance with Government Authorities | 254.86 | 64.53 | - |
| Prepaid Insurance | 1.22 | 1.29 | 1.51 |
| Prepaid lease rentals | 1.56 | 1.55 | 1.55 |
| | 349.97 | 171.57 | 105.66 |
| Note - 14 Equity Share Capital | | | |
| (a) Authorised | | | |
| 2,10,00,000 (Previous year 2,10,00,000, As at 1st April, 2017 2,10,00,000) Equity Shares of Rs. 10 each | 2100 | 2100 | 2100 |
| | 2100 | 2100 | 2100 |
| (b) Issued, Subscribed and paid-up | | | |
| 2,02,74,115 (Previous year 2,02,74,115, As at 1st April, 2017 2,02,74,115) Equity Shares of Rs. 10 each fully paid up. | 2027.41 | 2027.41 | 2027.41 |
| | 2027.41 | 2027.41 | 2027.41 |

The reconciliation of the number of shares and amount outstanding is set out below:

| Particulars | As at March 31, 2019 | | As at March 31, 2018 | | As at April 1, 2017 | |
|---|----------------------|----------------|----------------------|----------------|---------------------|----------------|
| | No. of Shares | Amount | No. of Shares | Amount | No. of Shares | Amount |
| Equity Shares : | | | | | | |
| Equity Shares at the beginning of the year | 20274115 | 2027.41 | 20274115 | 2027.41 | 20274115 | 2027.41 |
| Add: Shares issued during the year | - | - | - | - | - | - |
| Equity Shares at the end of the year | 20274115 | 2027.41 | 20274115 | 2027.41 | 20274115 | 2027.41 |

Terms / Rights

1. **attached to**

1 **Equity Shares :**

The company has one class of equity shares having a par value of Re. 10/- per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is paid as and when declared by the Board of Directors. In the event of liquidation, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

1. **The details of shareholders' holding**

2 **more than 5 % Shares**

| EQUITY SHARE S | As at 31st March 2019 | | As at 31st March 2018 | | As at 1st April 2017 | |
|---------------------|-----------------------|------------------|-----------------------|------------------|----------------------|------------------|
| | No. of Shares | % age of holding | No. of Shares | % age of holding | No. of Shares | % age of holding |
| Raj Kumar Gupta | 4300435 | 21.21 | 4300435 | 21.21 | 254340 | 8.83 |
| Vishnu Kant Gupta | 1596075 | 7.87 | 1596075 | 7.87 | 1596075 | 7.87 |
| Ramesh Chand Suhane | 1795050 | 8.85 | 1795050 | 8.85 | 1795050 | 8.85 |

1.4 For a period of five years immediately preceding the date of Balance Sheet i.e. 31st March 2019 the company has :-

(i) Not allotted shares as fully paid up pursuant to contract (s) without payment being received in

| | | |
|--|----------------|----------------|
| cash. | | |
| (ii) Allotted 11515292 equity shares as fully paid up by way of bonus shares during F.Y. 2016 -17. | | |
| (iii) Not bought back any shares . | | |
| Note - 15 Other Equity | | |
| A Capital Reserve (refer (I) below) | | |
| Balance as at the beginning of the year | 20.00 | 20.00 |
| Add : Received during the year | - | - |
| Balance as at the end of the year | 20.00 | 20.00 |
| B Securities Premium (refer (II) below) | | |
| Balance as at the beginning of the year | 705.60 | 705.60 |
| Add : Received during the year | - | - |
| Balance as at the end of the year | 705.60 | 705.60 |
| C Retained Earnings (refer (III) below) | | |
| Balance as at the beginning of the year | | |
| Balance as at the beginning of the year | 645.36 | 509.93 |
| Add: Net Profit/(Loss) for the year | 82.80 | 135.84 |
| Less: Dividend Paid | (10.14) | - |
| Tax on dividend | (2.06) | - |
| Less: Remeasurement of the defined benefit plans through Other Comprehensive income (net of tax) | (0.05) | (0.40) |
| less : Ind AS adjustments charged to retained earnings | | |
| Incremental provision on expected credit loss model | - | - |
| Amortisation of Processing fee on borrowing | - | - |
| Fair valuation of Investment | - | - |
| Amortization of prepaid lease rentals | - | - |
| Taxation impacts of Ind AS adjustments | - | - |
| Balance as at the end of the year | 715.91 | 645.36 |
| Total Other equity | 1441.50 | 1370.95 |
| Note - 16 Borrowings | | |
| A Secured | | |
| Term Loans from Banks | | |
| a.From Banks (refer note A below) | 11.47 | 7.32 |
| Less : Shown under current maturities of Long Term Debt (refer note 22) | 3.56 | 1.32 |
| | 7.91 | 6.00 |
| b.From Others (refer note B below) | 156.38 | 123.88 |
| Less : Shown under current maturities of Long Term Debt (refer note 22) | 2.71 | - |
| | 153.66 | 123.88 |
| | 161.58 | 129.88 |
| | 161.58 | 129.88 |

Note:**Nature of Security and terms of repayment for secured borrowings**

| | Name of the lender | Nature of Security | Terms of Repayment | Rate of Interest |
|---|--|---|---|--|
| A. | Term loan from Axis Bank, Sanctioned amount Rs. 7.65 lacs, Outstanding amount Rs.6.00 lacs (March 31, 2018: Rs. 7.32 lacs, as at 1st April 2017 Rs. Nil) | Secured by hypothecation of asset purchased. | Repayable in 60 monthly instalments of Rs. 0.16 lacs (including interest) each, commenced from January, 2018 and last instalment due in December 2022. | 8.36% p.a.(Pre.Year 8.36%, as at 1st April 2017 Nil) |
| | Term loan from Kotak Mahindra Prime Limited, Sanctioned amount Rs. 15.00 lacs, Outstanding amount Rs.12.60 lacs (March 31, 2018: Nil, As at 1st April 2017 Nil) | Secured by hypothecation of asset purchased. | Repayable in 60 monthly instalments of Rs. 0.31 lacs (including interest) each, commenced from May, 2018 and last instalment due in April 2023. | 8.34% p.a.(Pre.Year Nil as at 1st April 2017 Nil) |
| | Term loan from Axis Bank, Sanctioned amount Rs. 6.65 lacs, Outstanding amount Rs.5.47 lacs (March 31, 2018: Nil, As at 1st April 2017 Nil) | Secured by hypothecation of asset purchased. | Repayable in 36 monthly instalments of Rs. 0.21lacs (including interest) each, commenced from September, 2018 and last instalment due in August 2021 | 9.51% p.a.(Pre.Year Nil as at 1st April 2017 Nil). |
| B. | Term loan from MPFC , Sanctioned amount Rs. 650.00 lacs, Outstanding amount Rs. 153.66 lacs (March 31, 2018: Rs. 123.88 lacs, As at 1st April 2017 Rs. 106.45 lacs). | Secured by first charge by way of equitable mortgage of land (leasehold), factory building, plant & machinery, furniture & fixtures (existing & future) of the company, situated at plot no. 135-A, 136-A, 137-A and 137-A Industrial Area, Meghnagar& Personal guarantee of directors. | Repayable in 24 quarterly instalments, first 8 instalments of Rs. 12,50,000 each, next 4 instalments of Rs. 25,00,000 each and balance 12 instalments of Rs. 37,50,000each. | 14.25% p.a.(Pre.Year 14.25 % p.a., as at 1st April 2017 14.25% p.a.) |
| Secured long term borrowings from financial institution aggregating to Rs. 159.17 lacs(Previous year Rs. 128.67 lacs, As at 1st April 2017 Rs. 110.61 lacs [including interest accrued and due Rs. 5.51 lacs(Previous year Rs.4.79 lacs, As at 1st April 2017 Rs. 4.16 lacs)] are secured by personal guarantee of directors. Company has made advance payment of Instalment due for loan from MPFC hence current maturity is Nil (Pre. Year Nil, as at 1st April 2017 Nil) | | | | |

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| Note. No. 17 Other Non Current Liability | | |
| Dealership Deposit | 7.11 | 6.61 |
| | 7.11 | 6.61 |
| Note -18 Provisions | | |
| Provision for employee benefits | | |
| - Gratuity | 14.97 | 10.59 |
| | 14.97 | 10.59 |
| Note - 19 Deferred Tax Liabilities / Assets | | |
| Deferred Tax Liability | | |
| Depreciation on Property, Plant & equipment | 315.35 | 334.95 |
| Total (A) | 315.35 | 334.95 |
| Deferred Tax Assets | | |
| Provision for Doubtful Debts and Advances | 5.84 | 4.82 |
| Other Timing Differences | 6.61 | 3.82 |
| Loss Carried Forward | 2.37 | 71.67 |
| Total (B) | 14.82 | 80.31 |
| | | |
| Net Defrred Tax Liability/(Assets) | 300.53 | 254.64 |
| Note -20 Borrowings | | |
| Secured | | |
| Loans repayable on demand | | |
| Working Capital Loans from bank | 1750.39 | 1713.13 |
| UnSecured | | |
| From Banks | - | - |
| | 1750.39 | 1713.13 |
| Note - 21 Trade Payables | | |
| (a) Total outstanding due of Micro and Small Enterprises (Refer note 36) | 2.62 | |
| (b) Total outstanding due other than (a) above | 1095.73 | 1672.49 |
| | 1098.35 | 1672.49 |
| Note - 22 Other Financial Liabilities | | |
| Current maturities of long-term debt(refer note 16) | 6.27 | 1.32 |
| Interest accrued | 10.24 | 4.79 |
| Unclaimed Dividends (refer note (i) below) | 0.25 | |
| Others | | |
| (i) Bank Overdraft as per book | 7.92 | 14.61 |
| (ii) Other Liabilities | 32.12 | 45.66 |
| | 56.80 | 66.38 |
| Note - 23 Other Current Liabilities | | |
| Non-Trade payables | | |
| Creditors for capital expenditure | | |
| Others | | 17.26 |
| Advances from customers | 135.53 | |
| Statutory Dues | 16.69 | 16.20 |
| | 152.23 | 33.47 |
| Note - 24 Provisions | | |
| - for Gratuity | 1.48 | 0.75 |
| - for Compensated absences | 0.38 | - |
| | 1.86 | 0.75 |
| Note - 25 Current Tax liabilities (net) | | |
| Provision for taxation | - | 10.81 |
| | - | 10.81 |

(Amount in Lacs)

| Particulars | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
|---|---|--------------------------------------|
| Note - 26 Revenue From Operations | | |
| Sales of products | 6292.51 | 5048.15 |
| | 6292.51 | 5048.15 |
| Note - 27 Other Income | | |
| a) Interest Income (at amortised cost) | 5.70 | 5.11 |
| b) Reversal of provision of doubtful debts | - | 8.02 |
| c) Net Gain on Sale/Discard of Property, Plant and Equipments | 1.12 | - |
| d) Vat Incentive received | - | 34.30 |
| e) Net gain on Foreign Currency Transactions and Translations | 2.59 | - |
| f) Rent received | 4.80 | 5.74 |
| g) Subsidy on SSP | 903.45 | 793.52 |
| h) Other Non-Operating Income | 3.71 | 43.71 |
| i) 'Net gain on fair value of investments | 2.54 | 2.27 |
| | 923.91 | 892.67 |
| Note - 28 Cost of Materials Consumed | | |
| a) Raw Material | 2919.74 | 2254.48 |
| b) Packing Material | 146.61 | 170.84 |
| | 3066.35 | 2425.32 |
| Note - 29 Purchases of Stock-in-Trade | | |
| Purchases of Stock-in-Trade | 2480.00 | 2513.68 |
| | 2480.00 | 2513.68 |
| Note - 30 Changes in Inventories of Finished Goods, Work-in-Progress and | | |
| Stock-in-trade | | |
| Inventory at the beginning of the Year | | |
| Finished Goods | 435.31 | 79.80 |
| Work in Progress | 107.00 | 65.76 |
| Stock In Trade | 587.12 | 376.13 |
| | 1129.43 | 521.69 |

| | | |
|--|----------------|-----------------|
| Inventory at the end of the year | | |
| Finished Goods | 321.32 | 435.31 |
| Work in Progress | 111.19 | 107.00 |
| Stock In Trade | 680.11 | 587.12 |
| | 1112.62 | 1129.43 |
| Net (Increase) / Decrease in Inventories | 16.81 | (607.74) |
| Note - 31 Employee Benefits Expense | | |
| Salary, Wages and Bonus | 221.16 | 199.78 |
| Contribution to Provident and Other Funds | 5.34 | 5.06 |
| Staff Welfare expenses | 4.97 | 4.27 |
| | 231.47 | 209.10 |
| Note - 32 Finance Costs | | |
| Interest Expense | 218.95 | 235.48 |
| Other borrowing costs | 39.90 | 26.55 |
| | 258.86 | 262.03 |
| Note - 33 Depreciation, Amortization and impairment | | |
| Depreciation | 107.48 | 106.33 |
| | 107.48 | 106.33 |
| Note - 34 Other Expenses | | |
| Power and Fuel | 168.08 | 93.89 |
| Stores, spares and consumables | 131.68 | 90.24 |
| Processing Charges | 17.39 | 18.64 |
| Rent | 18.21 | 41.48 |
| Repairs to Machinery | 24.51 | 18.68 |
| Repairs to Buildings | 3.69 | 3.27 |
| Repairs to Others | 24.64 | 17.77 |
| Insurance | 2.95 | 3.37 |
| Rates & Taxes excluding taxes on income | 1.67 | 19.48 |
| Factory Expenses | 1.14 | 2.31 |
| Legal and Professional Charges | 15.06 | 27.12 |
| Travelling & Conveyance Expenses | 20.58 | 25.14 |
| Vehicle Expenses | 6.22 | 8.04 |
| Selling and Distribution expenses | 29.02 | 2.65 |
| Freight and Forwarding | 383.46 | 387.87 |
| Net Loss on Foreign Currency Transactions and Translations | - | 0.82 |
| Loss on Sales of Property, Plant and Equipments | - | 6.83 |
| Allowance / Provision for doubtful debts | 3.67 | - |
| Miscellaneous Expenses | 40.22 | 53.06 |
| | 892.21 | 820.68 |

Notes forming part of financial statements**Note - 35 Contingent Liabilities and Commitments**

| Particulars | As at 31st March,2019 | As at 31st March,2018 | As at 1st April,2017 |
|-------------------------|--------------------------|--------------------------|-------------------------|
| a. Contingent Liability | - | - | - |
| b. Capital commitments | - | - | - |

Note- 36 Disclosure Required Under Section 22 of the Micro, Small and Medium Enterprises Development Act,2006.

- a. Trade Payables includes Rs. 2.62 lacs (previous year Nil, as at 1st April,2017 Nil) amount due to Micro and Small enterprises registered under the Micro, Small and Medium Enterprises Development Act,2006 (MSMED).
- b. The detail of amount outstanding to Micro and Small Enterprises are as under:

| Particular | As at March 31, 2019 | As at March 31, 2018 | As at 1st April,2017 |
|--|-------------------------|-------------------------|-------------------------|
| Principle amount due and remain unpaid | 2.62 | - | - |
| Interest due on above and unpaid interest | 0.16 | - | - |
| Interest paid | - | - | - |
| Interest payment made beyond appointed day during the year | - | - | - |
| Interest due and payable for the period of delay | - | - | - |
| Interest accrued and remaining unpaid | - | - | - |
| Amount of further interest remaining due and payable in succeeding years | - | - | - |

- c. The information has been determined to the extent such parties have been identified on the basis of information available with the company and relied upon by the auditors.

Note: 37 - Payments to Auditor (Excluding GST)

| | 2018-2019 | 2017-2018 |
|------------------------|-----------|-----------|
| a. For Statutory audit | 2.5 | 1.75 |
| b. For Tax Audit | 1.00 | 0.75 |
| c. For Other services | 0.86 | - |
| d. For Cost audit | 0.25 | 0.25 |

Note - 38 Earning Per Share (EPS)

| | 2018-2019 | 2017-2018 |
|---|-----------|-----------|
| a. Net Profit after tax | 82.80 | 135.84 |
| c. Weighted average number of equity shares | 20274115 | 20274115 |
| d. Nominal value of ordinary share | 10.00 | 10.00 |
| e. Basic and diluted earning per share | 0.41 | 0.67 |

Note – 39**Note 40 - Disclosure As Per Ind As 19 - Employee Benefits****A. Defined Contribution Plans**

Contribution to Defined Contribution plans, recognised as expense for the year is as under:

| Particulars | 18-19 | 17-18 |
|---|-------|-------|
| Employer's contribution to Provident Fund | 3.32 | 3.37 |

B. Gratuity

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31,2019.The present value of the defined benefit obligations and the related current service cost, were measured using the Projected Unit Credit Method.

| Particulars | 18-19 | 17-18 |
|--|--------------|--------------|
| I. Reconciliation of defined benefit obligation. | | |
| Liability at the beginning of the year | 11.34 | 8.18 |
| Current Service Cost | 4.17 | 1.98 |
| Interest Cost /(income) | 0.87 | 0.63 |
| Remeasurement due to : | | |
| Actuarial loss/ (gain) arising change in financial assumptions | - | (0.52) |
| Actuarial loss/ (gain) arising change in demographic assumptions | - | - |
| Actuarial loss/ (gain) arising on account of experience adjustments | 0.06 | 1.08 |
| Benefit Paid | - | - |
| Defined benefit obligation at the end of the year | 16.46 | 11.34 |
| II. Reconciliation of opening and closing balance of fair value of plan assets. | | |
| Fair value of pan assets at the beginning of the year | - | - |
| Interest on plan assets | - | - |
| Other | - | - |
| Contributions Paid by Employer | - | - |
| Benefit Paid from Fund | - | - |
| Included in OCI | - | - |
| actuarial (Gains)/Losses on Obligation for the period | - | - |
| Return on Plan Assets Excluding Interest Income | - | - |
| Fair value of plan asset at the end of the year | - | - |
| III. Amount Recognized in the Balance Sheet | | |
| Present Value of funded defined benefit obligation | 16.46 | 11.34 |
| Fair Value of Plan Assets at the end of the year | - | - |
| Net funded obligation | - | - |
| Present value of unfunded defined benefit obligation | - | - |
| Amount not recognised due to asset limit | - | - |
| Net defined benefit liability / (asset) recognised in Balance sheet | 16.46 | 11.34 |
| Net defined benefit liability / (asset) is bifurcated as below : | - | - |
| Current | 1.49 | 1.19 |
| Non - Current | 14.97 | 10.16 |
| IV. Expense Recognised in Statement of Profit & Loss | | |
| Current Service Cost | 4.17 | 1.98 |
| Net Interest Cost | 0.87 | 0.63 |
| Administrative expenses | - | - |
| Past Service Cost | - | - |
| Actuarial (Gain)/ Loss on settlement | - | - |
| Expense Recognized in P&L | 5.05 | 2.61 |
| V. Amount Recognised in Other Comprehensive Income (OCI) | | |
| Opening amount recognised in OCI outside profit and loss account | - | - |
| Remeasurement due to : | | |
| Changes in financial assumptions | - | (0.52) |
| Changes in demographic assumptions | - | - |
| Experience adjustments | 0.06 | 1.08 |
| Actual return on plan assets less interest on plan assests | - | - |
| Closing amount recognised in OCI outside profit and loss account | 0.06 | 0.56 |
| VI. Net defined liability / (asset) reconciliation | | |
| Opening Net defined benefit liability / (asset) | 11.34 | 8.18 |
| Expense charged to profit and loss account | 5.05 | 2.61 |
| Employers Contribution | - | - |
| Amount recognised outside Profit& loss | 0.06 | 0.56 |
| Impact of liability assumed or settled | - | - |
| Closing net defined benefit liability /(asset) | 16.46 | 11.34 |

VII. Assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages)

| Particulars | 31-Mar-19 | 31-Mar-18 |
|------------------------|-----------|-----------|
| Discount Rate | 7.7% | 7.7% |
| Salary Escalation Rate | 7% | 7% |
| Attrition Rate | 5% | 5% |

VIII. Sensitivity analysis

Reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant, would have affected the defined benefit obligation by the amounts shown below :

| Particulars | 31-Mar-19 | | 31-Mar-18 | |
|----------------------------------|-------------|-------------|-------------|-------------|
| | 1% Increase | 1% Decrease | 1% Increase | 1% Decrease |
| Change in discounting rate | 14.47 | 18.87 | 9.83 | 13.22 |
| Change in Salary escalation rate | 18.86 | 14.44 | 13.21 | 9.81 |
| Withdrawal Rate | 16.53 | 16.38 | 11.41 | 11.27 |

Note 41 - Related party relationships, transactions and balances**Disclosure of transactions with related parties as per Ind AS: -24****A. List of related parties and their relationships****(i) Key Managerial Personnel**

| | |
|-----------------------|---|
| Rajkumar Gupta | Managing Director |
| Vishnu Kant Gupta | Whole Time Director |
| ViditGarg | Chief Financial Officer (ceased w.e.f. 14.09.2018)) |
| Dilip Kumar Jain | Chief Financial Officer (from 15.09.2018 to 25.02.2019) |
| Rajendra Kumar Mittal | Chief Financial Officer (w.e.f. 26.02.2019) |
| Neelam Jain | Company Secretary (up to 15.09.2018) |
| Sumit Sharma | Company Secretary (w.e.f. 18.09.2018) |

(ii) Person or a close members has control or joint control, significant influence on the reporting entity with whom transactions have taken place**Name of Person / entity**

| Name of Person / entity | Relation |
|-----------------------------|---|
| Mrs Uma Gupta | Relative of KMP |
| NitinSuhane | Relative of KMP |
| Abhay Gupta | Relative of KMP |
| Shradhha Gupta | Relative of KMP |
| Suhane Agro India Pvt Ltd. | Relative of KMP have significant influence |
| MadhavAgrochemPvt Ltd | Relative of KMP have significant influence |
| M/s. Vinod Trading Co. | Relative of KMP have significant influence |
| MahadhanPhoshate Pvt. Ltd. | Relative of KMP have significant influence |
| Madhav Sales Corp Pvt. Ltd. | Relative of KMP have significant influence (wef 25.04.2018) |
| Madhav Sales Corp | Relative of KMP have significant influence |
| Nafco Commodities Pvt Ltd. | KMP able to exercise significant influence (up to 04.01.2019) |
| APINDIA Biotech Ltd. | KMP able to exercise significant influence (up to 30.09.2018) |

(ii) Entity and reporting entity are members of the same group

B. Transactions carried out with related parties referred in A above

| Nature of Transaction | 2018-19 | 2017-18 | |
|-----------------------------------|------------------|------------------|------------------|
| Managerial Remuneration | | | |
| Raj Kumar Gupta | 3000000 | 3000000 | |
| Vishnu Kant Gupta | 1800000 | 1800000 | |
| Salary Paid | | | |
| ViditGarg | 250000 | 536000 | |
| Dilip Kumar Jain | 242740 | Nil | |
| CS KarishmaKakkad | Nil | 54323 | |
| CS Neelam Jain | 95150 | 112771 | |
| Mrs Uma Gupta | 480000 | 440000 | |
| Shradhha Gupta | 305000 | 300000 | |
| NitinSuhane | Nil | 480000 | |
| Rajendra Kumar Mittal | 133304 | Nil | |
| Sumit Sharma | 142218 | Nil | |
| Nature of Transaction | 2018-19 | 2017-18 | |
| Sitting Fees | | | |
| Abhay Gupta | 0.25 | 0.25 | |
| Purchase of Goods | | | |
| MahadhanPhoshate Pvt. Ltd. | 60.5 | 1.65 | |
| Suhane Agro India Pvt Ltd. | 56.81 | 245.43 | |
| MadhavAgrochemPvt Ltd | 43.89 | 222.31 | |
| Nafco Commodities Pvt Ltd. | 464.41 | 165.57 | |
| Madhav Sales Corp Pvt. Ltd. | 5.69 | - | |
| APINDIA Biotech Ltd. | 347.45 | - | |
| Sales of Goods | | | |
| M/s. Vinod Trading Co. | 169.16 | 107.63 | |
| Suhane Agro India Pvt Ltd. | 405.39 | 238.60 | |
| MadhavAgrochemPvt Ltd | 27.07 | 546.49 | |
| Madhav Sales Corp Pvt. Ltd. | 61.71 | - | |
| Madhav Sales Corp | 8.02 | 126.65 | |
| Nafco Commodities Pvt Ltd. | 142.10 | 108.90 | |
| Balance with related parties | As at 31.03.2019 | As at 31.03.2018 | As at 01.04.2017 |
| Trade Receivables | | | |
| MadhavAgrochemPvt Ltd | 53.96 | 252.85 | 14.03 |
| Madhav Sales Corp Pvt. Ltd. | 32.34 | - | 21.30 |
| Suhane Agro India Pvt Ltd. | 245.57 | - | 37.08 |
| Nafco Commodities | - | - | 0.09 |
| Trade Payables | | | |
| Suhane Agro India Pvt Ltd. | 7.21 | - | - |
| Suhane Housing & Construction Co. | - | - | 1.215 |
| Advance from Customers | | | |
| M/s. Vinod Trading Co. | 15 | - | - |
| MadhavAgrochemPvt Ltd | 20.79 | - | - |
| Other Payables | | | |
| Vishnu Kant Gupta | - | 14.57 | 0.63 |
| ShriNitinSuhane | - | 7.82 | 8.37 |
| Raj Kumar Gupta | - | 2.31 | 1.18 |
| Shraddha Gupta | - | 0.85 | 1.75 |
| Uma Gupta | - | 2.57 | 0.18 |
| Vidit Gupta | - | 0.06 | - |
| Madhav Sales Corporation | - | - | - |

Notes forming part of financial statements

Note - 42 Financial Instruments – Fair Values Hierarchy

(Amount in lacs)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

A substantial portion of the Company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such long-term debt approximates fair value.

| (i) March 31, 2019 | Carrying amount | | | | Fair value | | | |
|------------------------------------|-----------------|--------|----------------|----------------|--------------|---------|---------|--------------|
| | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| (i) Investments | 39.97 | - | - | 39.97 | 39.97 | - | - | - |
| (ii) Trade receivables | - | - | 2014.49 | 2014.49 | - | - | - | - |
| (iv) Cash and cash equivalents | - | - | 12.98 | 12.98 | - | - | - | - |
| (v) Bank Balance other than above | - | - | 90.67 | 90.67 | - | - | - | - |
| (vi) Loans | - | - | 175.81 | 175.81 | - | - | - | - |
| (vii) Others | - | - | 999.45 | 999.45 | - | - | - | - |
| | 39.97 | - | 3293.40 | 3333.37 | 39.97 | - | - | - |
| Financial liabilities | | | | | | | | |
| (i) Borrowings | - | - | 1918.24 | 1918.24 | - | - | - | - |
| (ii) Trade payables | - | - | 1098.35 | 1098.35 | - | - | - | - |
| (iii) Other Financial liability | - | - | 57.64 | 57.64 | - | - | - | - |
| | - | - | 3074.23 | 3074.23 | - | - | - | - |
| <hr/> | | | | | | | | |
| (ii) March 31, 2018 | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| (i) Investments | 37.43 | - | - | 37.43 | 37.43 | - | - | - |
| (ii) Others | - | - | 1423.91 | 1423.91 | - | - | - | - |
| (iii) Trade receivables | - | - | 2413.23 | 2413.23 | - | - | - | - |
| (iv) Cash and cash equivalents | - | - | 7.26 | 7.26 | - | - | - | - |
| (v) Bank Balance other than above | - | - | 86.00 | 86.00 | - | - | - | - |
| (vi) Loans | - | - | 142.72 | 142.72 | - | - | - | - |
| | 37.43 | - | 4073.11 | 4110.53 | 37.43 | - | - | - |
| Financial liabilities | | | | | | | | |
| (i) Borrowings | - | - | 1844.33 | 1844.33 | - | - | - | - |
| (ii) Trade payables | - | - | 1672.49 | 1672.49 | - | - | - | - |
| (III) Other Financial liability | - | - | 71.67 | 71.67 | - | - | - | - |
| | - | - | 3588.49 | 3588.49 | - | - | - | - |
| <hr/> | | | | | | | | |
| (iii) April 1, 2017 | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| (i) Investments | 35.16 | - | - | 35.16 | 35.16 | - | - | 35.16 |
| (ii) Trade receivables | - | - | 2932.14 | 2932.14 | - | - | - | - |
| (iii) Cash and cash equivalents | - | - | 207.54 | 207.54 | - | - | - | - |
| (iv) Bank Balance other than above | - | - | 134.22 | 134.22 | - | - | - | - |
| (v) Loans | - | - | 165.97 | 165.97 | - | - | - | - |
| (vi) Others | - | - | 1900.78 | 1900.78 | - | - | - | - |
| | 35.16 | - | 5340.65 | 5375.80 | 35.16 | - | - | 35.16 |
| Financial liabilities | | | | | | | | |
| (i) Borrowings | - | - | 2250.60 | 2250.60 | - | - | - | - |
| (ii) Trade payables | - | - | 2314.06 | 2314.06 | - | - | - | - |
| (iii) Other Financial liability | - | - | 59.90 | 59.90 | - | - | - | - |
| | - | - | 4624.57 | 4624.57 | - | - | - | - |

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Note - 43 Financial Instruments – Risk Management**Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- (i) Market risk
 - (a) Currency risk;
 - (b) Interest rate risk;
 - (c) Commodity Risk;
- (ii) Credit risk ; and
- (iii) Liquidity risk ;

Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Company's risk management assessment policies and processes are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. These policies and processes are reviewed by management regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee are responsible for overseeing these policies and processes.

(i) Market risk

Market risk is the risk of changes the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments . The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

i(a) Currency risk

The fluctuation in foreign currency exchange rates may have impact on the profit and loss account, where any transaction has more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchangerates in those countries. The risks primarily relate to fluctuations in U.S. dollar and Euro, against the respective functional currencies. The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported by the management of the Company is as follows:

(Amount in Lacs)

| Particulars | As at 31st March 2019 | As at 31st March 2018 | As at 1st April 2017 |
|--|--------------------------|--------------------------|----------------------|
| | USD Exposure in INR | USD Exposure in INR | USD Exposure in INR |
| Receivable net exposure | | | |
| Trade receivables | - | - | - |
| Receivable net exposure | - | - | - |
| Payable net exposure | | | |
| Trade payables and other financial liabilities | 230.20 | 161.37 | 871.83 |
| Payable net exposure | 230.20 | 161.37 | 871.83 |

| | | | |
|--|-----------------|-----------------|-----------------|
| Forward exchange contracts against imports and foreign currency payables | - | - | - |
| Payable net exposure | 230.20 | 161.37 | 871.83 |
| Total net exposure on Receivables / (Payables) | (230.20) | (161.37) | (871.83) |

A 1% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss as shown in table below. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

| Particulars | Profit/(Loss) March 31, 2019 | | Profit/(Loss) March 31, 2018 | |
|-------------------------|------------------------------|-----------|------------------------------|-----------|
| | Strengthening | Weakening | Strengthening | Weakening |
| Effect in Indian Rupees | | | | |
| INR | 2.30 | (2.30) | 1.61 | (1.61) |

i (b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the borrowing from bank and financial institution. Currently Company is not using any mitigating factor to cover interest rate risk.

| | As at 31st March 2019 | As at 31st March 2018 | As at 1st April 2017 |
|--------------------------------------|-----------------------|-----------------------|----------------------|
| Borrowing from bank | 1761.86 | 1720.45 | 2144.15 |
| Borrowing from financial institution | 156.38 | 123.88 | 106.45 |
| | 1918.24 | 1844.33 | 2250.60 |

Interest rate sensitivity

A reasonably possible change of 1% in interest rates at the reporting date would have increased /(decreased) equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

| Particulars | Impact on Profit/(loss) before tax | |
|---|------------------------------------|--------------|
| | 1% Increase | 1% Decrease |
| March 31, 2019 | | |
| On account of Variable Rate Borrowings from Banks | (19.18) | 19.18 |
| Sensitivity | (19.18) | 19.18 |
| March 31, 2018 | | |
| On account of Variable Rate Borrowings from Banks | (18.44) | 18.44 |
| Sensitivity | (18.44) | 18.44 |

i (c) Commodity Risk

The prices of agricultural commodities are subject to wide fluctuations due to unpredictable factors such as weather, government policies, changes in global demand resulting from population growth and changes in standards of living and global production of similar and competitive crops. During its ordinary course of business, the value of the Company's open sales and purchases commitments and inventory of raw material changes continuously in line with movements in the prices of the underlying commodities. To the extent that its open sales and purchases commitments do not match at the end of each business day, the Company is subjected to price fluctuations in the commodities market.

While the Company is exposed to fluctuations in agricultural commodities prices, its policy is to minimise its risks arising from such

fluctuations by hedging its sales either through direct purchases of a similar commodity or through futures contracts.

In the course of hedging its sales either through direct purchases the Company may also be exposed to the inherent risk associated with trading activities conducted by its personnel. The Company has in place a risk management system to manage such risk exposure.

At the balance sheet date, a 1% increase/decrease of the commodities price indices, with all other variables remaining constant, would result in (decrease)/increase in profit before tax and equity by the amounts as shown below:

| Particulars | Profit/(loss) 31 March, 2019 | | Profit/(loss) 31 March, 2018 | |
|--|---------------------------------|----------|---------------------------------|----------|
| | Increase | Decrease | Increase | Decrease |
| Effect of increase / (decrease) in prices | | | | |
| Profit before taxes | 0.87 | (0.87) | 0.34 | (0.34) |
| Assumptions used for calculation | | | | |
| Inventory | 87.36 | | 34.10 | |
| | Commodity price * 1% | | Commodity price * 1% | |

(ii) 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 customer. The Company establishes an allowance for doubtful debts and impairment that represents its estimate on expected loss model .

A. Trade and other receivables

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 has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|----------------------------------|-------------------------|-------------------------|------------------------|
| Past due but not impaired | | | |
| Past due 0–90 days | 1245.35 | 1383.04 | 1447.15 |
| Past due 91–180 days | 222.13 | 483.01 | 810.20 |
| Past due more than 180 days | 568.01 | 564.51 | 700.14 |
| | 2035.49 | 2430.56 | 2957.49 |

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Impaired amounts are based on lifetime expected losses based on the best estimate of the management. Further, management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

| Particulars | 31-Mar-19 |
|-------------------------------------|--------------|
| Balance as at April 1, 2018 | 17.33 |
| Impairment loss recognised | 3.67 |
| Amounts written off | - |
| Balance as at March 31, 2019 | 21.00 |

| Particulars | 31-Mar-18 |
|---|--------------|
| Balance as at April 1, 2017 | 25.35 |
| Impairment loss recognised / (Reversed) | (8.02) |
| Amounts written off | - |
| Balance as at March 31, 2018 | 17.33 |

B. Cash and cash equivalents

The Company holds cash and cash equivalents with credit worthy banks of Rs.12.98 as at March 31, 2019, (Rs 7.26 lacs as at 31st March 2018 and Rs.207.54 lacs as at 1st April 2017).The credit worthiness of such banks is evaluated by the management on an ongoing basis and is considered to be good.

D. Investments

The Company does not expect any losses from non-performance by these counter-parties apart from those already given in financials, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Financial Instruments – Risk Management**(iii) Liquidity risk****Exposure to liquidity risk**

The table below analyses the Company's financial liabilities into relevant maturities groupings based on their contractual maturities for: * all non derivative financial liabilities

| A As at March 31, 2019 | Carrying amount | Contractual cash flows | | | | |
|---|-----------------|------------------------|----------------|--------------|--------------|-------------------|
| | | Total | 1 year or less | 1-2 years | 2-5 years | More than 5 years |
| (i) Non-derivative financial liabilities | | | | | | |
| Secured term loans and borrowings | 1918.24 | 1918.24 | 1756.66 | 81.84 | 79.73 | - |
| Trade payables | 1098.35 | 1098.35 | 1098.35 | - | - | - |
| Other financial liabilities (repayable on demand) | 57.64 | 57.64 | 50.53 | 7.11 | - | - |
| | 3074.23 | 3074.23 | 2905.54 | 88.95 | 79.73 | - |

| B As at March 31, 2018 | Carrying amount | Contractual cash flows | | | | |
|---|-----------------|------------------------|----------------|-------------|---------------|-------------------|
| | | Total | 1 year or less | 1-2 years | 2-5 years | More than 5 years |
| (i) Non-derivative financial liabilities | | | | | | |
| Secured term loans and borrowings | 1844.33 | 1844.33 | 1714.45 | 1.43 | 128.45 | - |
| Trade payables | 1672.49 | 1672.49 | 1672.49 | - | - | - |
| Other financial liabilities (repayable on demand) | 71.67 | 71.67 | 65.06 | 6.61 | - | - |
| | 3588.49 | 3588.49 | 3451.99 | 8.05 | 128.45 | - |

| C As at April 1, 2017 | Carrying amount | Contractual cash flows | | | | |
|---|-----------------|------------------------|----------------|--------------|---------------|-------------------|
| | | Total | 1 year or less | 1-2 years | 2-5 years | More than 5 years |
| (i) Non-derivative financial liabilities | | | | | | |
| Secured term loans and borrowings | 2250.60 | 2250.60 | 2144.15 | - | 106.45 | - |
| Trade payables | 2314.06 | 2314.06 | 2314.06 | - | - | - |
| Other financial liabilities (repayable on demand) | 59.90 | 59.90 | 49.83 | 10.07 | - | - |
| | 4624.57 | 4624.57 | 4508.04 | 10.07 | 106.45 | - |

Note - 44 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Equity comprises of Equity share capital and other equity.

The Company's policy is to keep the ratio at optimum level. The Company's adjusted net debt to equity ratio was as follows.

| A. Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|--|----------------------|----------------------|---------------------|
| Total liabilities | 178.08 | 135.99 | 110.61 |
| Less : Cash and cash equivalent | 12.98 | 7.26 | 207.54 |
| Adjusted net debt | 165.10 | 128.73 | 0.00 |
| Total equity | 3468.92 | 3398.36 | 3262.93 |
| Adjusted net debt to adjusted equity ratio | 0.05 | 0.04 | - |

B. Dividends**Amount of Dividends approved during the year by shareholders**

| Particulars | March 31, 2019 | | March 31, 2018 | |
|---------------|----------------|----------------|----------------|----------------|
| | No. of Shares | Figures In Rs. | No. of Shares | Figures In Rs. |
| Equity Shares | 20274115 | 10.14 | - | - |

Note No. 45 Segment Reporting

| (a) Operating Segment Information | | | | (Amount In lacs) |
|-----------------------------------|-------------|-------------|-------------|------------------|
| Particulars | Fertilizers | Commodities | Unallocable | Total |
| Segment revenue | 5232.12 | 1060.39 | - | 6292.51 |
| Segment results(PBIT) | 512.11 | 5.11 | -95.12 | 422.11 |
| Less : Interest | - | - | - | 258.86 |
| Profit before exceptional item | - | - | - | 163.25 |

| | | | | |
|---|----------------|---------------|----------------|----------------|
| Less:- Exceptional item | - | - | - | - |
| Profit/(loss) before tax | - | - | - | 163.25 |
| Less : Current Tax | | | | 34.55 |
| Deferred Tax | - | - | - | 45.90 |
| Relating to Earlier Years Profit after tax | - | - | - | 82.80 |
| Prior period adjustments | - | - | - | - |
| Net Profit | - | - | - | 82.80 |
| Segment assets | 6617.61 | 219.01 | 176.11 | 7012.74 |
| Segment liabilities | 1426.27 | 35.65 | 2079.29 | 3541.20 |
| Segment depreciation | 93.77 | - | 13.70 | 107.48 |

(b) Geographical Information

The Company's operating facilities are located in India.

| Particulars | 2018-19 |
|--------------------|----------------|
| Domestic Revenue | 6292.51 |
| Export Revenue | - |
| TOTAL | 6292.51 |

Previous Year's figures not given being first year of Segment Reporting.

(c) Revenue from major products

The following is an analysis of the Company's segment revenue from continuing operations from its major products

| Particulars | 2018-19 |
|-------------------------|----------------|
| i) Fertilizers | |
| NPK Products | 985.21 |
| SSP Products | 2571.84 |
| Others | 1675.06 |
| ii) Commodities | |
| Various Commodities | 1060.39 |
| iii) Unallocable | - |
| TOTAL | 6292.51 |

(d) Revenue from major customers

No single customers contributed 10% or more to the Company's revenue for the year ended March 31, 2019.

Note 46 : Tax Expenses**Tax expenses recognised in the statement of Profit and Loss****(Amount in Lacs)**

| I. Income tax related to items recognised directly in profit or loss of the statement of profit and loss during the year | As at March 31, 2019 | As at March 31, 2018 |
|---|-----------------------------|-----------------------------|
| Current Tax | 34.55 | 41.50 |
| Total Current Tax | 34.55 | 41.50 |
| Deferred Tax | | |
| in respect of current year | 45.90 | 28.86 |
| Total Deferred income tax expense/(credit) | 45.90 | 28.86 |
| TOTAL (I) | 80.45 | 70.36 |
| II. Deferred tax related to items recognized in Other Comprehensive Income (OCI) during the year | | |
| Items that will not be reclassified to Profit or Loss | 0 | 0 |
| Remeasurements of the defined benefit Plans | 0.01 | 0.16 |
| Items that will not be reclassified to Profit or Loss | 0 | 0 |
| TOTAL (II) | 0.01 | 0.16 |
| TOTAL (I+II) | 80.46 | 70.52 |
| A reconciliation of the income tax amount between the enacted income tax rate and the effective income tax of the Company is as follows: | | |
| Profit before tax | 163.25 | 206.2 |
| Applicable Tax Rate (MAT) | 20.58 | 20.58 |
| income tax as per above rate | 33.59 | 42.44 |
| Adjustments for taxes for | | |
| - Disallowance for expenses | 0.96 | 0.71 |
| - Withdrawal of provision | 0.00 | (1.65) |
| Current Tax Provision | 34.55 | 41.50 |
| Deferred Tax on Account of PPE | (19.60) | (83.29) |
| Deferred tax on account of other Financial assets and other liabilities | 65.50 | 111.99 |
| Income tax as per statement of profit and loss | 45.90 | 28.70 |
| Effective Tax Rate | | |

The movement in Deferred tax assets and liabilities during the year ended March 31st, 2018 and March 31st, 2019

| Particulars | Opening Balance | Recognition in Profit or Loss | Recognition in OCI | Closing Balance |
|--|------------------------|--------------------------------------|---------------------------|------------------------|
| For the Year 2017-18 | | | | |
| Deferred Tax Liabilities | | | | |
| Depreciation on Property, Plant & Equipments | 418.24 | (83.29) | - | 334.95 |

| | | | | |
|---|---------------|--------------|---------------|---------------|
| | | | | |
| I. | 418.24 | (83.29) | - | 334.95 |
| Deferred Tax Assets | | | | |
| Provision for Doubtful Debts & advances | 8.38 | (3.56) | - | 4.82 |
| Other Timing Differences | 5.97 | (2.31) | (0.16) | 3.5 |
| Loss carried forward | 177.95 | (106.28) | - | 71.67 |
| II. | 192.3 | (112.15) | (0.16) | 79.99 |
| Deferred Tax Liabilities (Net) | 225.94 | 28.86 | (0.16) | 254.64 |
| For the Year 2018-19 | | | | |
| Deferred Tax Liabilities | | | | |
| Depreciation on Property,Plant&Equipments | 334.95 | (19.60) | - | 315.35 |
| I. | 334.95 | (19.60) | - | 315.35 |
| Deferred Tax Assets | | | | |
| Provision for Doubtful Debts & advances | 4.82 | 1.02 | - | 5.84 |
| Other Timing Differences | 3.82 | 2.79 | 0.01 | 6.62 |
| Loss carried forward | 71.67 | (69.30) | - | 2.37 |
| II. | 80.31 | (65.49) | 0.01 | 14.83 |
| Deferred Tax Liabilities (Net) | 254.64 | 45.89 | 0.01 | 300.54 |

Note -47 Transition to Ind AS:

"For the purposes of reporting as set out in Note A and B , we have transitioned our basis of accounting from Indian generally accepted accounting principles ("Indian GAAP") to Ind AS. The accounting policies set out in Note A and B have been applied in preparing the financial statements for the year ended March 31, 2019. The comparative information presented in these financial statements for the year ended March 31, 2018 and in the preparation of an opening Ind AS balance sheet at April 1, 2017 (the "transition date").

In preparing our opening Ind AS balance sheet, we have made certain adjustments to amounts reported in financial statements prepared in accordance with Indian GAAP. An explanation of how the transition from Indian GAAP to Ind AS has affected our financial position and performance is set out in the following tables. On transition, we did not revise estimates previously made under Indian GAAP except where required by Ind AS."

A. EXEMPTIONS AND EXCEPTIONS AVAILABLE

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Indian GAAP to IndAS :

I Ind AS optional exemptions**(i) "Deemed Cost :**

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 intangible assets.

Accordingly, the Company has elected to measure all its property, plant and equipment and intangible assets at their previous GAAP carrying value. There are no decommissioning liabilities of the Company.

(ii) Designation of previously recognised financial instruments

Ind AS 101 allow an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investment other than the investments in subsidiaries, joint ventures and associates.

II Ind AS mandatory exceptions**(i)"Estimates :**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS are consistent with estimates made for the same date in accordance with previous GAAP."

(iii)"Derecognition of financial assets and financial liabilities:

The Company has opted to apply the exemption available under Ind AS 101 to apply the derecognition criteria of Ind AS 109 prospectively for the transactions occurring on or after the date of transition to Ind AS."

B. FINANCIAL RECONCILIATION

| (i)(a) RECONCILIATION FOR MARCH 31, 2018 | Amount as per Indian GAAP | Effects of transition to Ind AS | Amount as per Ind AS |
|---|----------------------------------|--|-----------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| (a) Property, Plant and Equipment | 1482.34 | (46.86) | 1435.48 |
| (b) Capital work-in-progress | 18.14 | - | 18.14 |
| (c) Financial Assets | | | |
| (i) Investments | 35.00 | 2.43 | 37.43 |
| (ii) Loans | 26.75 | | 26.75 |
| (iii) Other financial assets | - | 5.83 | 5.83 |
| (d) Deferred tax assets | 122.83 | (122.83) | - |
| (e) Other non-current assets | 5.83 | 14.04 | 19.87 |
| Total non current assets | 1690.89 | (147.40) | 1543.49 |
| Current Assets | | | |
| (a) Inventories | 1541.51 | - | 1541.51 |
| (b) Financial Assets | | | |
| (ii) Trade receivables | 2430.56 | (17.33) | 2413.23 |
| (iii) Cash and cash equivalents | 93.26 | (86.00) | 7.26 |
| (iv) Bank balances other than (iii) above | - | 86.00 | 86.00 |
| (v) Loans | 285.99 | (170.02) | 115.96 |
| (vi) Others | 0.00 | 1418.08 | 1418.08 |
| (c) Other Current assets | 1418.08 | (1,246.50) | 171.57 |
| Total current assets | 5769.39 | (15.78) | 5753.61 |
| TOTAL ASSETS | 7460.27 | (163.18) | 7297.10 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | 2027.41 | - | 2027.41 |
| (b) Other equity | 1785.20 | (414.25) | 1370.95 |
| Total equity | 3812.61 | (414.25) | 3398.36 |
| LIABILITIES | | | |
| Non current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 133.44 | (3.56) | 129.88 |
| (ii) Trade payables | 6.61 | - | 6.61 |

| | | | |
|--------------------------------------|----------------|-----------------|----------------|
| (b) Provisions | 10.59 | - | 10.59 |
| (c) Deferred tax liabilities (Net) | - | 254.64 | 254.64 |
| Total non current liabilities | 150.65 | 251.08 | 401.72 |
| Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 1713.13 | - | 1713.13 |
| (ii) Trade payables | 1672.49 | - | 1672.49 |
| (iii) Other financial liabilities | - | 66.38 | 66.38 |
| (b) Other current liabilities | 99.84 | (66.37) | 33.47 |
| (c) Provisions | 11.57 | (10.81) | 0.75 |
| (d) Current tax liabilities (net) | - | 10.81 | 10.81 |
| Total current liabilities | 3497.02 | 0.01 | 3497.02 |
| Total liabilities | 7460.27 | (163.16) | 7297.10 |

(Amount in Lacs)

| (i)(b) RECONCILIATION OF PROFIT AND LOSS FOR THE YEAR MARCH 31, 2018 | Amount as per Indian GAAP | Effects of transition to Ind AS | Amount as per Ind AS |
|---|----------------------------------|--|-----------------------------|
| INCOME | | | |
| I. Revenue from Operations | 5969.69 | (921.54) | 5048.15 |
| Less: Excise Duty | 5.21 | (5.21) | - |
| | 5964.48 | (916.33) | 5048.15 |
| II. Other income | 88.86 | 803.81 | 892.67 |
| III. Total Income (I+II) | 6053.34 | (117.73) | 5940.82 |
| IV. Expenses | | | |
| Cost of materials consumed | 2072.91 | 352.40 | 2425.32 |
| Purchase of Traded Goods | 2513.68 | - | 2513.68 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | (607.74) | - (607.74) | |
| Excise Duty | - | 5.21 | 5.21 |
| Employee Benefits Expenses | 210.29 | (1.19) | 209.10 |
| Finance costs | 260.66 | 1.38 | 262.03 |
| Depreciation and Amortization Expenses | 106.33 | - | 106.33 |
| Other Expenses | 1299.55 | (478.88) | 820.68 |
| Total Expenses (IV) | 5855.69 | (121.07) | 5734.62 |
| V. Profit/(loss) before Exceptional Items and Tax (III-IV) | 197.65 | 3.33 | 206.20 |
| VI. Exceptional Items | | | |
| VII. Profit/(loss) before Tax (V-VI) | 197.65 | 3.33 | 206.20 |
| VIII. Tax expense: | | | |
| 1. Current Tax | 41.50 | - | 41.50 |
| 2. Deferred Tax | 66.33 | (37.47) | 28.86 |
| IX. Profit/(Loss) after tax for the period (VII-VIII) | 89.82 | 40.80 | 135.84 |
| X. (A) Other Comprehensive Income | | | |
| (i) Items that will not be reclassified to statement of profit or loss | | | |
| Remeasurement of defined benefit obligation | - | (0.56) | (0.56) |
| Tax thereon | - | 0.16 | 0.16 |
| (ii) Items that will be reclassified to statement of profit or loss | | | |
| Total Other Comprehensive Income | - | (0.40) | (0.40) |
| XI. Total Comprehensive income for the period | 89.82 | 40.40 | 135.43 |

(Amount in Lacs)

| (ii). Reconciliation for April 1, 2017 | Amount as per Indian GAAP | Effects of transition to Ind AS | Amount as per Ind AS |
|---|------------------------------|------------------------------------|----------------------|
| ASSETS | | | |
| Non-current assets | | | |
| (a) Property, plant and equipment | 1579.82 | (46.86) | 1532.96 |
| (b) Capital work-in-progress | 13.56 | - | 13.56 |
| (d) Financial Assets | | | |
| (i) Investments | 35.00 | 0.16 | 35.16 |
| (ii) Loans | 12.45 | - | 12.45 |
| (iii) Other financial assets | - | 6.06 | 6.06 |
| (e) Deferred tax asset | 189.16 | (189.16) | - |
| (e) Other non-current assets | 6.06 | 15.37 | 21.43 |
| | 1836.05 | (214.43) | 1621.62 |
| Current assets | | | |
| (a) Inventories | 1293.02 | - | 1293.02 |
| (b) Financial Assets | | | |
| (i) Trade receivables | 2957.49 | (25.35) | 2932.14 |
| (ii) Cash and cash equivalents | 341.75 | (134.22) | 207.54 |
| (iii) Bank balances other than (iv) above | - | 134.22 | 134.22 |
| (iv) Loans | 257.64 | (104.12) | 153.52 |
| (v) Others | - | 1894.72 | 1894.72 |
| (c) Other current assets | 1894.72 | (1,789.06) | 105.66 |
| Total current assets | 6744.62 | (23.81) | 6720.82 |
| TOTAL ASSETS | 8580.67 | (238.24) | 8342.44 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | 2027.41 | - | 2027.41 |
| (b) Other Equity | 1695.38 | (459.86) | 1235.52 |
| Total equity | 3722.80 | (459.86) | 3262.93 |
| Non current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 110.76 | (4.31) | 106.45 |
| (ii) Trade payables | 10.07 | - | 10.07 |
| (b) Provisions | 8.03 | - | 8.03 |
| (c) Deferred tax liabilities (Net) | - | 225.93 | 225.93 |
| Total non current liabilities | 128.86 | 221.62 | 350.48 |
| Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 2144.15 | - | 2144.15 |
| (ii) Trade payables | 2314.06 | - | 2314.06 |
| (iii) Other financial liabilities | - | 49.83 | 49.83 |
| (b) Other current liabilities | 245.40 | (49.83) | 195.57 |
| (c) Provisions | 25.41 | (25.26) | 0.15 |
| (d) Current tax liabilities (Net) | - | 25.26 | 25.26 |
| Total current liabilities | 4729.02 | -- | 4729.02 |
| Total liabilities | 8580.67 | (238.24) | 8342.44 |

Reconciliation of Equity

| Particulars | Note no. | Year ended Mar 31, 2018 | Year ended Apr 01, 2017 |
|---|----------|----------------------------|----------------------------|
| Equity as Reported under Previous GAAP | | 3812.62 | 3722.80 |
| Incremental provision on expected credit loss model | IV | (17.33) | (25.35) |
| Amortisation of Processing fee on borrowing | V | 3.56 | 4.31 |
| Fair valuation of Investment | II | 2.43 | 0.16 |
| Amortization of prepaid lease rentals | III | (25.44) | (23.88) |
| Taxation impacts of Ind AS adjustments | VI | (377.47) | (415.09) |
| Equity as reported under Ind AS | | 3398.37 | 3262.93 |

| Particulars | Note no. | Year ended Mar 31, 2018 |
|---|----------|-------------------------|
| Profit After Tax as Reported under Previous GAAP | | 89.82 |
| Incremental provision on expected credit loss model | IV | 8.02 |
| Amortisation of Processing fee on borrowing | V | (0.75) |
| Fair valuation of investments | II | 2.27 |
| Lease rentals | III | (1.56) |
| Actuarial gains on gratuity from classified from profit and loss to other | | |
| Comprehensive income | VII | 0.56 |
| Taxation impacts of Ind AS adjustments | VI | 37.47 |
| Profit After Tax as reported under IND AS | | 135.84 |
| Other Comprehensive Income / Expenses | | |
| Remeasurement of defined benefit obligation | VII | (0.56) |
| Taxation impacts of above | | 0.16 |
| Total Comprehensive Income as reported under Ind AS | | 135.43 |

C. NOTES ON FIRST TIME ADOPTION:**I Property, Plant & Equipment**

On transition to Ind AS as on April 1, 2017 the Company has elected to measure its property, plant and equipments at their carrying value which is considered as the Deemed Cost

II. Investments in Mutual Funds

The Company has investment in Mutual Funds. These have been fair valued on the date of transition with a corresponding unrealised gain/(loss) recognised in Retained earnings via profit and loss as on transition date i.e April 1, 2017 and designated the same at Fair Value through Profit and loss [FVTPL]. Subsequent gains/(losses) have been charged to Statement of profit and Loss.

III. Leasehold Land

The Company has certain lease hold Lands with a tenure ranging between 10 to 30 years Under Ind AS land is treated as finance lease if the lease term is over several decades or the present value of minimum lease payments is substantially equal to the fair value of land. Since the above condition is not satisfied, lease arrangements in the range of 10 to 30 years the date of investment to the date of transition have been classified as operating leases as against the current practice of capitalizing them as leasehold land. Consequently, leasehold land has been de-recognised and prepaid lease rental have been recognised.

IV. Trade Receivables

The Company measures recovery of debtors on Expected Credit Loss Model.(refer note 43(ii))

V. Amortisation of loan processing fees

The Company has incurred transaction/ processing costs on its borrowings. The said transaction/ processing costs is amortised over the period of loan. The same has been reduced from the borrowing on the date of initial recognition and amortised using effective interest rate method. As a result the long term borrowing has been reduced with a corresponding gain being recognised in retained earnings.

VI.Taxation impacts of Ind AS adjustments

The Company has recognised deferred tax as per requirements of Ind AS -12 on "Income taxes" and recognised a deferred tax liability arising on account of the Ind AS adjustments as on April 1, 2017 to retained earnings.

VII. Employee Benefits

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit and loss. Under Ind AS, remeasurements of defined benefits plans are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Therefore actuarial gain on gratuity classified from statement of profit and loss to other Comprehensive income.

Note - 48 Disclosure on Financial and Derivative Instruments

The Company uses foreign currency forward exchange contracts to hedge its exposure in foreign currency related to firm commitment and highly probable forecasted transactions

1. Notional amount of forward contract entered into by the Company and outstanding - Nil
(Previous Year Nil as at 1st April 2017 Nil)
2. Foreign Currency exposure which are not hedged as at the year end :
 - a. Payable in foreign currency on account of refund of Import of Materials

| 2018-2019 | | | 2017-2018 | | | 2016-17 | | |
|-----------|-------------------|----------------|-----------|-------------------|----------------|----------|-------------------|----------------|
| Currency | Amount in foreign | Amount in Lacs | Currency | Amount in foreign | Amount in Lacs | Currency | Amount in foreign | Amount in Lacs |
| USD | 331800 | 230.20 | USD | 248100 | 161.37 | USD | 1344613 | 871.83 |

- b. Receivables in foreign currency on account of exports - Nil (Previous Year Nil as at 1st April 2017 Nil)

Note - 49 Leases**(Where company is Lessee)**

The Company has taken various premises under operating leases with no restrictions and renewable / cancellable at the option of either parties. The aggregate amount of operating lease payments recognized in the statement of profit and loss is Rs. 18.21 lacs (Previous year Rs. 39.92 lacs). The company has not recognized any contingent rent as expense in the statement of profit and loss.

(Where company is Lessor)

The assets given on cancellable operating leases by the company are included in Property, Plant & Equipment. The lease rentals recognized as income in the statement of profit and loss on a straight line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs are recognized immediately in the statement of profit and loss. The company has not recognized any contingent rent as income in the statement of profit and loss,

The aggregate amount of operating lease income recognized in Statement of profit and loss is Rs. 4.80 lacs (Previous year is Rs. 5.74 lacs).

Note – 50

Previous year's figures are regrouped or rearranged wherever considered necessary to make them comparable with current year's figures.

AS PER OUR REPORT OF EVEN DATE
FOR ASHOK KHASGIWALA & CO. LLP
 CHARTERED ACCOUNTANTS
(FRN : 000743C/C400037)

Sd/-
CA AVINASH BAXI
 Partner
 M. NO. 079722

Place : Indore
 Date : 30th May 2019

FOR AND ON BEHALF OF BOARD OF DIRECTORS
AGRO PHOS (INDIA) LIMITED

Sd/-
Rajkumar Gupta
 Managing Director
 DIN : 00244925

Sd/-
CS Sumit Sharma
 Company Secretary

Sd/-
Vishnukant Gupta
 Whole Time Director
 DIN : 05233476

Sd/-
Rajendra Kumar Mittal
 Chief Financial Officer

Notes forming part of Standalone Financial Statements for the year ended 31st March 2019

(All amounts are in Indian Rupees in Lakhs unless otherwise stated)

A. Corporate Information

Agro Phos (India) limited is a public limited company incorporated under the Companies Act, 1956 bearing Corporate Identity No. U24123MP2002PLC015285 dt. 19.09.2002 having registered office at M-87, Trade Centre 18M, South Tukoganj, Indore, MP -452001. The Company was initially incorporated as a private limited company and has been converted into public limited company w.e.f. 28.02.2004. Initially company established its fertilizer manufacturing facilities at Industrial Area, Dewas (M.P.). During the year 2014-15 company also established its new manufacturing facility at Meghnagar Distt. Jhabua (M.P.). The company is also engaged in fertilizer and commodities trading. The Shares of the Company are listed at the National Stock exchange.

B. Significant accounting policies**a. Statement of compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015, read with section 133 of the Companies Act, 2013.

Upto the year ended 31st March 2018, the company prepared its financial statements in accordance with the requirement of previous GAAP, which included Standards notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the first financial statements of the company under Ind AS. The date of transition to Ind AS is 1st April 2017.

The Company applied Ind AS 101 – First-time Adoption of the Indian Accounting Standards. A statement provides an explanation of how the adoption of Ind AS has impacted on the balance sheet and results of operations of the Company.

Refer Note 47 for details of first-time adoption exemptions availed by the company.

b. Basis of Preparation:

The financial statements have been prepared on accrual basis and under the historical cost convention except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Functional and presentation currency

The financial statements including notes thereon are presented in Indian Rupees ("Rupees" or "INR"), which is the Company's functional and presentation currency. All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest lacs as per the requirement of Schedule III to the Act, unless stated otherwise.

c. Inventories

Inventories are valued at lower of cost and net realisable value, except scrap are valued at net realisable value. Cost of inventory is arrived at by using FIFO Method. Cost of inventory generally comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition.

d. Revenue**Recognition**

The company recognised revenue i.e. account for a contract with a customer only when all of the following criteria are met:

- (a) the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;

- (b) the entity can identify each party's rights regarding the goods or services to be transferred;
- (c) the entity can identify the payment terms for the goods or services to be transferred;
- (d) the contract has commercial substance (ie the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and
- (e) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due. The amount of consideration to which the entity will be entitled may be less than the price stated in the contract if the consideration is variable because the entity may offer the customer a price concession.

Measurement

When (or as) a performance obligation is satisfied, company recognise as revenue the amount of the transaction price (which excludes estimates of variable consideration that are constrained) that is allocated to that performance obligation.

Sale of goods

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Dividend and Interest income

Dividend income from investments is recognised when the right to receive dividend has been established, Interest income recognised on accrual basis. Interest income is accrued on a time basis and measured on effective interest rate.

e. Property, Plant and Equipment**(i) Property, plant and equipment**

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, acquisition or construction cost including borrowing costs, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building (or right to continue exist). In other cases, buildings constructed on leasehold lands are amortised over the primary lease period of the lands.

The Company has opted to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of Transition.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

(iii) Capital work in progress

Assets under erection/installation are shown as "Capital work in progress", Expenditure during construction period are shown as "pre-operative expenses" to be capitalized on erection/installations of the assets.

(iv) Depreciation

Depreciation on property, plant and equipment is provided on straight line method as per the useful life of the assets in the manner as specified in Schedule II to the Companies Act, 2013. The estimated useful life of assets and estimated residual value is taken as prescribed under Schedule II to the Companies Act, 2013.

Depreciation on additions during the year is provided on pro rata basis with reference to date of addition/installation. Depreciation on assets disposed /discarded is charged up to the date on which such asset is sold.

The estimated useful lives, residual value and depreciation method are reviewed at the end of each balance sheet date, any changes therein are considered as changes in estimate and accordingly accounted for prospectively. Gains and losses on disposal are determined by comparing proceeds with carrying amounts. These are included in the statement of Profit and Loss.

f. Intangible assets

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

i. Recognition and measurement

Intangible assets are held at cost less accumulated amortisation and impairment losses. Intangible assets developed or acquired with finite useful life are amortised on straight line basis over the useful life of asset.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates or when the development stage is achieved. All other expenditure, including expenditure on internally generated goodwill and brands, when incurred is recognised in statement of profit or loss.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in statement of profit and loss.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if required.

g. Impairment of non-financial asset

The company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in profit or loss and reflected in an allowance account. When the company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been in place had there been no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss, taking into account the normal

depreciation/amortization.

h. Foreign currency transactions and translations

(i) All transactions in foreign currency are recorded at the rates of the exchange prevailing on the dates when the relevant transactions took place; any gain/ loss on account of the fluctuations in the rate of exchange is recognized in the statement of Profit and Loss.

(ii) Monetary items in the form of loans, current assets and current liabilities in foreign currencies at the close of the year are converted in the Indian currency at the appropriate rate of exchange prevailing on the dates of the Balance Sheet. Resultant gain or loss on account of fluctuation in the rate of exchange is recognized in the statement of Profit and Loss.

(iii) Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated in to functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

(iv) In respect of the Forward Exchange Contracts entered into to hedge foreign currency risks, the difference between the Forward Rate and Exchange Rate at the inception of the contract is recognized as income or expense.

i. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Subsidy for fertilisers is recognized as per the rates notified by the Government of India in accordance with Nutrient Based Subsidy Policy from time to time. Subsidy income recognized only when goods finally sold to end user / farmer and bill generated through IFMS System.

j. Employee benefits

Defined Contribution plan

Provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense when an employee renders the related service.

Defined benefit plan

The company pays gratuity to the employees who have completed 5 Years of service with company at the time when the employee leaves the company as per the payment of gratuity act 1972

The cost of providing benefits under the defined benefit plan is determined using the actuarial valuation on projected unit credit method made at the end of each financial year.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements of the net defined benefit liability (asset) recognised in other comprehensive income shall not be reclassified to profit or loss in a subsequent period.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs; and
- Net interest expense or income

Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employees renders the services. These benefits include compensated absence also.

k. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and amortization of ancillary costs incurred in connection with the arrangement of borrowed funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l. Leases**Company as a lessee**

A lease is classified at the inception date as finance lease or an operating lease. Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

Other leases are treated as operating leases, with payments are recognized as expense in the statement of profit and loss on a straight line basis over the lease term, unless the payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Company as a lessor

Lease Income from operating leases is recognised as income on a straight line basis over the lease term unless the receipts are structured to increase in line with the expected general inflation to compensate for the expected inflationary cost increases.

m. Tax Expenses

Tax expense or credit comprises of current income tax and deferred tax.

Current tax

Current income-tax expense or credit is measured at the amount expected to be paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

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

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 all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

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 the asset will be realised.

n. Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the financial statements

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized, but its existence is disclosed in the financial statements.

o. Fair Value Measurement

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

p. Segment Accounting Policies

The company has disclosed business segment as the primary segment. Based on the criteria mentioned in Ind AS 108 "Operating Segment" the company has identified its reportable segments.

The Chief Operating Decision Maker (CODM) evaluates the company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit as performance indicator for all of the operating segments. The various segment identified by the company comprised as under: -

| <u>Name of Segment</u> | <u>Comprised of</u> |
|------------------------|---|
| Fertilizer - | Manufacturing and trading of Fertilizer |
| Commodity Trading - | Trading of Agri Commodities Etc. |

Segment revenue, segment results, segment assets and segment liabilities include respective amounts directly identified with the segment and also an allocation on reasonable basis of amounts not directly identified. The expenses which are not directly relatable to the business segment are shown as unallocated corporate cost. Assets and liabilities that cannot be allocated between the segments are shown as un-allocable corporate assets and liabilities respectively.

The Company has identified geographical segments as the secondary segment. Secondary segments comprise of domestic and export markets. However, company has no export sales.

q. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

i. Financial assets

Classification

The Company shall classify financial assets and subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

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

Financial Asset measured at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial Asset measured at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

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

Financial assets included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss.

On derecognition of the non-derivative debt instruments designated at FVOCI, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Whereas On derecognition of the equity instruments designated at FVOCI, cumulative gain or loss previously recognised in OCI is reclassified from the equity to retained earnings.

Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

Financial Asset measured at fair value through profit and loss (FVTPL)

FVTPL is a residual category for financial asset. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the company may elect to classify a financial asset, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the company's balance sheet) when:

- i. The rights to receive cash flows from the asset have expired, or
- ii. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- iii. When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.
- iv. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets

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

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

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- i. Trade receivables which do not contain a significant financing component.
The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
- ii. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk

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

ii. Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised costs.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings, financial guarantee contracts and derivative financial instruments.

Financial liabilities measured at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 **Financial Instruments** are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and when the company has a legally enforceable right to set off the amount and it intends either to settle them on net basis or to realize the asset and settle the liability simultaneously.

(i) Derivative financial instruments

The company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

r. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalent includes the cash and Cheques in hand, bank balances, demand deposits with bank and other short term highly liquid investments and balances with banks which are unrestricted for withdrawal and usage.

Bank overdraft are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

s. Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

t. Earnings per equity share

Basic earnings per equity share is 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. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

u. Use of critical estimates, judgements and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect on amount recognized in financial statements are :

- i. Allowance for bad and doubtful trade receivable.
- ii. Recognition and measurement of provision and contingencies.
- iii. Depreciation/Amortisation and useful lives of Property, plant and equipment / Intangible Assets.
- iv. Recognition of deferred tax .
- v. Income Taxes.
- vi. Measurement of defined benefit obligation.
- vii. Impairment of Non financial assets and financial assets.

v. Mandatory exceptions applied– Standard Issued but not yet effective

Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Form No. MGT-11 Proxy

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies Management and Administration) Rules, 2014]

CIN : **L24123MP2002PLC015285**
 Name of the company : **Agro Phos (India) Limited**
 Registered office : M-87, Trade Centre 18m, South Tukoganj Indore MP, 452001
 Name of the member (s) :
 Registered address :
 E-mail Id :
 Folio No/ Client Id :
 DP ID :

I/We, being the member (s) ofshares of the above named company, hereby appoint:

1. Name:Address:..... E-mail
 d:.....Signature:.....or failing him/her
2. Name:Address:..... E-mail
 Id:.....Signature:.....or failing him/her
3. Name:Address:..... E-mail
 Id:.....Signature:.....or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the Wednesday 30th September 2019 At 12.30 P.M. at M-87, Trade Centre 18m, South Tukoganj Indore MP 452001 and at any adjournment thereof in respect of such resolutions as are indicated below:

| S. No. | Resolution type | Description | For | Against |
|--------|---------------------|---|-----|---------|
| 1. | Ordinary Resolution | To receive and adopt the Audited Balance Sheet as at 31st March, 2019 and Profit and Loss Account of the Company for the year ended on 31st March, 2019 and the report of the Directors & Auditors thereon. | | |
| 2. | Ordinary Resolution | To appoint Director in place of Mr Vishnu Kant Gupta (holding DIN 07595771), who retires by rotation and being eligible offers himself for re-appointment. | | |
| 3. | Ordinary Resolution | To appoint Mr. Ashok Pande (DIN08374646) as regular Independent Director of the company | | |
| 4. | Ordinary Resolution | To Confirm Payment of Remuneration to M/s M.P. Turakhia & Associates, Cost Accountant(Firm Registration No.000417) | | |

Signed this..... day of..... 2019

Signature of Shareholder.....

Signature of Proxy holder(s).....

| |
|--------------------------------|
| Affix Rs.1 Revenue Stamp |
|--------------------------------|

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting

2. This is only optional. Please put "x" in the appropriate column against the resolution indicated in the box. If you leave the "For" or "Against" column blank against any or all resolutions. Your proxy will be entitled to be vote in the manner/as he/she thinks appropriate.

AGRO PHOS (INDIA) LIMITED**M -87, Trade Centre 18m, South Tukoganj Indore MP 452001****FORM NO. MGT.12****POLLING PAPER / BALLOT PAPER**

| S No | Particulars | Details |
|-------------|--|----------------|
| 1. | Name of the First Named Shareholder (In block letters) | |
| 2. | Postal address | |
| 3. | Registered folio No./*Client ID No. (*Applicable to investors holding shares in dematerialized form) | |
| 4. | Class of Share | |

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

| No | Particulars | Type of Resolution | No. of shares held by me | I assent to the resolution | I dissent from the resolution |
|--------------------------|--|---------------------------|---------------------------------|-----------------------------------|--------------------------------------|
| Ordinary Business | | | | | |
| 1. | To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31 st March, 2019 together with the Report of the Board of Directors and the Auditors thereon. | Ordinary Resolution | | | |
| 2 | To appoint a Director in place of Mr. Vishnu Kant Gupta (DIN: 07595771), who retires by rotation and being eligible, offers himself for re-appointment. | Ordinary Resolution | | | |
| Special Business | | | | | |
| 1. | Appointment of MR. Ashok Pande (DIN - 08374646) as Regular Director who was appointed as an Additional Director of the Company by the Board of Directors. | Special Resolution | | | |
| 2. | To Confirm Payment of Remuneration to M/s M.P. Turakhia & Associates, Cost Accountant(Firm Registration No.000417) | | | | |

Place :Indore**Date:30/09/2019****(Signature of the shareholder)**

Route Map to the Venue of the AGM
Registered office Agro Phos(India) Limited
M -87, Trade Centre, 18 South Tukoganj,Indore Madhya Pradesh 452001

