

September 08, 2021

The Manager,
(Corporate Relationship Department),
BSE Limited
P.J. Towers, Dalal Street, Fort,
Mumbai – 400001

Through Listing Centre
Scrip Code: 519003

Dear Sir / Madam,

Sub: Annual Report for the year 2020-21

Pursuant to Regulation 34(1) and Regulation 30(2) read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the FY 2020-21 along with the Notice of 47TH AGM which are being sent to the Members by the permitted mode(s).

This is for your kind information and records please.

Thanking you!

Yours Faithfully,
for **MODI NATURALS LIMITED**



Ankit Agarwal
Company Secretary
M. No. – A23445

Encl: A/a

Annual Report
2020-21



MODI NATURALS LIMITED

BOARD OF DIRECTORS

as on August 13, 2021

Mr. Anil Modi

Chairman & Managing Director

Mr. Akshay Modi

Jt. Managing Director

Mrs. Aditi Gupta

Whole Time Director

Mr. Sudhir Shankar Halwasiya

Independent Director

Mr. Sulabh Singal

Independent Director

Mr. Alok Garg

Independent Director

Chief Financial Officer

Mr. Pradeep Kapoor

Company Secretary

Mr. Ankit Agarwal

Auditors

Kashyap & Co.

Chartered Accountants

Registrars & Share Transfer Agents

Skyline Financial Services Pvt. Ltd.

D-153A, Okhla Industrial Area

Phase-I, New Delhi-110020

www.skylinerta.com

Registered Office

405, Deepali Building

92, Nehru Place, New Delhi-110019

Tel: 011-41889999

www.modinaturals.com

Corporate Office

D-185 / 1B & 1C,

2nd Floor, Okhla Phase-I

New Delhi-110020

Tel: 011-41889999

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Message to Shareholders

The unprecedented health hazard posed by the COVID-19 has largely disrupted individual lives, families, and business operations across the world. All of us have faced a deep personal crisis at some level or the other. My prayers that we emerge from this horrific crisis soon.

On that sombre note, I would like to present to you the Annual Report FY 2020-21 of the Company.

This year, your company continued to focus on expanding its consumer base and grow in volumes. Geographically, our target is to have more coverage and greater penetration while commensurately increasing our products' presence and distribution which found manifestation in our marketing initiatives to create brand awareness. We are working towards creating a stronger brand recall, which will allow us to consolidate and attain higher orbits of growth for the years to come. Incisive strategic initiatives relating to a gamut of activities were taken as far as the branding is concerned and higher sales revenues provided powerful impetus to our Company's growth.

We have demonstrated the value of well-defined and focused strategy consistently. We pride ourselves in providing the most trusted brands and high-quality products to customers and we shall continue to accelerate the efforts to reach every Indian kitchen and satisfy every Indian household's desire for a healthy, happy and fulfilling life.

My gratitude is due to my colleagues on the Board for their valuable guidance. The Board joins me in expressing our deep appreciation to the employees, our customers, suppliers, bankers, auditors, legal advisors, business associates, the Government and various authorities for their continued support, co-operation and understanding. I thank you, dear shareholders, for your support and look forward to your continued trust.

My team and I look forward to the challenges of delivering sustainable profitable growth in the years ahead with confidence.

Akshay Modi
Jt. Managing Director
DIN: 03341142

Notice

Notice is hereby given that the 47th Annual General Meeting of the Shareholders of Modi Naturals Limited will be held on **Thursday, September 30, 2021 at 11:30 A.M.**, through Video Conference (VC) or Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2021, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Akshay Modi (DIN: 03341142), Director, who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. Ratification of Cost Auditor's Remuneration

Registered Office:

405, Deepali Building,
92, Nehru Place, New Delhi-110019
CIN: L15142DL1974PLC007349

New Delhi, August 13, 2021

NOTES:

- (a) The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect of the Special Business set out at Item no. 3 of the accompanying Notice is annexed hereto.
- (b) In view of the ongoing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" read with General Circular No. 14/ 2020 dated April 8, 2020 , the General Circular No. 17/ 2020 dated April 13, 2020, No. 33/2020 dated September 28, 2020 and General Circular No. 39/2020 dated December 31, 2020 in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19" and General Circular No.02/2021 dated January 13, 2021 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular dated January 15, 2021 ('SEBI Circulars') permitted the holding of

To consider and if thought fit, to pass 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 Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby approves and ratifies the remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) plus Goods and Service Tax and out of pocket expenses, if any, payable to Messrs. Manisha & Associates (Firm Registration No.: 000321), Cost Accountants, who has been appointed by the Board of Directors as the Cost Auditors of the Company for the Financial Year 2021-22.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

For and on behalf of the Board

Sd/-
Akshay Modi
Jt. Managing Director
DIN – 03341142

- the Annual General Meeting ('AGM' or 'Meeting') through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the current AGM of the Company is being held through VC / OAVM. The deemed venue for the 47th AGM will be the registered office of the Company.
- (c) The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with Secretarial Standard -2 issued by ICSI, in respect of Director(s) seeking appointment/re-appointment at this AGM is annexed.
- (d) Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, Body Corporates are entitled to appoint authorised representatives to attend

the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

- (e) Members desirous of seeking information in respect of Accounts of the Company are requested to send their queries to investors@modinaturals.com on or before September 24, 2021.
- (f) During the 47th AGM, Members may request the Company Secretary for access to the electronic copy of the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act and the register of contracts and arrangements in which the Directors are interested, maintained under section 189 of the Act.
- (g) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM through e-voting.
- (h) The Share Transfer Books and Register of Members of the Company shall remain closed from September 26, 2021 to September 30, 2021 (both dates inclusive) for the purpose of AGM.
- (i) As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI vide its circular dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgment of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent - Skyline Financial Services Private Limited (SFSPL) for assistance in this regard.
- (j) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participant ("DP") with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent – Skyline Financial Services Private Limited.
- (k) As per the provisions of Section 72 of the Companies Act, 2013 (the "Act") the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Skyline Financial Services Private Limited, in case the shares are held by them in physical form.

- (l) The format of the Register of Members prescribed by MCA under the Act requires the Company/ Registrar and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend etc. Members holding shares in physical form are requested to submit the filled in form to the Company at investors@modinaturals.com or to SFSPL in physical mode, after restoring normalcy or in electronic mode at admin@skylinerta.com, as per instructions mentioned in the form. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or SFSPL.
- (m) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company's Registrars and Transfer Agents, Skyline Financial Services Private Limited for shares held in physical mode, with relevant documents that may be required.
- (n) In line with the MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Annual Report 2020-21 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.modinaturals.com, websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL www.evotingindia.com. For any communication, the shareholders may also send requests to the Company's dedicated investor email-id: investors@modinaturals.com.
- (o) Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically.
- (p) Members at the 43rd AGM of the Company, held on September 29, 2017 had approved the appointment of M/s Kashyap & Co, Chartered Accountants (Firm Regn. No. 011355C) as statutory auditors of the Company, to hold office for a period of five years, subject to ratification of shareholders, from the conclusion of the 43rd AGM till the conclusion of the 48th AGM. The Ministry of Corporate Affairs vide its Notification dated May 7, 2018 has dispensed with the requirement of ratification of Auditors appointment by shareholders every year. Hence, the resolution relating to ratification of Auditors' appointment is not included in the Notice to the AGM.

Voting through Electronic Means (For Remote e-voting and e-voting during AGM)

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and

Administration) Amendment Rules, 2015, (including any statutory modification(s) or re-enactment thereof, for the time being in force), and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standard on General Meetings (SS-2) issued by the ICSI and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

- II. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- III. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING:

- (i) The e-voting period begins on September 27, 2021 (10:00 am) and ends on September 29, 2021 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 23, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is

cast by the Members, the Member shall not be allowed to change it subsequently.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- (iv) In terms of SEBI circular **no. SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking thee-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/ EasiRegistration

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

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

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

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

- (v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.
- The shareholders should log on to the e-voting website www.evotingindia.com.
 - Click on "Shareholders" module.
 - Now enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - Next enter the Image Verification as displayed and Click on Login.
 - If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of MODI NATURALS LIMITED.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- i. For Physical Shareholders – please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id investors@modinaturals.com and admin@skylinerta.com respectively.
- ii. For Demat Shareholders – please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id investors@modinaturals.com and admin@skylinerta.com respectively.

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

- The procedure for attending meeting and e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 72 hours prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@modinaturals.com.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING ANNUAL REPORT AND LOGIN CREDENTIALS FOR E-VOTING:

7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
9. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
10. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xvi) Facility for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, by email to the Scrutinizer at depakbansal.fcs@gmail.com and to the Company and investors@modinaturals.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, 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 contact at 022-23058738 or 022-23058542 /43.

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

(xvii) The voting rights of Members shall be in proportion to their shares of the paid-up equity Share Capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM through electronic voting system.

(xviii) Any person who acquires shares of the Company and becomes Member of the Company after mailing of the Notice and holding shares as of the cut-off date, may follow the same instructions as mentioned above for e-voting.

(xix) The Company has appointed Mr. Deepak Bansal, Company Secretary in Practice (CP No. 7433) as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting during the meeting and remote e-voting process, in a fair and transparent manner.

(xx) The Scrutinizer shall, immediately after the conclusion of voting at the e-AGM, first count the votes casted during the Meeting, thereafter, unblock the votes cast through remote e-voting in the presence of two witnesses not in the employment of the Company and make, not later than two working days of conclusion of AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman or a person authorized by him in writing, who shall countersign the same.

(xxi) The Result shall be declared after the e-AGM of the Company. The Results declared along with the report of the Scrutinizer shall be placed on the Company's website: www.modinaturals.com and on the website of CDSL www.evotingindia.com. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

Explanatory Statement

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 3 of the accompanying Notice:

Item No. 3: The Board of Directors of the Company at their meeting held on June 25, 2021 has, on recommendation by the Audit Committee, appointed M/s. Manisha & Associates (FRN: 000321), Cost Accountants as the Cost Auditors for the Financial Year 2021-22 at a remuneration of INR 60,000/- (Rupees Sixty Thousand only) plus applicable taxes and out of pocket expenses. As per Section 148 of Companies Act, 2013 and applicable rules thereunder, the remuneration payable to the Cost Auditors for the Financial Year 2021-22 is required to be ratified by the Members of the Company.

The Board considers the remuneration payable to the Cost Auditors as fair and recommends the resolution at Item no.3 for approval of the Members.

None of the directors or key managerial personnel or their relatives is concerned or interested in the said resolution except to the extent of their shareholding, if any, in the company.

Registered Office:

405, Deepali Building,
92, Nehru Place, New Delhi-110019
CIN: L15142DL1974PLC007349

For and on behalf of the Board

Sd/-

Akshay Modi

Jt. Managing Director

DIN – 03341142

New Delhi, August 13, 2021

DETAILS OF THE DIRECTOR(S) SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

[Pursuant to Regulation 36 of the Sebi (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 – Secretarial Standards on General Meetings]

Particulars	Mr. Akshay Modi
DIN	03341142
Date of Birth	November 28, 1985
Date of initial appointment on the Board	December 15, 2010
Qualifications	B.E. from the University of Leeds (U.K.)
Expertise in specific functional areas	Business Planning & Development, Finance, Marketing, Management etc.
Nationality	Indian
Relationship, if any, between director's inter se	Relative (Son) of Mr. Anil Modi, Chairman & Managing Director
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	Nil
Memberships/Chairmanships of committees of other public companies (Audit Committee and Stakeholders' Relationship Committee considered)	Nil
No of shares held in the company as on March 31, 2021	1076586 equity shares

Note:

Other details such as number of meetings of the board attended during the year, remuneration drawn and sought to be paid, and terms and conditions of reappointment are provided in the Corporate Governance Report.

Directors' Report

The Directors present the 47th Annual Report and the Audited Financial Statements of your company for the financial year ended March 31, 2021.

FINANCIAL PERFORMANCE

The summarized financial results of the Company for the Financial Year ended March 31, 2021 are presented below:

	(Rs. Lac)	
	Financial Year ended March 31, 2021	Financial Year ended March 31, 2020
Revenue from operations	44269.62	38833.06
Other Income	394.00	30.71
Total Income	44663.62	38863.77
Profit before financial expenses, depreciation, and tax	1664.52	768.20
Less: Financial Expenses	129.54	269.74
Depreciation / Amortization	138.23	137.70
Profit before tax	1396.75	360.76
Tax expense	345.15	(101.81)
Profit after tax for the year	1051.60	462.57
Other Comprehensive Income	(0.14)	4.78
Total Comprehensive Income	1051.46	467.35
EPS (face value of Rs.10/- each)		
Basic	8.31	3.69
Diluted	8.31	3.69

DIVIDEND

No dividend is proposed for the financial year ended March 31, 2021.

TRANSFER TO RESERVES

No amount is proposed to be transferred to reserves.

REVIEW OF OPERATIONS

Refer the Management Discussion and Analysis Report for the detailed information on the operations of the Company.

ANNUAL RETURN

The Annual Return as provided under Section 92(3) of the Companies Act, 2013 and as prescribed in Form No. MGT-7 of the Companies (Management and Administration) Rules, 2014, is available on the website of the company at <https://modinaturals.com/announcements-events/>.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered during the financial year were on arm's length basis and in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015. All related party transactions were placed before the Audit Committee and also for the Board approval, wherever required.

There were no materially significant related party transactions made by the Company during the year that required shareholders' approval under Regulation 23 of the Listing Regulations. None of the transactions entered with related parties falls under the scope of Section 188(1) of the Act. There are no transactions that are required to be reported in Form AOC-2 hence said form does not form part of this report. However, the details of related party transactions are provided in Note 34 to the Financial Statements in accordance with the Accounting Standards.

The Policy on RPTs as approved by the Board is uploaded on the Company's website www.modinaturals.com

AUDITORS AND AUDITORS' REPORT

Statutory Auditors: M/s Kashyap & Co., Chartered Accountants (Firm Registration No. 011355C), the statutory auditors of the Company have been appointed at the 43rd annual general meeting held on September 29, 2017 for a period of 5 years from the conclusion of 43rd Annual General Meeting upto the conclusion of 48th Annual General Meeting to be held in the year 2022.

The statutory audit report for the year 2020-21 is annexed hereto and forms part of the Annual Report. There are no qualifications made by the Auditors in their Report which requires any explanation from the Board of Directors of the Company. The Notes to Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Secretarial Auditors: Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Deepak Bansal of M/s Deepak Bansal & Associates, Company Secretaries, was appointed to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2021. The Report of Secretarial Auditor for the year ended March 31, 2021 is annexed to the Directors' Report.

The said secretarial audit report does not contain any qualification, reservation or adverse remarks or disclaimer made by the Secretarial Auditor, and it is self-explanatory. Thus, there is no need to give any further explanation or comment by the Board.

Cost Auditors: Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Board at its meeting held on 25.06.2021, on the Audit Committee's recommendation, approved the appointment of M/s. Manisha & Associates, Cost Auditors (FRN-000321) to audit the cost accounts of the Company for the financial year ending March 31, 2022 at a remuneration of Rs. 60,000/- plus applicable taxes and out of pocket expenses. Resolution seeking Member's ratification for the remuneration payable to M/s. Manisha & Associates, Cost Auditors for the financial year 2021-22 is included at Item No.3 of the accompanying Notice.

The company is maintaining the Cost Records and is in the process to file the Cost Audit Report for the financial year 2020-21 to the Central Government within the stipulated time. (i.e. within 180 days from the end of reporting year)

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars pursuant to section 134 (m) of the Companies Act, 2013 is attached with this report as Annexure-1.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

During the year under review, there has been no change in the Board of Directors and Key Managerial Personnel of the Company.

Pursuant to the provisions of section 152 of the Companies Act, 2013, Mr. Akshay Modi retires by rotation and being eligible, offers himself for re-appointment.

During the year under review, Eight Board meetings were held and have been well attended by the Directors. The details of board and its committees' meetings are provided under the Corporate Governance Report which forms part of the Annual Report.

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as Independent Directors of the Company. In the opinion of the Board, all the Independent Directors are proficient and are having requisite experience and expertise to shoulder responsibilities conferred on the Independent Directors. Pursuant to Clause VII (1) of Schedule IV of the Companies Act, 2013 the Independent Directors had a separate meeting on March 12, 2021.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

The information as required to be disclosed under regulation 36(3) of the SEBI Listing Regulations, 2015 in case of appointment /re-appointment of the directors is provided in the Notice of the ensuing annual general meeting.

Key Managerial Personnel

Pursuant to provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel (KMP) of the Company are Mr. Anil Modi, Chairman & Managing Director, Mr. Akshay Modi, Joint Managing Director, and Mr. Pradeep Kapoor, Chief Financial Officer and Mr. Ankit Agarwal, Company Secretary.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under clause (c) of sub-section (3) of section 134 of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, state that:

- i. in the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards have been followed with proper explanation relating to material departures.

- ii. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on March 31, 2021, and of the profit of the Company for the year ended on that date.
- iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. the directors have prepared the annual accounts on a going concern basis.
- v. the directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- vi. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS ON REMUNERATION

Details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are attached with this report as Annexure-2.

There was no employee during the year drawing remuneration exceeding the limits as prescribed under Rule 5(2) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, the information under Rule 5(2) & 5(3) is not applicable.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate Internal Control System consistent with the nature of business and size of the operations, to effectively provide for safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statutes, accounting policies, approval procedures and to ensure optimum use of available resources. These systems are reviewed and improved on a regular basis. It has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

The Internal Auditor, the Audit Committee as well as the Board of Directors conduct from time to time an evaluation of the adequacy and effectiveness of the system of internal controls for financial reporting with respect to financial statements.

Details of internal financial controls and its adequacy are included in the Management Discussion and Analysis Report, which forms part of the Annual Report.

RISK MANAGEMENT

The Risk Management Policy of the company enables the company to proactively take care of the internal and external risks of the company and ensures smooth business operations. The company's risk management policy ensures that all its material and compliance risk exposures are properly covered, and the company's business growth and financial stability is assured. Necessary information is provided under Management Discussion and Analysis Report which forms part of the Annual Report.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

CORPORATE GOVERNANCE REPORT AND CERTIFICATE

Pursuant to SEBI Listing Regulations, 2015, a separate chapter titled 'Corporate Governance' has been included in this Annual Report, along with the reports on Management Discussion and Analysis and General Shareholder Information.

All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2020-21. A declaration to this effect signed by the Managing Director (CEO) of the Company is annexed to this Report.

The Managing Director and CFO have certified to the Board regarding the financial statements and other matters as required under regulation 17 (8) of the SEBI Listing Regulations, 2015.

The Certificate from the Company Secretaries in Practice of the Company regarding compliance of conditions of corporate governance is annexed to this Report. Additionally, as required under Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Certificate from a Company Secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing

as Directors of Companies by the Board / Ministry of Corporate Affairs or any such statutory authority is annexed to this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

The provisions of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable on the Company during the year under review.

ANNUAL EVALUATION BY THE BOARD

The Company has laid down a process for evaluation of the Board and Committees of Board as also evaluation of the performance of each of the Directors. The evaluation criteria include inter-alia, structure of the Board, qualifications, experience and competency of Directors, diversity in Board, effectiveness of the Board process, information and functioning, Board culture and dynamics, quality of relationship between the Board and management, meetings of the Board, including regularity and frequency, discussion and dissent, corporate culture and values, governance and compliance, evaluation of risk amongst others. The criteria is based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. The evaluation process is conducted and monitored by the Chairperson, Nomination & Remuneration Committee (NRC) in consultation with the members of the committee. The Chairperson, NRC on the basis of the feedback received from each of the Directors has one to one meeting with them. Thereafter, briefs the Chairman of the Board on the outcome, which in turn is discussed in the Board meeting. The performance of the Independent Directors is also reviewed at the Board meeting. For the year 2020-21 the Board evaluation has been conducted as per the process mentioned above.

REMUNERATION POLICY

Information regarding Directors' Remuneration Policy and criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 are provided in the Corporate Governance Report. The Remuneration Policy is placed on the Company's website at www.modinaturals.com

WHISTLE BLOWER POLICY / VIGIL MECHANISM

Your Company has established a "Vigil Mechanism" for its employees and Directors, enabling them to report any concerns of unethical behavior, suspected fraud or violation of the Company's 'Code of Conduct'. To this effect, the Board has adopted a 'Whistle Blower Policy' (WBP), which is overseen by the Audit Committee. The policy provides safeguards against victimization of the Whistle Blower. Employees and other stakeholders have direct access to the

Chairperson of the Audit Committee for lodging concerns if any, for review.

During the year, there were no instances of unethical behaviour, fraud or violation of the company's code of conduct or ethics policy and no personnel have been denied access to the audit committee. The details of establishment of such mechanism are disclosed on the website of the Company at www.modinaturals.com.

PREVENTION OF SEXUAL HARASSMENT

We have zero tolerance for sexual harassment at workplace and have adopted a Policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints under the above Act. The Company has Internal Complaints Committee and no complaint was received from any employee under the said Policy.

GENERAL DISCLOSURES:

During the year under review:

- There was no change in the nature of business of your Company.
- There are no loans, guarantees and investments made by the Company u/s 186 of the Companies Act, 2013.
- The Company has neither accepted nor renewed any deposit from the public, pursuant to the Chapter V of Companies Act, 2013 and Rules made thereunder.
- There are no material changes and commitments affecting the Company's financial position between the end of the financial year to which this financial statement relates and the date of this report.
- Neither the Statutory Auditors nor the Secretarial Auditors have brought to the notice of the Audit Committee or the Board of Directors or the Central Government the occurrence or brewing of any fraud in the Company.
- There are no significant material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future. However, Members' attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the Financial Statements.
- The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by Central Government.
- The Company does not have any Subsidiary/Joint Venture/Associate Company. However, a wholly owned subsidiary in the name of Modi Biotech Private

Limited has been incorporated by the Company on April 27, 2021, for setting up an ethanol project.

- There are no proceedings initiated /pending against your Company under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of one time settlement with any Bank or Financial Institution.

ACKNOWLEDGEMENTS

Your directors wish to thank employees, customers, partners, suppliers, and above all, our shareholders and investors for their continued support and co-operation.

For and on behalf of the Board
Sd/-

Anil Modi

Chairman and Managing Director
DIN: 00187078

New Delhi, August 13, 2021

Annexure -1

Particulars pursuant to Section 134(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

A. Conservation of energy:

Adequate measures have been taken to conserve and reduce the energy consumption by using energy efficient hardware and other equipment. The Company has a multi-fuel boiler for various agro fuels in place which helps in increasing its usage of bio-fuels thereby supplementing energy requirements of the company. Our emissions and waste generated are well within limits prescribed by the State Pollution Control Board. We regularly train employees and monitor various safety measures to ensure a safe working environment.

We believe that energy saved is energy produced and the Company has taken adequate measures to ensure optimum use of all equipment so as conserve energy.

B. Technology absorption:

Your Company continues to use state-of-the-art technology for improving the productivity and quality of its products and services. Benefits derived as a result of the above efforts include product development and improvement as well as cost reduction.

Imported technology	:	The Company has imported no technology during the last three years.
Expenditure incurred on R&D	:	NIL

C. Foreign exchange earnings and outgo

a)	Earnings	Rs. 1,56,26,107
b)	CIF Value of Imports	Rs. 10,89,52,894
c)	Expenditure	NIL

for and on behalf of the Board
Sd/-

Anil Modi

Chairman and Managing Director
DIN: 00187078

New Delhi, August 13, 2021

Annexure - 2

Particulars pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are provided as under:

(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Ratio: Managing Director and Employees	3.49 : 0.25
		Ratio: Director and Employees	3.38 : 0.25
(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;	Basis: Calculated on the basis of total Salary Drawn in FY 2020-21 as compared to Salary Drawn in FY 2019-20	
		Name	Designation
			% increase/ (decrease) in remuneration
		Mr. Anil Modi	Managing Director
		Mr. Akshay Modi	Joint Managing Director
		Mrs. Aditi Gupta	Whole Time Director
(iii)	The percentage increase in the median remuneration of employees in the financial year;	Mr. Pradeep Kapoor	CFO
		Mr. Ankit Agarwal	Company Secretary
(iv)	The number of permanent employees on the rolls of company;	4.00 % Approx.	
(v)	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 number of permanent employees on the rolls of the company as of 31.03.2021 were 573.	
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company.	The average increase in salaries of employees other than managerial personnel in 2020-21 was about 4.00% and average increase in remuneration of managerial remuneration was 10.00%. And there is no exceptional increase in managerial remuneration.	
		The Company hereby affirms that the remuneration is as per the remuneration policy of the company.	

Annual affirmation regarding compliance with the Code of Conduct

(under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Company has adopted a Code of Conduct for all its employees, Board members and Senior Management Personnel, including the Managing Director. This code is available on the Company's website www.modinaturals.com.

I hereby confirm that all Board members and senior management personnel have affirmed compliance with the Code of Conduct applicable to them in respect of the year ended March 31, 2021

Anil Modi
Managing Director
DIN No: 00187078

August 13, 2021

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

[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,
M/s Modi Naturals Limited
405, Deepali Building,
92, Nehru Place,
New Delhi-110 019

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Modi Naturals Limited** (hereinafter called "the company") (CIN: L15142DL1974PLC007349). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, 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 on March 31, 2021 (Audit Period) 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 along with Annexure-A attached to this report :

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 March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable to the Company during the audit period)**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the audit period)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the audit period)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the Audit period)**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not Applicable to the Company during the audit period)**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable to the Company during the audit period)**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the observation made as follows:

A Mail was received by the Company from BSE on 15.02.2021 (SOP-CReview-Feb2021) imposing fines and pointing out discrepancies in the Corporate Governance Report for the quarter ended 31st December, 2020 regarding compliance with Regulation 17(1), Regulation 18(1), Regulation 19(1) and 19(2) of SEBI (LODR) Regulations.

The Company submitted its explanation to BSE on 17.02.2021 saying that the errors in the Corporate

Governance Report for the quarter ended 31st December, 2020 were inadvertent due to wrong selection of category of Independent Directors and requested the BSE for allowing the Company for submission of revised Corporate Governance Report for the quarter ended 31st December, 2020. The Company has filed revised report on 02.03.2021 and the same has been taken on record.

We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company as identified by the management:

- a) Food Safety and Standards Act, 2006 and rules made there under,
- b) Legal Metrology Act, 2009 and rules made there under
- c) VOPPA (Regulation) Order, 2011 and rules made there under,
- d) The Boilers Act, 1923 and rules made there under,

The company is registered with Food Safety and Standards Authority of India vide FSS License Nos. 10012051000395, 10012051000407 and 10018064001288.

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. There was no change in the composition of the Board of Directors during the period under review. 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, except in few instances, 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 unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee 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.

The Company has no reportable significant events during the audit period. We further report that the company has incorporated its wholly owned subsidiary in the name of Modi Biotech Pvt Ltd on April 27, 2021, for setting up an ethanol project.

For Deepak Bansal & Associates
Company Secretaries
(UIN: S2007DE093100)
Sd/-
(Deepak Bansal)
Prop.
FCS 3736; CP 7433
UDIN: F003736C000779271

Place: Noida
Date: August 13, 2021

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

'ANNEXURE A'

To,
The Members,
Modi Naturals Limited
405, Deepali Building,
92, Nehru Place,
New Delhi-110 019

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. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Deepak Bansal & Associates
Company Secretaries
(UIN: S2007DE093100)
Sd/-
(Deepak Bansal)
Prop.
FCS 3736; CP 7433
UDIN: F003736C000779271

Place: Noida
Date: August 13, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Modi Naturals Limited
405, Deepali Building, 92, Nehru Place,
New Delhi – 110019

I, Deepak Bansal, Company Secretary in Practice, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Modi Naturals Limited having CIN-L15142DL1974PLC007349 having registered office at 405, Deepali Building, 92, Nehru Place, New Delhi-110019 India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of the Director(s)	DIN	Designation	Date of Initial Appointment
1.	Anil Modi	00187078	Managing Director	05.04.1976
2.	Akshay Modi	03341142	Joint Managing Director	15.12.2010
3.	Sudhir Shankar Halwasiya	00020000	Independent Director	14.03.1986
4.	Alok Garg	01394308	Independent Director	26.03.2008
5.	Sulabh Singal	05270534	Independent Director	30.07.2013
6.	Aditi Gupta	01786037	Whole Time Director	31.03.2015

Ensuring the eligibility of for the appointment /continuity of every director on the Board is the responsibility of the management of the company. My responsibility is to express an opinion on these based on my verification. This certificate 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.

For **Deepak Bansal & Associates**
Company Secretaries
(UIN: S2007DE093100)
Sd/-
(Deepak Bansal)
Prop.
FCS -3736, CP-7433
UDIN: F003736C000779335

Place: Noida,
Date: August 13, 2021

MANAGEMENT DISCUSSION AND ANALYSIS

Indian Economy Overview and Industrial Outlook

India witnessed major economic disruptions in Financial Year (FY) 2020-21, as the outbreak of COVID-19 adversely impacted human health and safety of the country's inhabitants. This prompted the government to undertake one of the world's tightest lockdowns. Mobility restrictions and social distancing led to unparalleled supply-chain disruptions and consumer demand fallout. This forced the Indian GDP to contract by 8.0% in FY 2020-21 as against a growth of 4.0% in FY 2019-20, marking a recession since 1980. (Source: IMF World Economic Outlook, April 2021)

Industry experts have pegged the growth of the Indian FMCG industry at 9.4% in the January-March quarter of 2021. This is primarily due to growth in consumption and value growth due to increase in prices. (Source: www.business-standard.com/FMCG Sector/Nielson)

Despite the challenges posed by the pandemic in FY 2020-21, the outlook for FY 2021-22 seems promising. This is largely attributed to mass vaccination drives, normalising business activities, the government's thrust on reviving infrastructure sector and revival in housing demand backed by historically low-interest rates.

(Source: <https://www.businesstoday.in/current/economy-politics/india-steps-out-of-recession--gdp-grows-xx-in-dec-quarter/story/432461.html>)

Threats and Opportunities

The Indian edible oil market continues to be underpenetrated and thereby holds immense business opportunities.

The Indian edible oil market is expected to witness robust expansion in the near future. However, rising edible oil prices and lower priced competitors are expected to be the challenges for this sector.

Segment, Product wise Performance

FY 2020-21 has been a year with significant challenges, owing to the lockdown due to the first wave of COVID-19. The Company ensured service to the customers by managing the logistics and depot operations, despite the challenges. It has also been agile in managing the overall uncertainties across the supply chain to ensure that the business and customers have been well served.

Today, Modi Naturals is firmly established as a dominant player in edible oil industry, with a pan-India presence, well-diversified product basket and multiple brands. Your Company's flagship brand, "OLEEV" is a leading name in the edible oil market, and it caters to the premium segment of the market.

The company's branded product portfolio includes Oleev Olive oil, Oleev Active oil (Blend of Olive oil and Rice Bran Oil), Oleev Health Oil (Multisource Oil) Oleev Smart Oil

(Multisource oil), Rizolo Rice bran oil, Miller Canola Oil and Olivana Wellness Oil. Your Company also owns the 'PIPO' Brand in ready-to-cook foods category. In the non-branded segment, the company manufactures and markets Rice Bran oil, Rice Bran wax and De-oiled cakes.

In the multisource edible oil category, the 'Oleev Active' has continued to increase its dominance. During the year, the response to the 'PIPO Popcorn' range has been promising. The growth was driven by distribution expansion and innovation, including new age channels of Modern Trade & Ecommerce, further backed by significant media investments and promotions.

The company is present on all e-commerce platforms including Amazon, Big Basket, Flipkart, Grofers and JioMart. Further, the company is widely distributed in 2,500 organized modern retail outlets and also has around 450 distributors pan India with a direct reach of about 50,000 retail stores, which we will use to penetrate further in ready-to-cook foods category.

The COVID-19 pandemic, while completely changing the way we live and do business, has also given us an opportunity to be innovative in our approach. The Company constantly aims to meet the evolving needs of its customers and delight them through innovative and value-for-money products. It achieves this through its state-of-the art and modern R&D facilities which is supported by advanced instrumentation and experienced management.

Your Company is placed competitively in the industry and is determined to grow market share and profitability sustainably through focus on developing top-notch products coupled with extensive advertising and promotional campaigns.

Outlook

Despite the short-term slowdown in the economy and the disruptions caused by the pandemic COVID-19, the long-term outlook for the Company remains optimistic. The outlook for FMCG industry seems promising owing to recovery in economic growth and improving consumer sentiments. The industry provides ample growth opportunities, driven by growing population and urbanization, and increasing demand for value-added products. The Company strives to leverage these opportunities and create innovative products that meet diverse consumer requirements. Further, the Company's expenditure on marketing and advertising would help to reinforce its brands.

Risk Management

Business risks exist for any enterprise having national and international exposure. Your Company also faces some such risks, the key ones being - inadequate supply of raw materials and price fluctuations, a longer than anticipated

delay in economic revival, competition from new players as well as present ones, and look-alikes and any unexpected changes in regulatory framework.

The Company is well aware of these risks and challenges and has put in place mechanisms to ensure that they are managed and mitigated with adequate timely actions.

Internal Control Systems and its adequacy

Your Company has an adequate system of internal controls in all areas of its operations such as purchase, sale, acquisitions of fixed assets, cash & bank, including suitable monitoring procedures and competent personnel. The Company has set up an Audit Committee comprising of Non-Executive Independent Directors. The Company has also appointed the firm of Chartered Accountants to carry out Internal Audit, where one of their functions is to review the Internal Control system regularly, with a view to further strengthen the same.

Review of Operations and Ratio Analysis

Your Company, during the fiscal 2021, recorded revenue from operations of Rs. 44269.62 lac, a growth of 13.99% over previous year. The Profit Before Tax (PBT) was Rs. 1396.75 lac against Rs. 360.76 lac in the previous year. The Profit After Tax (PAT) was Rs.1051.60 lac against Rs. 462.57 lac in the previous year.

The Company has been continuously striving to strengthen supply chain processes, manufacturing operations, marketing & human resource management and back-end operations which is demonstrated in the Company's performance during the year 2020-21.

Company has four production facilities to cover manufacturing footprints across India. Broadly, Edible Oil products are manufactured at factories situated in Uttar Pradesh & Telangana regions. Out of four manufacturing facilities, two units are located at Pilibhit (Uttar Pradesh), one unit in Hyderabad (Telangana), and one in Sonipat (Haryana) for manufacturing of all variants of edible oil and other food products.

The Company has identified following ratios as key financial ratios in FY 2020-21:

Sl. No.	Ratios	Units	IND-AS	
			FY 2021	FY 2020
1.	Debtors Turnover Ratio	Times	23.52	26.92
2.	Inventory Turnover Ratio	Times	5.57	4.94
3.	Interest Coverage Ratio	Times	12.68	2.41
4.	Current Ratio	Times	2.06	1.68
5.	Debt-Equity Ratio	Times	0.79	1.09
6.	Operating Profit Margin	%	3.44	1.59
7.	Net Profit Margin	%	3.17	0.93
8.	Earnings Per Share	₹	8.31	3.69

Human Resource and Industrial Relations

The Company lays great emphasis on proper management of human resources and believes that this is the most important ingredient for achieving excellence in performance and sustainable growth. The Management of your Company put utmost efforts to strengthen the existing work force and retaining them to enhance the human resource capability in the Company.

As on 31st March 2021, the Company had 573 employees on its payroll. The Company's industrial relations are cordial at all locations.

The Directors of your Company deeply appreciate the spirit and commitment of its dedicated team of employees.

Cautionary Statement

Estimates and expectations stated in this Management Discussion and Analysis Report 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 your Company's operations include economic conditions affecting demand/ supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws, and other statutes and incidental factors.

COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Mandatory Requirements:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance revolves around principles of ethical governance and is aimed at conducting of business in an efficient and transparent manner and in meeting its obligations to shareholders and other stakeholders. This objective is achieved by adopting corporate practices based on principles of transparency, accountability, fairness and integrity to create long term sustainable value for all its stakeholders. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

BOARD OF DIRECTORS

The Board comprises of members having varied skills, experience and knowledge. The Board has a mix of both Independent and Non-independent Directors. As on March 31, 2021, the Board of Directors of the Company comprised of six Directors, with three Independent Directors and three Non-Independent Directors. The Chairman of the Company is Executive, Non-Independent. None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as specified under Regulation 26 (1) of SEBI Listing Regulations), across all the companies in which they are Directors. Necessary disclosures regarding Committee positions have been made by the Directors. The Independent Directors are independent of the management and fulfil the requirements as stipulated in Section 149 (6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI Listing Regulations. The composition of the Board of Directors as on March 31, 2021 is as follows:

Sl. No.	Name of the Director	Category	Age (in years)	Qualifications	Expertise in specific functional areas
1.	Mr. Anil Modi (DIN-00187078)	Chairman & Managing Director / Non-Independent	64	B.Com.	Business Planning & development, Finance, Management
2.	Mr. Akshay Modi (DIN-03341142)	Jt. Managing Director / Non-Independent	36	B.E. from the University of Leeds (U.K.)	Business Planning & Development, Finance, Marketing, Management
3.	Ms. Aditi Gupta (DIN-01786037)	Whole-Time Director / Non-Independent	35	B.Sc. (Eco.) from University of Nottingham (U.K.)	Business Planning & Management, Banking
4.	Mr. S. S. Halwasiya (DIN-00020000)	Independent / Non-Executive	60	B.Com., LL.B.	General Management, Legal, Management, Finance
5.	Mr. Alok Garg (DIN-01394308)	Independent / Non-Executive	49	B.Com., PGDCIM	General Management, Management, Finance
6.	Mr. Sulabh Singal (DIN-05270534)	Independent / Non-Executive	44	B.Com. from Delhi University, MBA	Business Strategy, Marketing Management, Finance

Core Competencies

Modi Naturals is engaged in the business of manufacturing and marketing of Edible Oils and Fast-Moving Consumer Goods. The Board has, taking into consideration the Company's nature of business, core competencies, key characteristics, identified the core skills/ expertise/competencies as required in the context of its business(es) & sector(s) for it to function effectively and which are available with the Board.

Eight Board Meetings were held during the year 2020-21 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings held were May 20, 2020; July 16, 2020; August 4, 2020; September 2, 2020, November 10, 2020, November 30, 2020, February 9, 2021 and March 12, 2021. The necessary quorum was present at all the Board meetings.

The Composition of the Board of Directors and other details as on March 31, 2021 are as follow:

Sl. No.	Name of the Director	Category	No. of Board Meetings Attended	Whether attended AGM held on 30.09.2020	No. of Chairmanships/Directorships in other Boards/ Committees* of public companies**			
					Chairman/ Chairperson of the Board	Chairman/ Chairperson of the Committee	Member of the Board	Member of the Committee
1.	Mr. Anil Modi (DIN-00187078)	Promoter/ Managing Director	8	Yes	Nil	Nil	1	Nil
2.	Mr. Akshay Modi (DIN-03341142)	Promoter / Jt. Managing Director	8	Yes	Nil	Nil	Nil	Nil
3.	Ms. Aditi Gupta (DIN-01786037)	Non-Independent/ Executive	2	No	Nil	Nil	Nil	Nil
4.	Mr. S. S. Halwasiya (DIN-00020000)	Independent/ Non-Executive	6	Yes	Nil	Nil	Nil	Nil
5.	Mr. Alok Garg (DIN-01394308)	Independent/ Non-Executive	8	Yes	Nil	Nil	Nil	Nil
6.	Mr. Sulabh Singal (DIN-05270534)	Independent/ Non-Executive	2	No	Nil	Nil	Nil	Nil

* Excludes private limited companies, foreign companies, and companies under Section 8 of the Companies Act, 2013.

** Only Audit Committee and the Stakeholders Relationship Committee are considered.

- Mr. Anil Modi, Mr. Akshay Modi and Ms. Aditi Gupta are relatives of each other in terms of the definition of 'Relative' given under the Companies Act, 2013 read with the Rules made thereunder. None of other Directors is related to any other Director on the Board.
- None of the Non-Executive Directors, except Mr. Alok Garg and Mr. S. S. Halwasiya, who holds 3090 and 910 shares respectively, hold any shares or convertible instruments in the Company.

- **Performance evaluation of Board and Directors:** The evaluation criteria of the Board, its committees and individual Board Members including Independent Directors have been disclosed in the Director's Report which forms part of the Annual Report.

a whole and other details like customers, the future prospects, emerging technologies etc.

The familiarisation programme for the Independent Directors is available at http://www.modinaturals.com/corporate_governance.html

- **Meeting of Independent Directors:** A separate meeting of Independent Directors for the Financial Year 2020-21 as per Clause VII (1) of Schedule IV under Section 149 (8) of the Companies Act, 2013 and Regulation 25 (3) of the SEBI Listing Regulations was held on March 12, 2021 wherein the Independent Directors reviewed the performance of the Managing Director, Non-Independent Directors and other matters. The Independent Directors have confirmed that they satisfy the criteria of Independence as stipulated under Section 149 (6) of the Companies Act, 2013 and Regulation 16 (b) of the SEBI Listing Regulations.

- **Code of Conduct for the Board Members and Senior Management**

In line with the Regulation 17(5) of the SEBI Listing Regulations, the Company's Board of Directors has adopted a 'Code of Conduct and Ethics' ("the Code") for the Board of Directors and Senior Executives of the Company'. The Code is posted on the Company's website - www.modinaturals.com/investor.htm.

- **Familiarisation:** The Independent Directors immediately on appointment are issued a formal letter of appointment outlining their rights, roles and responsibilities, and the Business overview of the Company, policies etc. The Chairman as well as Managing Director of the Company, brief the Director individually on the industry and businesses of the Company, prior to their appointment. At each of the Business plan meeting, the Directors are briefed on the different business units of the company, the industry as

The purpose of this 'Code of Conduct and Ethics' is to promote conduct of business ethically in an efficient and transparent manner and to meet its obligations to shareholders and all other stakeholders. The 'Code of Conduct' is also a tool in carrying out the Company's Business and Social responsibility in a more effective manner. The Code sets out a broad policy for one's conduct in dealing with the Company, fellow directors and employees and the external environment in which the Company operates.

As required under Chapter IV of the SEBI Listing Regulations, all Directors and senior management have affirmed compliance with the Code for the financial year ended March 31, 2021. A declaration to the effect, signed by the Chairman and Managing Director, is annexed to and forms part of this Annual Report at Page 15.

AUDIT COMMITTEE

The Audit Committee formed in pursuance to Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013 is instrumental in reviewing the procedures of financial reporting besides reviewing the quarterly, half yearly, annual financial results of the Company, internal control systems, auditing and accounting matters including the recommendation for appointment of

independent auditors, compliance with legal and statutory requirements and integrity of the Company's financial statements.

The Company Secretary of the Company acts as the Secretary of the Audit Committee. Shri Pradeep Kapoor, Chief Financial Officer of the Company and a representative of the Statutory Auditors are permanent invitees to the Audit Committee.

Six Meetings of the Audit Committee were held during the year 2020-21. The dates on which the Audit Committee Meetings held were May 20, 2020, July 16, 2020, August 4, 2020, November 10, 2020, November 30, 2020 and February 9, 2021. The composition, name of the members, chairperson, particulars of the Meetings, and attendance of the members during the year are as follows:

Name of Members	Category	No. of meetings attended during the year 2020-21
Mr. S. S. Halwasiya, Chairperson	Independent / Non-Executive	6
Mr. Alok Garg	Independent / Non-Executive	6
Mr. Anil Modi	Non-Independent / Executive	6

NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors have constituted a 'Nomination & Remuneration Committee' in terms of Section 178 (1) of the Companies Act, 2013. The terms of reference of the Committee cover evaluation of compensation and benefits for Executive Director(s), Non-Executive Director(s), KMP, framing of policies and systems of the Employee Stock

Option Scheme and looking after the issues relating to major HR policies.

Two Meetings of the Nomination and Remuneration Committee were held on July 16, 2021, and March 12, 2021 during the year 2020-21. The composition, name of the members, chairperson, particulars of the Meetings, and attendance of the members during the year are as follows:

Name of Members	Category	No. of meetings attended during the year 2020-21
Mr. Sulabh Singal, Chairperson	Independent / Non-Executive	2
Mr. S. S. Halwasiya	Independent / Non-Executive	2
Mr. Alok Garg	Independent / Non-Executive	2

Remuneration Policy

The Board on the recommendation of the Nomination and Remuneration Committee adopted the Remuneration policy for Directors, Key Managerial Personnel (KMP) and other employees of the company.

Non-Executive Directors (including Independent Directors)

Fees and compensation, if any, paid to any Non-Executive Director, including Independent Director shall be fixed by the Board of Directors and shall be previously approved by the shareholders, as may be required, at the general body meeting. Further, the Independent Directors shall not be entitled to any stock options.

Executive Directors

The Board on the recommendation of the Nomination and Remuneration Committee fixes remuneration of Executive Directors (i.e. Managing Director/ Whole-Time Director) and thereafter the same is approved by the shareholders at a General Meeting. The remuneration structure comprises of salary, allowances, commissions, perquisites, and employee benefits, if any.

The formal Remuneration policy of the Company is available on the Company's website at http://www.modinaturals.com/corporate_governance.htm

■ Remuneration to Directors

Details of remuneration paid to Directors for the year ended March 31, 2021:

(In Rupees except Share data)

Name of Directors	Salary & Perquisites	Commission	Sitting Fee	Total	Service Contract	No of Equity Shares held
Mr. Anil Modi	4704000.00	-	-	4704000.00	•	4745954
Mr. Akshay Modi	4067000.00	-	-	4067000.00	#	1076586
Mr. S. S. Halwasiya	-	-	-	-	\$	910
Mr. Alok Garg	-	-	-	-	\$	3090
Mr. Sulabh Singal	-	-	-	-	\$	-
Ms. Aditi Gupta	581000.00	-	-	581000.00	@	-

• The term of appointment is for 3 years commencing from 01st January 2020, as approved by Shareholders in the 45th AGM held on 30.09.2019. Mr. Anil Modi is liable to retire by rotation.

The term of appointment is for 3 years commencing from 15th December 2019, as approved by Shareholders in the 45th AGM held on 30.09.2019. Mr. Akshay Modi is liable to retire by rotation.

\$The term of appointment is for 5 consecutive years commencing from 01st April 2019, as approved in the 44th AGM held on 29.09.2018.

@ The term of appointment is for 3 years commencing from 14th August 2019, as approved by Shareholders in the 45th AGM held on 30.09.2019. Mrs. Aditi Gupta is liable to retire by rotation.

• Services of the Managing Director and Executive Directors may be terminated by either party, giving the other party three months' notice or the Company paying three months' salary in lieu thereof. There is no separate provision for payment of severance fees.

The Company does not have any Stock Option Scheme and Pension Scheme.

During the year, the Non-Executive directors of the Company had no pecuniary relationship or transactions with the Company.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board of Directors have constituted a 'Stakeholders Relationship Committee' in terms of Regulation 20 of SEBI Listing Regulations and Section 178(5) of the Companies Act, 2013. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The Committee specifically looks into redressing shareholders'/ investors' complaints/ grievances pertaining

to share transfers, non-receipts of annual reports, non-receipt of dividend etc. and all other securities-holders related matters.

One meeting of the stakeholders' relationship committee was held on March 12, 2021. The composition, name of the members, chairperson, particulars of the Meetings, and attendance of the members during the year are as follows:

Name of Members	Category	No. of meetings attended during the year 2020-21
Mr. Alok Garg, Chairperson	Independent / Non-Executive	1
Mr. S. S. Halwasiya	Independent / Non-Executive	1
Mr. Anil Modi	Non-Independent / Executive	1

■ Name, designation, and address of the Compliance Officer:

Mr. Ankit Agarwal
Company Secretary
Modi Naturals Limited
D-185 / 1B & 1C, 2nd Floor,
Okhla Phase-I, New Delhi-110020
Tel: 011 41889904, **Email:** cs.mnl@modinaturals.org

■ Details of investor complaints received and redressed during 2020-21:

Pending as on 1 April, 2020	NIL
Received during the year	1
Resolved during the year	1
Pending as on 31 March, 2021	NIL

Complaints/correspondences are usually dealt with within 15 days of receipt and are completely resolved, except in cases where litigation is involved.

Share transfer lodgments are processed within 15 days and returned, except in cases where litigations are involved. The following persons can also be contacted in case of investor grievances:

- **Mr. Ankit Agarwal**
Company Secretary
Tel: 011 41889999
Email: investors@modinaturals.com
- **Registrar and Share Transfer Agents**
Skyline Financial Services Pvt. Ltd.
Unit: Modi Naturals Limited
D-153A, Okhla Industrial Area, Phase - I,
New Delhi-110 020
Tel.: 011-26812682, E-mail: admin@skylinerta.com

GENERAL BODY MEETINGS

- a. Location, date, and time of Annual General Meetings (AGM) held during the last 3 years:

Financial Year	Date	Venue	Time	Special Resolutions Passed
2019-20	September 30, 2020	Virtual Meeting	3.00 P.M	None
2018-19	September 30, 2019	Hotel Chirag Residency, B-18, Chirag Enclave, Nehru Place, Opp. Devika Tower, New Delhi-110019		None
2017-18	September 29, 2018			None

- b. All resolutions moved at the last Annual General Meeting were passed by the requisite majority of shareholders.
c. No Extraordinary General Meeting of the shareholders was held during the year under review.
d. No Postal Ballot was conducted during the financial year 2020-21.
e. Details of special resolution proposed to be conducted through postal ballot: None

DISCLOSURES:

- There are no materially significant Related Party Transactions during the year that have potential conflict with the interests of the Company at large. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. The related party transactions during the year under review are mentioned in Note 34 to the "Notes to Accounts". The Company has formulated a policy on Related Party Transactions and the same is available on the Company's website at http://www.modinaturals.com/corporate_governance.htm
- The guidelines/accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 133 of the Companies Act, 2013 have been followed in the preparation of the financial statements of the Company.
- There has been no non-compliance or penalties, or strictures imposed on your Company by any of the Stock Exchanges or SEBI, or any statutory authority on any matter related to capital markets during the last three years.
- None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. Refer to Page 18 for the certificate from Mr. Deepak Bansal, Practicing Company Secretary.
- The Company adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints under the above Act.
- The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of the SEBI Listing Regulations for directors and employees to report concerns about unethical behaviour. The policy also ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised

concern. No personnel/person has been denied access to the Audit Committee. The said policy is available on the Company's Website at http://www.modinaturals.com/corporate_governance.htm

- The Company has formulated a policy on determination of materiality of event /information as required under Regulation 30 (1) of Listing Regulations, 2015. The same is available on Company's website at http://www.modinaturals.com/corporate_governance.htm.
- The Company has adopted the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices along with the Policy on Leak of Unpublished Price Sensitive Information and Policy on determination of legitimate purpose, as mandated by SEBI. The policies are available at Company's website at www.modinaturals.com/investors.htm
- The MD and 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 the SEBI Listing Regulations, 2015, for the financial year ended March 31, 2021.
- The Company has complied with all the applicable mandatory requirements of Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has not adopted any non-mandatory requirements. A compliance certificate from the Practicing Company Secretary regarding compliance of conditions of corporate governance as required by Schedule V of the SEBI Listing Regulations is given as an annexure to this report.
- The Company does not have any subsidiary companies.
- The Company has devised a Legal Compliance reporting mechanism, wherein the Company Secretary

shall obtain the Compliance status reports from the respective person who is responsible for compliance within the Company and submit periodically a comprehensive compliance report to the Executive Director(s) of the Company. The Board reviews quarterly report of compliance with respect to all laws and regulations applicable to the Company. Any non-compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

MEANS OF COMMUNICATION

- Your Company uses several modes for communicating with its external stakeholders, such as announcements and press releases in newspapers, circular letters and other reports to the members, posting information on its website (www.modinaturals.com), intimation to the Stock Exchanges, etc.
- The quarterly, half-yearly and annual results are displayed on the Company's website www.modinaturals.com and disseminated through all the modes mentioned above. Financial Express (English daily) and Jansatta / Hari Bhoomi (vernacular daily) are usually the papers in which the quarterly results are published.
- The Company's website (www.modinaturals.com) contains a separate dedicated section for the Company's 'Investor Relations' where shareholders' information is available. The full Annual Report, Shareholding Pattern and all Financial Reports are available in the 'Investor Relations' sections on the website of the Company. The Company also has an exclusive e-mail ID i.e. investors@modinaturals.com for investors to contact the Company in case of seeking any information and redressal of their grievances.

MANAGEMENT DISCUSSION & ANALYSIS: Your Company's Management Discussion & Analysis of the Business for the year ended March 31, 2021, forms part of the Directors' Report and is given under the section so captioned.

GENERAL SHAREHOLDERS INFORMATION

A. AGM Date, Time, and Venue for FY 2021	September 30, 2021, Thursday at 11:30 am through Video Conference (VC) or Other Audio-Visual Means (OAVM) at Delhi.
B. Financial Calendar	June 25, 2021 – Q4 & FY 20-21 August 13, 2021 – Q1 Results November 14, 2021 – Q2 Results February 14, 2021 – Q3 Results May 30, 2022 – Q4 Results
C. Dates of Book Closure	September 26, 2021 to September 30, 2021 (both days inclusive)

D. Dividend Payment Date	No Dividend is declared for the Financial Year 2020-21
E. Listing on stock Exchanges	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.
F. Listing Fee	The listing fee has been paid to BSE for the FY 2020-21.
G. Stock Code / Symbol ISIN Number for NSDL and CDSL	BSE: 519003; MODINATUR INE537F01012
H. Company Identification Number (CIN)	L15142DL1974PLC007349

I. Distribution of Holdings as on March 31, 2021					
	Category	Number of Shareholders	% to Total Numbers	Share Holding Amount	% to Total Amount
	Up to 5,000	4090	87.13	8924440	7.05
	5,001 to 10,000	298	6.35	24737600	19.55
	10,001 to 20,000	193	4.11	3340990	2.64
	20,001 to 30,000	34	0.72	845210	0.67
	30,001 to 40,000	8	0.17	267570	0.21
	40,001 to 50,000	12	0.26	519250	0.41
	50,001 to 1,00,000	22	0.47	1596480	1.26
	1,00,000 and Above	37	0.79	108596270	85.80
	Total	4694	100	126563970	100

J. Shareholding Pattern as on March 31, 2021				
Sl. No.	Category of Shareholders	No of Shares held	No of Shares in De-mat Form	% Shareholding
A.	Promoters and Promoters Group Shareholding			
1. Indian				
a.	Individuals / HUF	7819107	7819107	61.78
b.	Bodies Corporate	646000	646000	5.10
2. Foreign		0	0	0
	Total - (A)	8465107	8465107	66.88
B.	Public Shareholding:			
1. Institutions:				
a.	Mutual Funds	0	0	0.00
b.	Financial Institutions /Banks	200	0	0.00
c.	Foreign Portfolio Investors	45494	45494	0.36
	Sub-Total – B (1)	45694	45694	0.36
2. Non-Institutions:				
a.	Bodies Corporate	450194	433744	3.56
b.	Individuals	3269845	2350471	25.83
c.	Any Other specify:			
i.	Non-Resident Indians	302551	302551	2.89
ii.	Resident Indian HUF	85746	85746	0.68
iii.	Trusts	800	800	0.01
iv.	Clearing Member/House	8770	1840	0.07
v.	NBFC Registered with RBI	27690	27690	0.22
	Sub-Total – B (2)	4145596	3209772	32.75
	Total – B = B (1) + B (2)	4191290	3255266	33.12
	Grand Total (A + B)	12656397	11720373	100.00

K. Market Price Data

Monthly's High and Low (based on daily closing prices) and number of equity shares traded during each month in the year 2020-21 on BSE (Source: www.bseindia.com)

Month	BSE		
	High (Rs.)	Low (Rs.)	Volume (No. of shares traded)
April – 2020	25.45	15.7	52565
May – 2020	23.1	20.15	4154
June – 2020	36.4	22	30465
July – 2020	41.95	36.05	34512
August – 2020	72.2	35.35	78019
September – 2020	61.95	51.8	75820
October – 2020	66.8	46	24626
November – 2020	57	44.75	13787
December – 2020	84	51	102121
January – 2021	84.15	59	76638
February – 2021	79	60	41918
March – 2021	92	61.25	503715

L. Share Transfer System

As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI vide its circular dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgment of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. The transfer through demat mode takes place instantaneously between the transferor, transferee, and the Depository Participant through electronic debit/credit of the accounts involved.

shareholders. Through this system a shareholder can lodge complaint against a company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder.

O. Dematerialisation of shares and liquidity

The Company's shares are actively traded in on BSE and are available for trading on both the depositories, viz. NSDL and CDSL. The connectivity has been established through the Company's Registrars, Skyline Financial Services Pvt. Ltd. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE537F01012. As at March 31, 2021, a total of 1,17,20,373 Equity Shares of the Company, constituting 92.60% of the paid-up share capital, stands dematerialised. To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialize their shares and update their email address and bank accounts with the respective depository participants.

M. Registrar and Share Transfer Agents

The Company has appointed M/s Skyline Financial Services Pvt. Ltd. as its Registrar and Transfer Agent for handling the share registry work relating to shares held both in physical and electronic form at a single point. The shareholders may address their communications and any grievances or queries pertaining to securities to the Registrar & Transfer Agent of the Company at the following address:

Skyline Financial Services Pvt. Ltd.

D-153A, Okhla Industrial Area, Phase - I,
New Delhi-110 020

Tel: 011-40450193 - 97

E-mail: admin@skylinerta.com

P. Share Capital Reconciliation Report

As stipulated by the SEBI, a qualified Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The Audit is carried out every quarter and the Report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The Report inter-alia confirms the total listed and paid up share capital of the Company is

N. SCORES (SEBI Complaints Redressal System)

SEBI complaints redressal system i.e. SCORES is an online complaints redressal system for investors /

in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

Q. Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund ("IEPF")

There was no amount required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

R. Commodity price risk or foreign exchange risk and hedging activities

We manage our exposure to commodity risks and

foreign exchange risks through a mechanism including monitoring market dynamics on an ongoing basis, strategic buying decisions, forward cover for foreign currency from time to time etc.

S. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion date and likely impact on Equity

There are no outstanding instruments and hence there will be no dilution of the equity.

T. Plants Location

- Bilaspur Road, Pilibhit - 262001, Uttar Pradesh
- Rai Ind. Area, Sonipat, Haryana-131029
- RR District, Hyderabad, Telangana-501323

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF MODI NATURALS LIMITED

I, Deepak Bansal, Company Secretary in Practice, have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2021 as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Auditor's Responsibility

My responsibility is limited to examining the procedures and implementation thereof, adopted by the Company,

for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

In my opinion and to the best of my information and according to the explanations given to us and based on the representations made by Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2021.

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

For Deepak Bansal & Associates

Company Secretaries
(UIN: S2007DE093100)

Sd/-

(Deepak Bansal)

Prop.

FCS-3736, CP-7433

UDIN: F003736C000779313

Place: Noida

Date: August 13, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Modi Naturals Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Modi Naturals Limited ("the Company")** which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (Including other Comprehensive Income), the statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the 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 financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the (Auditor's Responsibilities for the Audit of the Financial Statements) section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

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

Information other than the Financial Statements and Auditors' Report thereon

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

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

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

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

Management's Responsibilities for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016("the Order"), issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of

Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

- d) In our opinion, the aforesaid financial statements comply with the specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect of 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our opinion and to the best of our information and according to the explanations given to us:
- The company has disclosed the impact of pending litigation on its financial position in its financial statements. Refer Note 31 to the financial statements.
 - The company did not have any long term contracts and had no derivative contracts outstanding as at 31st March, 2021.
 - The Company did not have any dues required to be transferred by it to the Investor Education and Protection fund.

for **Kashyap & Co.**
Chartered Accountants
Firm Registration No. 011355C
Sd/-
(Nupur Gupta)
Partner
Membership No. 075983
UDIN:21075983AAAACF4088

Place: New Delhi
Date: 25.06.2021

Annexure A referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of Independent Auditors' Report of even date on the financial statements for the year ended on March 31, 2021.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- In respect of Company's Fixed Assets
 - The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
 - The title deeds of all the immovable properties are held in the name of the Company.
- In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act.
- In our opinion, the Company has not entered into any transaction covered under Sections 185 or Section 186 of the Act.
- The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (a) The Undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods & Service Tax (GST), service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the

appropriate authorities, though there has been a slight delay in few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the Statute	Nature of Dues	Amount	Period to which amount relates	Forum where dispute is pending	Remark
VAT	VAT	95,93,282	2013-14	Supreme Court of India	Total Amount Rs. 1,91,86,782/- Out of which 95,93,500/- deposited and 50% Stayed Vide order dated 16/12/2019 by The Hon'ble Supreme Court of India
VAT	VAT	4,70,353	2015-16	Commercial Tax Tribunal, Bareilly	Total Amount Rs. 7,05,530/- Out of which 2,35,200/- deposited and balance stayed by the Commercial Taxes Tribunal, Bareilly
Income Tax	Income Tax	1,45,19,880	2011-12	Commissioner of Income Tax (Appeals)	Stayed by Deputy Commissioner of Income Tax , Circle 17(2), New Delhi

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

- (ix) In our opinion, the term loans were applied for the purposes for which the loans were obtained. The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year.

- (x) According to the information and explanation given to us, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

- (xi) Managerial remuneration has been paid (and)/ provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

- (xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons

connected with them covered under Section 192 of the Act.

- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

for **Kashyap & Co.**
Chartered Accountants
Firm Registration No. 011355C
Sd/-
(Nupur Gupta)
Partner

Place: New Delhi
Date: 25.06.2021

Membership No. 075983
UDIN: 21075983AAAACF4088

Annexure 'B' to Independent Auditors' Report
(Referred to in paragraph (h) under the head 'Report on Other Legal and Regulatory Requirements' of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, ("the Act")

- We have audited the internal financial control with reference to financial statement of MODI NATURALS LIMITED ("the Company") as of March, 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

- The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statement, criteria established by the Company

considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. 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 prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. 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 financial statements, whether due to fraud or error.
5. 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

6. A company's internal financial control over financial reporting is a process designed to provide reasonable

assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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

8. In our opinion, the Company has, in all material respects, and adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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 **Kashyap & Co.**
Chartered Accountants
Firm Registration No. 011355C
Sd/-
(Nupur Gupta)
Partner

Place: New Delhi
Date: 25.06.2021

Membership No. 075983
UDIN: 21075983AAAACF4088

Balance Sheet

Particulars	Note	AS AT 31.03.2021	As At 31.03.2020
ASSETS			
Non - current assets			
(a) Property, plant and equipment	3	19,15,24,233	19,29,40,438
(b) Capital work - in - progress	4	48,684	4,72,120
(c) Other intangible assets	3A	1,94,201	1,75,615
(d) Financial assets			
(i) Trade receivables	5	35,05,533	64,58,538
(ii) Loans and Advances	6	91,39,632	92,32,780
(e) Other non - current assets	8	1,65,01,718	3,24,18,570
Total Non-Current Assets		22,09,14,001	24,16,98,061
Current assets			
(a) Inventories	9	68,18,55,075	68,18,62,412
(b) Financial assets			
(i) Trade receivables	5	20,95,56,654	15,56,60,214
(ii) Cash and cash equivalents	10	41,95,311	1,04,18,431
(iii) Bank Balances	7	33,37,368	46,73,675
(iv) Loans and Advances	6	1,91,34,205	2,54,35,554
(c) Other current assets	8	7,31,93,112	7,79,71,356
Total Current Assets		99,12,71,725	95,60,21,642
TOTAL ASSETS		1,21,21,85,726	1,19,77,19,703
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	11	12,65,63,970	12,65,63,970
(b) Other equity	12	55,20,26,906	44,68,80,963
Total Equity		67,85,90,876	57,34,44,933
LIABILITIES			
Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	10,23,000	20,71,709
(ii) Trade payables	14	24,03,833	27,91,074
(iii) Other financial liabilities	14A	78,00,000	73,00,000
(b) Provisions	15	1,32,29,673	1,20,42,613
(c) Deferred tax liabilities (net)	16	2,88,15,208	3,66,36,445
Total Non-Current Liability		5,32,71,714	6,08,41,841
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	20,34,91,684	31,66,14,750
(ii) Trade payables	14	7,82,80,180	7,20,47,639
(b) Other current liabilities	17	16,27,97,307	16,31,16,214
(c) Provisions	15	91,18,803	75,06,292
(d) Current Tax Liability (net)	18	2,66,35,162	41,48,034
Total Current Liability		48,03,23,136	56,34,32,929
TOTAL EQUITY AND LIABILITIES		1,21,21,85,726	1,19,77,19,703

See accompanying notes to Ind AS Financial Statements 1 - 40

As per our report of even date attached

for Kashyap & Co

Chartered Accountants

Registration No.: 011355C

for and on behalf of the Board

Sd/-

Sd/-

Nupur Gupta

Partner

Membership No.: 075983

UDIN: 21075983AAAACF4088

Anil Modi
Akshay Modi
Pradeep Kapoor
Ankit Agarwal

DIN:00187078
DIN:03341142
PAN:ATEPK2474R
M.No.:A23445

Chairman & Managing Director
Jt. Managing Director
Chief Financial Officer
Company Secretary

New Delhi, 25th June, 2021

Statement of Profit and Loss

Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
I Revenue from operations			
Sale of Products		4,41,21,85,749	3,87,26,62,699
Other Operating income		1,47,76,174	1,06,42,572
Revenue from operations	19	4,42,69,61,923	3,88,33,05,271
II Other income	20	3,93,99,694	30,71,314
III Total income (I + II)		4,46,63,61,617	3,88,63,76,585
IV Expenses			
Cost of materials consumed	21	3,61,44,93,960	3,13,18,85,566
Purchases of stock - in - trade	22	1,58,40,979	3,13,77,827
Changes in inventories of finished goods, stock - in - trade and work - in - progress	23	(2,19,88,977)	(3,14,86,141)
Employee benefits expenses	24	21,28,15,733	19,59,28,129
Finance costs	25	1,29,53,693	2,69,73,932
Depreciation and amortization expenses	26	1,38,23,395	1,37,70,428
Other expenses	27	47,87,47,878	48,18,50,903
IV Total expenses		4,32,66,86,661	3,85,03,00,644
V Profit / (loss) before exceptional items and tax (I - IV)		13,96,74,956	3,60,75,941
VI Exceptional items		-	-
VII Profit / (loss) before tax (V - VI)		13,96,74,956	3,60,75,941
VIII Tax expense			
(1) Current tax	28	4,24,00,000	64,00,000
(2) Taxes for Earlier Years	28	(63,614)	2,92,643
(3) Deferred tax	28	(78,21,237)	(1,68,74,077)
IX Profit / (loss) for the period (VII - VIII)		10,51,59,807	4,62,57,375
X Other comprehensive income	29		
A Items that will not be reclassified to profit or loss			
(i) Re-measurement gains(losses) on defined benefit plans		(13,864)	4,77,875
B Items that will be reclassified to profit or loss		-	-
XI Total comprehensive income for the period (IX + X)		10,51,45,943	4,67,35,250
XII Earnings per equity share (for continuing operations) Rs.			
(1) Basic	30	8.31	3.69
(2) Diluted	30	8.31	3.69
See accompanying notes to Ind AS Financial Statements	1 - 40		

As per our report of even date attached

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New Delhi, 25th June, 2021

Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

Balance as at April 1, 2019	Changes in equity share capital during the year	Balance as at March 31, 2020
126563970.00	-	126563970.00
Balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
126563970.00	-	126563970.00

B. Other Equity

	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
As at 1 April, 2019	89,81,650	25,12,62,040	1,87,33,836	12,11,68,187	40,01,45,713
Profit for the year	-	-	-	4,62,57,375	4,62,57,375
Other Comprehensive Income	-	-	-	4,77,875	4,77,875
Total Comprehensive Income for the year	-	-	-	4,67,35,250	4,67,35,250
At 31 March, 2020	89,81,650	25,12,62,040	1,87,33,836	16,79,03,437	44,68,80,963
Profit for the year	-	-	-	10,51,59,807	10,51,59,807
Other Comprehensive Income	-	-	-	(13,864)	(13,864)
Total Comprehensive Income for the year	-	-	-	10,51,45,943	10,51,45,943
At 31 March, 2021	89,81,650	25,12,62,040	1,87,33,836	27,30,49,380	55,20,26,906

See accompanying notes to Ind AS Financial Statements

1 - 40

As per our report of even date attached

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New Delhi, 25th June, 2021

Statement of Cash Flow

	For the year ended March 31, 2021	For the year ended March 31, 2020
(A) Cash flows from operating activities:		
Profit For the Year	13,96,74,956	3,60,75,941
Adjustments for:		
Depreciation	1,38,23,395	1,37,70,428
Foreign exchange fluctuation	(9,54,403)	3,17,103
Deferred revenue expenses incurred	-	-
Deferred revenue expenses written off	2,20,96,525	2,94,11,755
Provision for Gratuity	27,85,707	14,36,507
Profit (-)/ loss on sale of assets (net)	(3,23,90,526)	48,675
Interest expenses	1,19,55,076	1,73,15,774
Operating profit before working Capital changes	15,69,90,730	10,66,20,207
Net change in:		
Trade and other receivable	(4,59,18,538)	(6,15,13,306)
Inventories	7,337	(2,52,72,605)
Trade payables	1,22,66,529	(3,36,44,672)
Cash generated from operations	12,33,46,059	4,04,47,166
Interest paid	(1,06,39,062)	(2,41,48,595)
Direct taxes paid (Net of Refund)	(1,98,81,088)	(80,37,106)
Cash flow before extraordinary items	9,28,25,908	82,61,466
Extra ordinary items (net)	-	-
Net cash from operating activities(A)	9,28,25,908	82,61,466
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Payment for purchase of property, plant and equipment	(1,58,23,902)	(1,14,90,403)
Proceeds from Bank Deposits	13,36,307	(1,94,660)
Proceeds from disposal of property, plant and equipment	3,62,12,088	74,500
Net cash used in investing activities (B)	2,17,24,493	(1,16,10,563)
(C) CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of share capital (incl Share Warrants)	-	-
Borrowings (net)	(12,07,73,521)	1,18,92,763
Net Cash generated/(used) from/in financing activities (C)	(12,07,73,521)	1,18,92,763
Net change in cash and cash equivalents (A+B+C)	(62,23,120)	85,43,666
Cash and cash equivalents at the beginning of the year	1,04,18,431	18,74,765
Cash and cash equivalents at the end of the year	41,95,311	1,04,18,431
Net increase/decrease (-) as disclosed above	(62,23,120)	85,43,666

See accompanying notes to Ind AS Financial Statements 1 - 40

As per our report of even date attached

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Chairman & Managing Director
Jt. Managing Director
Chief Financial Officer
Company Secretary

New Delhi, 25th June, 2021

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Corporate Information

Modi Naturals Limited is a Public Limited Company domiciled in India and Incorporated under the provisions of Companies Act, 1956. The shares of company are listed at Bombay Stock Exchange. The Company is in the business of manufacturing and marketing of oils and de-oiled cakes

2. Significant Accounting Policies

2.1 Basic of Preparation of Financial Statement

i. Statement of Compliance

These Financial Statements have been prepared in accordance with Indian Accounting Standards (the 'Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015. (as amended from time to time) prescribed under section 133 of the Companies Act, 2013 ('Act').

ii. Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All values are in Rupees except when otherwise indicated

iii. Historical Cost Convention

The financial statements are prepared under historical cost convention on accrual basis except for certain assets and liabilities as stated in their respective policies, which have been measured at fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether the price is directly observable or estimated using another valuation technique.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its

highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

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

iv. Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 2.22

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are rejected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

v. Current versus non-current classification

All assets and liabilities have been classified as current or non-current. Based on the nature of product & activities of the Company and their realization in cash and cash equivalent, the Company has determined its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

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

vi. **New or amended standards and interpretations**

Amendments to Ind AS 1 and Ind AS 8 - Definition of "material"

The Company has adopted the amendments to Ind AS 1 and Ind AS 8. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of the amendment had no impact on the disclosures or on the amounts reported in these financial statements.

Several other amendments and interpretations apply for the first time in 2020-21, but do not have any material impact on the financial statements of the Company. The Company has not early adopted any standards, interpretations or amendments that have been issued, but are not yet effective.

2.2 Inventory Valuation

- (a) Finished Goods - at lower of cost or net realizable value.
- (b) Goods in Process - at weighted average cost
- (c) Raw material - at weighted average cost
- (d) Stores and spares - at cost (computed on FIFO basis)
- (e) Provision for obsolescence and other anticipated losses are made on the stocks, whenever identified / considered necessary.

2.3 Property, Plant and Equipment

On transition to Ind AS, the Company has adopted optional exemption under Ind AS-101 and elected to continue with the carrying value of all its property, plant and equipment as recognized in the financial statement at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the transition date. Cost includes its purchase price (net of CENVAT/ duty credits wherever applicable), after deducting trade discounts and rebates. It includes other 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 borrowing costs for qualifying assets and the initial estimate of restoration cost if the recognition criteria are met.

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs of the item can be measured reliably. Repairs and maintenance costs are charged to the statement of profit and loss when incurred. An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively

2.4 Intangible assets

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

2.5 Depreciation

- (i) Tangible assets -Depreciation on All Assets is charged at Straight Line Method basis in the manner as prescribed in Companies Act 2013 and rate as

per prescribed useful life

- (ii) Intangible assets – Computers are amortized over a period of 5 year and Website Development over a period of 10 Years on a straight line basis.

2.6 Impairment of Assets

Assets are grouped at the lowest levels for which there are separately identifiable cash flows (i.e. cash generating units). For the purpose of assessing impairment at each Balance Sheet date, Assets within a Cash Generating Unit are reviewed for impairment wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount at which the assets under individual Cash Generating Unit are carried in the books exceeds its recoverable amount being the higher of the assets net selling price and its value in use. Value in use is based on the present value of the estimated future cash flows relating to the assets.

Previously recognized impairment losses, relating to assets other than goodwill, are reversed where the recoverable amount increases because of favorable changes in the estimates used to determine the recoverable amount since the last impairment was recognized. A reversal of an asset impairment loss is limited to its carrying amount that would have been determined (net of depreciation or amortization) had no impairment loss been recognized in prior years.

2.7 Recognition of Revenues

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.

Sale of 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.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, 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. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Interest Income

Interest income from financial assets is recognised when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Insurance claims and other Miscellaneous Revenues

Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.

Other Miscellaneous Revenues are recognized when the amounts are actually received or the realisability is certain.

2.8 Foreign Currency Transactions

(a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in foreign currency, are reported using the exchange rates that existed when the values were determined.

(c) Exchange Differences

Exchange differences arising on the settlement of monetary items or on restatement of monetary Items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise except exchange differences on transactions relating to acquisition of fixed assets, which are taken up to the date of capitalization of the related fixed assets.

2.9 Employee Benefits Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard 19 – Employee Benefits:

(i) Provident Fund and ESI

The Company makes contribution to statutory Provident Fund and Employee State Insurance in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance Act, 1948 which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

(ii) Gratuity

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustment for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations recognized in Other Comprehensive Income. The effect of any plan amendments is recognized in net profits in the Statement of Profit and Loss.

(iii) Leave Encashment

Liability in respect of leave encashment is not applicable since the company pays leave encashment to employees every year.

(iv) Other Short Term Benefits

Expense in respect of other short term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

2.10 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily

takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.11 Accounting for Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961 enacted in India. 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

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is

recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow deferred tax assets to be recovered.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.12 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends related to a fully paid equity share during the reporting period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

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

2.13 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax for the period 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.

2.14 Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts that are repayable on demand, as they are considered an integral part of the Company's cash management.

2.15 Exceptional Items

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

2.16 Non Current Assets held for sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use and the sale is considered highly probable. Management must be committed to the sale within one year from the date of classification.

non-current assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell.

2.17 Leases

Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short term leases and low value leases. For these short-term and low value leases,

the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

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

Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or

operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.18 Financial instruments

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit and loss.

a) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

i) Financial assets at amortized cost

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

ii) **Financial assets at fair value through other comprehensive income**

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

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value, excluding dividends, recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

iii) **Financial assets at fair value through profit or loss (FVTPL)**

Investment in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investment in equity investments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss

De-recognition

The Company derecognizes a financial asset when the contractual rights to receive the cash

flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

b) **Financial liabilities and equity instruments**
Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Initial recognition and measurement

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 including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

All financial liabilities are subsequently measured at amortized cost using the effective interest method. The measurement of financial liabilities depends on their classification, as described below:

i) **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized.

Amortized 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 amortization is included as finance costs in the statement of profit and loss.

ii) **Trade and other payables**

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss.

c) **Derivative financial instruments**

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge or is so designated but is ineffective as per Ind AS

109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are re-measured at fair value through profit or loss at the end of each reporting period and the resulting exchange gains or losses recognized in profit or loss immediately. Assets/liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

d) **Reclassification of financial assets and financial liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

e) **Offsetting of financial instruments**

Financial assets and financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on the net basis, to realise the assets and settle the liabilities simultaneously.

2.19 Interim Financial Reporting

Quarterly financial results are published in accordance with the requirement of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

2.20 Deferred Revenue Expenditure

Expenditure is accounted on accrual basis except in specific cases of expenditure incurred against which a definite benefit is expected to flow in to future periods. Such sums are treated as Deferred Revenue Expenditure and charged to Revenue Account over the expected duration of benefits.

2.21 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a liable estimate can be made of the amount of the obligation.

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

Contingent Liabilities are not recognized but are disclosed, while Contingent Assets are neither recognized nor disclosed, in the financial statements.

2.22 Critical accounting estimates and judgments

In the course of applying the policies outlined above, the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

(i) Critical Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the standalone financial statements:

Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making assumption and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward estimate at the end of each reporting period.

Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The amount of tax payable in respect of any period is dependent upon the interpretation of the relevant tax rules. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

Defined benefit Plan

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations.

An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Insurance claims and other Miscellaneous Revenues

Insurance claims and other miscellaneous revenues are recognized when the Company has reasonable certainty of recovery. Subsequently any change in recoverability is provided for.

Contingences and commitments

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, we treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the standalone financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, we do not expect them to have a materially adverse impact on our financial position or profitability.

(ii) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Allowances for doubtful debts

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

Allowances for inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be

made in the standalone financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the standalone financial statements.

Liability for sales return

In making judgment for liability for sales return, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 115 and in particular, whether the Company had transferred to the buyer the significant risk and rewards of ownership of the goods. Following the detailed quantification of the Company's liability towards sales return, the management is satisfied that significant risk and rewards have been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition of an appropriate liability for sales return.

Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Company to be reliable estimate of future sales returns.

Employee benefit obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Provisions and contingencies

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgment is required when evaluating the provision including, the probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the standalone financial statements. Contingent assets are not disclosed in the

standalone financial statements unless an inflow of economic benefits is probable.

Deferred income tax assets and liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change.

Impairment of Financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. In respect of trade receivables the Company applies the simplified approach permitted by Ind AS 109 - Financial Instruments, which requires expected lifetime losses to be recognised upon initial recognition of the receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company reviews its carrying value of investment in subsidiaries and goodwill carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the standalone statement of profit and loss.

Impairment of PPE, CWIP and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is usually determined on the basis of discounted estimated future cash flows. This involves management estimates on anticipated commodity prices, market demand and supply, economic and regulatory environment, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above mentioned factors could impact the carrying value of assets.

Impairment of Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, taxes and duties. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organisation with adverse impact on economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc.

In light of these circumstances, the Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, inventory, receivables, property plant and equipment, Intangibles etc., as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information such as our current contract terms, financial strength of partners, investment profile, future volume estimates from the business etc.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3. Property Plant & Equipments

CURRENT YEAR		GROSS CARRYING AMOUNT			DEPRECIATION			NET CARRYING AMOUNT		
Item	Cost as at 01.04.2020	Addition during the year	Sale/ Transfer	Cost as at 31.03.2021	Up to 01.04.2020	For The Year	Adjustment	Up to 31.03.2021	As at 31.03.2021	As at 31.03.2020
Land	11994105	-	2709227	9284878	-	-	-	-	9284878	11994105
Building	40424146	613115	-	41037261	17340527	1163566	-	18504093	22533168	23083620
Plant & Machinery	307242772	7893384	-	315136156	163039478	9290203	-	172329681	142806475	144203294
Electrical Equipment	4083035	-	-	4083035	3008031	363212	-	3371243	711792	1075004
Furniture & Fixture	2216035	100867	-	2316902	1880732	69352	-	1950084	366818	335303
Laboratory Equipment	2381556	-	-	2381556	1781965	84420	-	1866385	515171	599591
Office Equipment	2093580	419863	-	2513443	1400402	234880	-	1635282	878161	693178
Computers	5447039	341584	22000	5766623	4706250	372980	21998	5057232	709391	740789
Vehicles	21970934	6808556	5666002	23113488	11755380	2193398	4553669	9395109	13718379	10215554
TOTAL	397853202	16177369	8397229	405633342	204912765	13772011	4575667	214109109	191524233	192940438

PREVIOUS YEAR		GROSS CARRYING AMOUNT			DEPRECIATION			NET CARRYING AMOUNT		
Item	Cost as at 01.04.2019	Addition during the year	Sale/ Dj During The Year	Cost as at 31.03.2020	Up to 01.04.2019	For The Year	Adjustment	Up to 31.03.2020	As At 31.03.2020	As at 31.03.2019
Land	11994105	-	-	11994105	-	-	-	-	11994105	11994105
Building	39582205	841941	-	40424146	16214264	1126263	-	17340527	23083620	23367942
Plant & Machinery	298560318	8877352	194898	307242772	154130194	9032585	123301	163039478	144203294	144430124
Electrical Equipment	4083035	-	-	4083035	2610993	397038	-	3008031	1075004	1472042
Furniture & Fixture	2216035	-	-	2216035	1777483	103249	-	1880732	335303	438552
Laboratory Equipment	2381556	-	-	2381556	1588192	193773	-	1781965	599591	793364
Office Equipment	1895310	198270	-	2093580	1207146	193256	-	1400402	693178	688164
Computers	5177077	323642	53680	5447039	4302000	428896	24646	4706250	740789	875077
Vehicles	21152396	868061	49523	21970934	9582611	2199748	26979	11755380	10215554	11569785
TOTAL	387042037	11109266	298101	397853202	191412883	13674808	174926	204912765	192940438	195629155

3A. Intangible Assets

CURRENT YEAR		GROSS CARRYING AMOUNT			DEPRECIATION			NET CARRYING AMOUNT		
Item	Cost as at 01.04.2020	Addition during the year	Sale/ Transfer	Cost As at 31.03.2021	Up to 01.04.2020	For The Year	Adjustment	Up to 31.03.2021	As at 31.03.2021	As at 31.03.2020
Computer Softwares	1147454	69970	-	1217424	989929	51384	-	1041313	176111	157525
Intangible Assets	361784	-	-	361784	343694	-	-	343694	18090	18090
TOTAL	1509238	69970	-	1579208	1333623	51384	-	1385007	194201	175615

PREVIOUS YEAR		GROSS CARRYING AMOUNT			DEPRECIATION			NET CARRYING AMOUNT		
Item	Cost as at 01.04.2019	Addition during the year	Sale/ Transfer	Cost as at 31.03.2020	Up to 01.04.2019	For The Year	Adjustment	Up to 31.03.2020	As At 31.03.2020	As at 31.03.2019
Computer Softwares	1147454	-	-	1147454	909887	80042	-	989929	157525	237567
Intangible Assets	361784	-	-	361784	328116	15578	-	343694	18090	33668
TOTAL	1509238	-	-	1509238	1238003	95620	-	1333623	175615	271235

4. Capital Work in Progress

Particulars	As at 31.03.2021	As at 31.03.2020
Plant and machinery under erection	48,684	4,72,120
Total	48,684	4,72,120

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5. Trade receivables

Particulars	Non - current	Current	Non - current	Current
	As at 31.03.2021		As at 31.03.2020	
- Secured, considered good	-	-	-	-
- Unsecured, considered good	35,05,533	20,95,56,654	64,58,538	15,56,60,214
- Less Allowance for bad & doubtful debts	-	-	-	-
Total	35,05,533	20,95,56,654	64,58,538	15,56,60,214

6. Loans and Advances

Particulars	Non - current	Current	Non - current	Current
	As at 31.03.2021		As at 31.03.2020	
Capital Advances	-	-	-	-
Advances other than Capital Advances -				
-Security deposits	91,39,632		91,35,641	
- Advances to Other - Transporter, Packing Material etc		26,89,182		44,39,247
- Advances to suppliers		3,20,390		2,82,795
- Others	-	4,53,929	97,139	2,22,031
- GST Refund/Other Amount Recoverable		2,48,017		34,25,536
-Myanmar Operation Expenses		-		17,53,581
Employee related		1,35,785		73,457
Balances with statutory authorities				
-PF Under Protest		19,05,223		19,05,223
-Income Tax Regular Assessment AY 2012-13		36,48,750		36,30,000
-VAT Under Protest		95,93,500		95,93,500
-Advance Tax		50,580		18,750
-FSSAI Under Protest	-	50,000	-	50,000
-Other - TDS, Service Tax, CST and Entry Tax		38,849		41,434
Total other assets	91,39,632	1,91,34,205	92,32,780	2,54,35,554

7. Bank Balances

Particulars	Non - current	Current	Non - current	Current
	As at 31.03.2021		As at 31.03.2020	
Fixed Deposits with Banks against margin money				
- Fixed Deposits with Banks against margin money		33,37,368		46,73,675
- Fixed Deposits with Banks other than margin money		-		-
Total	-	33,37,368	-	46,73,675

8. Other Assets

Particulars	Non - current	Current	Non - current	Current
	As at 31.03.2021		As at 31.03.2020	
-Prepaid Expenses		30,15,823		34,25,952
-Deferred Revenue Expenditures	1,65,01,718	1,59,16,853	3,24,18,570	2,20,96,525
-Interest Receivables		10,29,561		5,78,104
Balances with statutory authorities				
-GST/VAT Receivable		5,32,30,875		5,18,70,775
Total other assets	1,65,01,718	7,31,93,112	3,24,18,570	7,79,71,356

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

9. Inventories

Particulars	As at 31.03.2021	As at 31.03.2020
Raw Materials	15,42,08,427	18,18,26,413
Stores & Spares	3,96,46,308	3,35,43,552
Work - in - progress	-	-
Finished goods - Produced	47,97,07,636	44,03,54,207
Finished goods - Trading	82,77,183	2,56,41,635
Others - Promotional Material	15,521	4,96,605
Total	68,18,55,075	68,18,62,412

9.1. Additional information as per Schedule III

Mode of valuation of inventories

- Raw Materials	At Weighted Average Cost
- Finished Goods	At Lower of Average Cost or Net Realisable Value
- Stores	At Weighted Average Cost
- Spares	At Cost on FIFO basis

Value of goods in transit included in sub - heads above

- Raw materials	-	2,31,60,978
- Work - in - progress	-	-
- Finished goods	-	-

10. Cash and Cash Equivalents

Particulars	Non - current	Current	Non - current	Current
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Balances with banks				
- in Current Accounts		16,98,005		66,80,192
Cheques, drafts on hand		35,000		-
Cash on hand		24,62,306		37,38,239
Total	-	41,95,311	-	1,04,18,431

11. Share Capital

Particulars	As at 31.03.2021	As at 31.03.2020
Authorised		
2,00,00,000 (Previous Year: 2,00,00,000) equity shares of Rs 10 each	20,00,00,000	20,00,00,000
Total	20,00,00,000	20,00,00,000
Issued Subscribed & Fully Paid up		
1,26,56,397 (Previous Year: 1,26,56,397) equity shares of Rs 10 each	12,65,63,970	12,65,63,970
Total	12,65,63,970	12,65,63,970

11.1. Additional information as per Schedule III

11.1. Reconciliation of the number of shares

	As at 31.03.2021		As at 31.03.2020	
	No of Shares	Amount (Rs)	No of Shares	Amount (Rs)
Equity Share Capital				
Number of shares at the beginning	1,26,56,397	12,65,63,970	1,26,56,397	12,65,63,970
Add: Shares issued during the year	-	-	-	-
At the end of the year	1,26,56,397	12,65,63,970	1,26,56,397	12,65,63,970

11.2 The company has only one class of equity shares, having a par value of Rs.10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Each shareholder is eligible to one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

11.3 Shares in the company held by each shareholder holding more than 5% shares are as under:

	As at 31.03.2021		As at 31.03.2020	
	No of Shares	% age	No of Shares	% age
Mr. Anil Modi	47,45,954	37.50	46,50,216	36.74
Ms. Nita Modi	16,50,134	13.04	16,50,134	13.04
Mr. Akshay Modi	10,76,586	8.51	10,76,586	8.51
Das Investment Private Limited	6,46,000	5.10	6,46,000	5.10

11.4 Issued, subscribed and paid-up capital of the company includes:-

- (i) 4238967 shares (Previous Year 4238967) allotted as Bonus Shares by way of Capitalisation of Profits
- (ii) 2640000 Shares (Previous Year 2640000) issued by way of conversion of Optionally Convertible Warrants into equity shares Rs.10/- each at a premium of Rs.20/- each.
- (iii) 1538463 Shares (Previous Year 1538463) issued by way of conversion of Optionally Convertible Warrants into equity shares Rs.10/- each at a premium of Rs.120/- each.

12. Other Equity

Particulars	As at 31.03.2021	As at 31.03.2020
Capital Reserve		
Balance at the beginning of the year	89,81,650	89,81,650
Addition during the year	-	-
Balance at the end of the year	89,81,650	89,81,650
Securities Premium Reserve		
Balance at the beginning of the year	25,12,62,040	25,12,62,040
Addition during the year	-	-
Balance at the end of the year	25,12,62,040	25,12,62,040
General Reserve		
Balance at the beginning of the year	1,87,33,836	1,87,33,836
Addition during the year	-	-
Balance at the end of the year	1,87,33,836	1,87,33,836
Retained Earnings		
Balance at the beginning of the year	16,79,03,437	12,11,68,187
Addition during the year	10,51,59,807	4,62,57,375
Add (less) Re-measurement of defined benefit plans through OCI	(13,864.00)	4,77,875
Balance at the end of the year	27,30,49,380	16,79,03,437
Balance of retained earnings consist of surplus retained from earned profit. Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.		
Total	55,20,26,906	44,68,80,963

13. Borrowings

Particulars	Non - Current	Current	Non - Current	Current
	As at 31.03.2021		As at 31.03.2020	
Term Loan from banks				
- Secured				
From Bank	-	35,372	76,606	60,50,417
Vehicle Loans	10,23,000	9,72,104	19,95,103	15,58,805
	10,23,000	10,07,476	20,71,709	76,09,222
Less: Current maturity of long term debt (refer note 17)		10,07,476		76,09,222
	10,23,000	-	20,71,709	-
Working capital loan from banks repayable on demand				
- Secured	-	17,07,69,282		28,99,18,606
Unsecured Loans repayable on demand				
- From Directors	-	3,27,22,402	-	2,66,96,144
Total	10,23,000	20,34,91,684	20,71,709	31,66,14,750

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

13.1 Term Loan from banks is secured by way of equitable mortgage of Factory Land & Building and Hypothecation of Plant & Machinery of all the units at Bisalpur Road and Bareilly Road, Stock and Book Debts, Personal guarantees of Mr. Anil Modi, Mrs. Nita Modi and Mr. Akshay Modi

13.2 Working Capital facility comprises cash credit from bank and is secured against hypothecation of raw materials, semi finished goods, finished goods, consumable stores, book debts, all securities of units at Bisalpur Road and Bareilly Road, Pilibhit and personal guarantees of Mr. Anil Modi, Mrs. Nita Modi and Mr Akshay Modi.

13.3 Vehicle Loans are secured against hypothecation of respective Vehicles

13.4 Term of repayment and interest of Term Loans are as follows:-

Loan From	As at 31.03.2021			As at 31.03.2020		
	ROI*	No. of Instalments Left	Amount	ROI*	No. of Instalments Left	Amount
Term Loan from Banks - HDFC	9.60%	1	35,372	9.60%	13	61,27,023
Vehicle Loan from HDFC Bank	9.50%	1	35,912	9.50%	13	4,45,483
Vehicle Loan from HDFC Bank	-	-	-	8.50%	5	2,92,480
Vehicle Loan from HDFC Bank	8.90%	24	19,59,192	8.90%	36	28,15,945
			20,30,476.00			96,80,931.00

14. Trade Payables

Particulars	Non - current	Current	Non - current	Current
	As at 31.03.2021		As at 31.03.2020	
Due to parties registered under MSMED Act	-	-	-	-
Due to others	24,03,833	7,82,80,180	27,91,074	7,20,47,639
Total	24,03,833	7,82,80,180	27,91,074	7,20,47,639

14.1 Based on the information so far obtained by the Company, payment to enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) has been made within 45 days and disclosure in accordance with section 22 of the MSMED Act is as under:

Principal amount remaining unpaid	-
Principal amount remaining unpaid above 45 days	-
Interest due on above	-
Total of above	-
Interest paid in terms of section 16	-
Interest due and payable for the period of delay in payment	-
Interest accrued and remaining unpaid	-
Interest due and payable even in succeeding years	-

14A. Other Financial Liabilities

Particulars	Non - current	Current	Non - current	Current
	As at 31.03.2021		As at 31.03.2020	
Security Deposits	78,00,000	-	73,00,000	-
Total	78,00,000	-	73,00,000	-

15. Provisions

Particulars	Non - current	Current	Non - current	Current
	As at 31.03.2021		As at 31.03.2020	
Provision for employee benefits				
- Gratuity	1,32,29,673	89,51,543	1,20,42,613	73,39,032
Others				
- Provision for Expenses	-	1,67,260	-	1,67,260
Total	1,32,29,673	91,18,803	1,20,42,613	75,06,292

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

16. Deferred tax assets / liabilities (net)

Particulars	As at 31.03.2021	As at 31.03.2020
Deferred tax liabilities		
Difference between WDV as per books and income tax	2,58,74,305	2,59,50,128
Impact of disallowances u/s 43(B)	6,28,884	18,62,914
Impact of deferred revenue expenditure	84,28,828	1,41,73,924
Sub Total	3,49,32,017	4,19,86,966
Deferred tax Assets		
Impact of Disallowance u/s 40A(7)	61,16,809	53,50,521
	61,16,809	53,50,521
Net deferred tax liabilities	2,88,15,208	3,66,36,445

Movement in deferred tax items	Opening Balance	Recognised in Profit & Loss	Recognised in other comprehensive income	Closing balance
Deferred tax asset / (liability) in relation to				
Difference between WDV as per books and income tax	(2,59,50,128)	75,823	-	(2,58,74,305)
Impact of disallowances u/s 43(B)	(18,62,914)	12,34,030	-	(6,28,884)
Impact of deferred revenue expenditure	(1,41,73,924)	57,45,096	-	(84,28,828)
Impact of Disallowance u/s 40A(7)	53,50,521	7,66,288	-	61,16,809
	(3,66,36,445)	78,21,237	-	(2,88,15,208)

17. Other liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Statutory Payables		
- Sales Tax/GST payables	7,88,165	20,50,511
- PF & ESI payables	14,53,333	14,39,610
- TDS/TCS payables	51,30,675	35,53,207
Other Liabilities for expenses	13,46,91,906	12,81,51,729
Interest Accrued but not due	22,85,516	24,82,494
Current maturities of long term debt	10,07,476	76,09,222
Book Overdraft	-	2,400
Advance Received from Customers	1,74,40,236	1,78,27,041
Total	16,27,97,307	16,31,16,214

18. Current tax Liability (net)

Particulars	Current As at 31.03.2021	Current As at 31.03.2020
Provision for Income Tax	2,66,35,162	41,48,034
Total	2,66,35,162	41,48,034

19. Revenue from operations

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
A. Sale of Goods	4,41,21,85,749	3,87,26,62,699
Total	4,41,21,85,749	3,87,26,62,699
B. Other Operating Income		
Sale of Packing & Other Material	1,47,76,174	1,06,42,572
	1,47,76,174	1,06,42,572
	4,42,69,61,923	3,88,33,05,271

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

20. Other income

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Interest income	9,51,403	7,39,944
Sundry Balance/Excess Provision written back	23,15,284	11,98,569
Foreign Exchange Fluctuation	9,54,403	-
Net Gain on sale of fixed assets	3,26,88,576	-
Misc. Income	24,90,028	11,32,801
Total	3,93,99,694	30,71,314

21. Cost of materials consumed

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Raw material	3,47,70,55,333	3,01,41,98,511
Packing Material	8,48,70,745	7,12,89,673
Chemicals	5,25,67,882	4,63,97,382
Total	3,61,44,93,960	3,13,18,85,566

22. Purchases of stock - in - trade

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Imported	1,36,23,910	2,87,49,331
Indigenous	22,17,069	26,28,496
Total	1,58,40,979	3,13,77,827

23. Changes in inventories of finished goods, stock - in - trade & work - in - progress

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Inventories at the end of the year		
Finished Goods	47,97,07,636	44,03,54,207
Stock in trade	82,77,183	2,56,41,635
Inventory at the beginning of the year		
Finished Goods	44,03,54,207	41,34,49,363
Stock in trade	2,56,41,635	2,10,60,338
Total	(2,19,88,977)	(3,14,86,141)

24. Employee benefits expenses

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Salary & Wages & Bonus	19,86,95,247	18,27,94,369
Contribution to provident & other funds	86,52,162	89,33,293
Recruitment Expenses	22,21,200	8,95,496
Workman and staff welfare	4,13,694	8,03,076
Gratuity	28,33,430	25,01,895
Total	21,28,15,733	19,59,28,129

25. Finance costs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Interest Expense		
- On Short Term Borrowings	1,01,50,882	2,28,44,591
- On Long Term Borrowings	4,88,180	13,04,004
Interest impact on Gratuity	13,16,014	14,11,203
Other Financial Charges	9,98,617	14,14,134
Total	1,29,53,693	2,69,73,932

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

26. Depreciation and amortization expense

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Depreciation of tangible assets	1,37,72,011	1,36,74,808
Amortization of intangible assets	51,384	95,620
Total	1,38,23,395	1,37,70,428

27. Other expense

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Consumption of stores & spare parts	1,83,42,991	1,17,20,778
Job work costs	77,61,738	42,42,935
Power & fuel	10,32,63,815	10,55,59,337
Repairs & maintenance		
- Building	2,31,370	3,47,174
- Plant and Machinery	24,54,309	9,93,934
- Others	12,71,630	21,84,776
Insurance	32,77,318	21,53,619
Rent	1,15,04,146	1,21,04,955
Rates & Taxes	20,73,482	20,19,489
Payment to Auditors	4,50,000	4,50,000
Bank Charges	19,76,304	13,32,695
Freight & Forwarding	9,84,09,682	8,31,18,412
Commission	1,57,11,731	1,32,78,074
Other selling expenses	16,53,25,393	17,33,67,331
Foreign Exchange Fluctuation	-	3,17,103
Service Tax/Entry Tax Paid	19,38,878	16,94,260
Loss on sale of fixed assets	2,98,050	48,675
Deferred Revenue Expenditures Written off	2,20,96,525	2,94,11,755
Other expenses	2,23,60,516	3,75,05,601
Total	47,87,47,878	48,18,50,903

28. Tax expense

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Current tax	4,24,00,000	64,00,000
Taxes for Earlier Years	(63614)	2,92,643
Deferred tax	(7821237)	(16874077)
Total	3,45,15,149	(10181434)

Reconciliation of tax expenses and the accounting profit for the year is as follows: -

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Profit before tax	13,96,74,956	3,60,75,941
Income tax calculated @29.12% (PY27.82%)	4,06,73,347	1,00,36,327
Mat credit entitlement	(5512457)	(9855326)
Effect of expenses that are not deductible in determining taxable profit	6,79,369	1,15,541
Effect of lower tax on long term capital gain	(2951843)	-
Impact of change in Income tax rate	-	(10770619)
Others	16,90,345	-
	3,45,78,761	(10474077)
Taxes for Earlier Years	(63614)	2,92,643
	3,45,15,147	(10181434)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

29. Components of other comprehensive income

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
i) Items that will not be reclassified to profit or loss		
Re-measurement gains(losses) on defined benefit plans	(13864)	4,77,875
ii) Items that will be reclassified to profit or loss	-	-
Total	(13,864)	4,77,875.00

30. Earnings per share

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Continuing operations		
Net profit for as per Statement of Profit & Loss (calculation of basic EPS)	10,51,45,943.00	4,67,35,249.80
Net profit as above	10,51,45,943.00	4,67,35,249.80
Net profit for calculation of diluted EPS	10,51,45,943.00	4,67,35,249.80
Weighted average number of equity shares in calculating basic EPS	1,26,56,397.00	1,26,56,397.00
Effect of dilution:		
Weighted average number of equity shares in calculating diluted EPS	1,26,56,397.00	1,26,56,397.00
Basic earnings per share	8.31	3.69
Diluted earnings per share	8.31	3.69

31. Contingent Liabilities

S.No.	Particulars	As at 31.03.2021	As at 31.03.2020
i)	Provident Fund	54,62,669	54,62,669
ii)	Income Tax	1,81,49,880	1,81,49,880
iii)	VAT	1,98,92,312	1,98,92,312
iv)	Employee Dues	3,50,000	3,50,000
v)	Sales tax against pending forms	1,79,707	2,96,202
vi)	FSSAI	1,75,000	1,75,000

Based on legal advice, discussions with the solicitors, etc., the management believes that there is fair chance of decisions in the company's favour in respect of all the items listed at (i) to (vi) above and hence no provision is considered necessary against the same. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

32. Commitment

Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-

33. Employee Benefits

A Defined Benefit plans

Gratuity Recognised in financial statements as per Actuarial Valuations as on March 31, 2021

Assumptions	As at March 31, 2021	As at March 31, 2020
Economic Assumptions		
Discount rate	6.81%	6.79%
Salary escalation	4.00%	4.00%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Demographic Assumptions		
Retirement Age	58	58
Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
Attrition at Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
-Up to 30 Years	3%	3%
-From 31 to 44 years	2%	2%
-Above 44 years	1%	1%

Movements in present value of the defined benefit obligation	As at March 31, 2021	As at March 31, 2020
Present value of obligation as at the beginning of the period	1,93,81,645	1,84,23,013
Interest cost	13,16,014	14,11,203
Current service cost	28,33,430	25,01,895
Past Service Cost including curtailment Gains/Losses	-	-
Benefit paid	(13,63,737)	(24,76,591)
Actuarial (Gain)/Loss on obligation	13,864	(4,77,875)
Actuarial (Gain)/Loss on arising from Experience Adjustment	-	-
Liability at the end of the year	2,21,81,216	1,93,81,645

Movements in the fair value of plan assets	As at March 31, 2021	As at March 31, 2020
Fair Value of plan assets at the beginning of the period / year	-	-
Contribution from the employer	-	-
Actual return on plan assets	-	-
Benefits paid	-	-
Actuarial gain/loss for the year on asset	-	-
Fair value of the plan assets at the end of the period / year	-	-

Amount recognized in the Balance Sheet	As at March 31, 2021	As at March 31, 2020
Present Value of the obligation at end	2,21,81,216	1,93,81,645
Fair value of plan assets at the end of the period / year	-	-
Unfunded Liabilities recognized in the Balance Sheet	(2,21,81,216)	(1,93,81,645)
Expenses recognized in the Statement of Profit and Loss	As at March 31, 2021	As at March 31, 2020
Current service cost	28,33,430	25,01,895
Past Service Cost	-	-
Net Interest cost	13,16,014	14,11,203
Net actuarial (gain)/loss recognized in the period	13,864	(4,77,875)
Expense recognized in the Statement of Profit and Loss	41,63,308	34,35,223

Other Comprehensive Income	As at March 31, 2021	As at March 31, 2020
Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain / (loss) for the year on PBO	-	-
Actuarial gain /(loss) for the year on Asset	-	-
Unrecognized actuarial gain/(loss) at the end of the year	-	-

Description of plan assets:		
Major categories of plan assets	As at March 31, 2021	As at March 31, 2020
Insurer managed fund	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Change in Net benefit Obligations	As at March 31, 2021	As at March 31, 2020
Net defined benefit liability at the start of the period	1,93,81,645	1,84,23,013
Acquisition adjustment	-	-
Total Service Cost	28,33,430	25,01,895
Net Interest cost (Income)	13,16,014	14,11,203
Actuarial (gain)/loss on obligation	13,864	(4,77,875)
Contribution paid to the Fund	-	-
Benefit paid directly by the enterprise	(13,63,737)	(24,76,591)
Net defined benefit liability at the end of the period	2,21,81,216	1,93,81,645

Bifurcation of PBO at the end of year in current and Non-Current	As at March 31, 2021	As at March 31, 2020
Current liability (Amount due within one year)	89,51,543	73,39,032
Non-Current liability (Amount due over one year)	1,32,29,673	1,20,42,613
Total PBO at the end of year	2,21,81,216	1,93,81,645

Sensitivity Analysis of the defined benefit obligation	As at March 31, 2021
a) Impact of the change in discount rate	
-Impact due to increase of 0.50 %	(6,34,932)
-Impact due to decrease of 0.50 %	6,88,835
b) Impact of the change in salary increase	
-Impact due to increase of 0.50 %	6,56,772
-Impact due to decrease of 0.50 %	(6,10,576)

Sensitivities due to mortality and withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors. The above information is certified by the actuary and relied upon by the auditors.

The employer's best estimate of contribution expected to be paid during the next year is Rs. 44,59,781.00.

B Defined Benefit plans – Leave Encashment

Liability in respect of leave encashment is not applicable since the company pays leave encashment to employees every year.

C Defined Contribution plans – Provident Fund and ESI

The Company has recognized Rs. 86,52,162 (As on 31 March, 2020: Rs. 89,33,293) in statement of profit and loss as Company's contribution to provident fund and ESI.

34. RELATED PARTY DISCLOSURE

- Names of the related parties with whom transactions have taken place during the year:-

(A) Key Management Personnel

Mr. Anil Modi, Managing Director

Mr. Akshay Modi, Joint Managing Director

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(B) Relatives of Key Management Personnel.

Mrs. Nita Modi
Mrs. Aditi Gupta
Mrs. Neha Agarwal

(C) Enterprises over which key Management personnel, or his relative, has significant influence.

NA

Note : Related parties are as identified by the company and relied upon by the Auditors.

2. Transactions carried out with related parties referred in 1 above in ordinary course of business:-

Nature of Transaction	THIS YEAR			PREVIOUS YEAR		
	Referred in 1(A) above	Referred in 1(B) above	Referred in 1(C) above	Referred in 1(A) above	Referred in 1(B) above	Referred in 1(C) above
Expenses:						
Remuneration	82,67,000	19,81,000	-	74,59,806	11,21,532	-
Perquisites						
Company's Contribution to Provident Fund	5,04,000	-		4,50,000	-	
Interest Paid	24,11,244	-	-	20,29,176	-	-
Loan Taken	1,04,50,000	-	-	2,00,42,830	-	-
Loan Repaid	62,50,000			80,65,000		
Outstanding Payables:						
Loan (Inc Interest)	3,49,52,803	-	-	2,85,22,402	-	-
Payable	8,92,820	1,70,915	-	6,11,336	82,950	-

35. Financial Instruments- Fair Value and Risk Management

A. Financial instruments by Categories

The carrying value and fair value of financial instruments is as follows:

As at 31 March, 2021

Particulars	Measured at amortized cost	Measured at fair value through Other Comprehensive Income	Total carrying value	Total fair value
Cash and cash equivalents	41,95,311	-	41,95,311	41,95,311
Bank balances	33,37,368	-	33,37,368	33,37,368
Trade Receivables -non current	35,05,533	-	35,05,533	35,05,533
Trade Receivables - current	20,95,56,654	-	20,95,56,654	20,95,56,654
Loans and Advances-non current	91,39,632	-	91,39,632	91,39,632
Loans and Advances- current	1,91,34,205	-	1,91,34,205	1,91,34,205
Total	24,88,68,703	-	24,88,68,703	24,88,68,703
Financial liabilities				
Borrowings -current	20,34,91,684	-	20,34,91,684	20,34,91,684
Borrowings-non current	10,23,000	-	10,23,000	10,23,000
Trade Payable - current	7,82,80,180	-	7,82,80,180	7,82,80,180
Trade Payable – non current	24,03,833	-	24,03,833	24,03,833
Other financial Liabilities	78,00,000	-	78,00,000	78,00,000
Total	29,29,98,697	-	29,29,98,697	29,29,98,697

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As at 31 March, 2020

Particulars	Measured at amortized cost	Measured at fair value through Other Comprehensive Income	Total carrying value	Total fair value
Cash and cash equivalents	1,04,18,431	-	1,04,18,431	1,04,18,431
Bank balances	46,73,675	-	46,73,675	46,73,675
Trade Receivables -non current	64,58,538	-	64,58,538	64,58,538
Trade Receivables - current	15,56,60,214	-	15,56,60,214	15,56,60,214
Loans and Advances-non current	92,32,780	-	92,32,780	92,32,780
Loans and Advances- current	2,54,35,554	-	2,54,35,554	2,54,35,554
Total	21,18,79,192	-	21,18,79,192	21,18,79,192
Financial liabilities		-		
Borrowings -current	31,66,14,750	-	31,66,14,750	31,66,14,750
Borrowings-non current	20,71,709	-	20,71,709	20,71,709
Trade Payable - current	7,20,47,639	-	7,20,47,639	7,20,47,639
Trade Payable – non current	27,91,074	-	27,91,074	27,91,074
Other financial Liabilities	73,00,000	-	73,00,000	73,00,000
Total	40,08,25,172	-	40,08,25,172	40,08,25,172

Valuation techniques used to determine fair value

Fair value of cash and cash equivalents, loans and advances, receivables, payables, and other current financial assets and liabilities measured at amortized cost is approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair value of other non-current financial assets (Loans and advances) carried at amortized cost is approximately equal to fair value. Hence carrying value and fair value is taken same.

B. Financial risk management

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of directors is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyze the risk faced by the Company, to set appropriate risks limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in the market condition and Company's Activities.

The Company's Board of Directors oversee how management monitors compliances with the company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to risks faced by the Company.

Financial risk factors

The Company's activities expose it to a variety of financial risks which includes market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's focus is to ensure liquidity which is sufficient to meet the Company's operational requirements. The Company monitors and manages key financial risks so as to minimize potential adverse effects on its financial performance. The Company has a risk management policy which covers the risks associated with the financial assets and liabilities. The details for managing each of these risks are summarized ahead.

(i) Market Risk

Market risk is the risk that the expected cash flows or fair value of a financial instrument could change owing to changes in market prices. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and commodity prices. The objective of the market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the returns.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(ii) Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk primary arises from trade receivables, which are typically unsecured. Apart from this, the Company is exposed to credit risk from its financing activities including deposit with banks and security deposits. The credit risk on bank balances is limited because the counter parties are banks with good credit ratings.

Financial assets are written off when there is no reasonable expectation of recovery. Where the loans and receivables were written off and subsequently recoveries are made, these are recognised as an income in the financial statements.

Trade Receivables

Credit risk is managed through credit approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which the company grants credit terms in the normal course of business. The Company also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables.

Cash & Cash Equivalents

With respect to credit risk arising from financial assets which comprise of cash and cash equivalents, the Company's risk exposure arises from the default of the counter party, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date. Since the counter party involved is a bank, Company considers the risks of non-performance by the counter party as non-material.

Exposure to Credit Risk

Financial assets to which loss allowances measured using life time months expected credit loss

Ageing analysis of Trade Receivables is as under

Particulars	As at 31.03.2021	As at 31.03.2020
Upto 6 months	35,53,353	64,99,592
More than six months	20,95,08,834	15,56,19,160
	21,30,62,187	16,21,18,752
Expected credit loss allowance	Nil	Nil

Financial assets to which loss allowances measured using 12 months expected credit loss

For financial assets (other than trade receivables), expected credit losses are measured at an amount equal to the 12-month ECI, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECI. The Company does not have any expected credit loss on financial assets which are measured on 12 month ECI and also has not observed any significant increase in credit risk since initial recognition of the financial assets.

iii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As at 31.03.2021

Particulars	Less than 1 year	1 to 5 years	Total
Non-Current borrowings	-	10,23,000	10,23,000
Current borrowings (includes amount shown in Note 17 as ("Current Maturities of long term Debts").	20,44,99,160	-	20,44,99,160
Trade payables	8,06,84,013	-	8,06,84,013
Other financial liabilities	-	78,00,000	78,00,000

As at 31.03.2020

Particulars	Less than 1 year	1 to 5 years	Total
Non-Current borrowings	-	20,71,709	20,71,709
Current borrowings (includes amount shown in Note 17 as ("Current Maturities of long term Debts").	32,42,23,972	-	32,42,23,972
Trade payables	7,48,38,713	-	7,48,38,713
Other financial liabilities	-	73,00,000	73,00,000

36. Capital Management

The company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the company consists of net debt and total equity.

The company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through long-term /short-term borrowings. The company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio.

Particulars	Note	As at 31 March, 2021	As at 31 March, 2020
Borrowings - Non Current	13	10,23,000	20,71,709
Borrowings - Current	13	20,34,91,684	31,66,14,750
Current Maturity of Long Term Debt	17	10,07,476	76,09,222
Less Cash and bank balances	10 and 7	(75,32,679)	(1,50,92,106)
Net debt		19,79,89,481	31,12,03,575
Total equity	11 and 12	67,85,90,876	57,34,44,933
Net debt to equity ratio (%)		29.18%	54.27%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the current years and previous year.

37. Operating Segment

The company's sole business segment is manufacturing and marketing of Oils & De-oiled Cakes and the geographical segment is India. Consequently, no separate disclosure, as required under Indian Accounting Standard 108 – Operating Segment, is considered relevant.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

38. Amount paid/payable to Auditors

(Included under Other Expenses)

	This Year	Previous Year
As Audit Fee	3,25,000	3,25,000
For Tax Audit	1,00,000	1,00,000
For Taxation Work	25,000	25,000
TOTAL	4,50,000	4,50,000

39. Additional information:

39.1 Sales of Products comprises of:

	2020-21	2019-20
Manufactured Goods		
Oils	3498101004	2546783588
Deoiled Rice Bran	767846250	1243051068
Fatty	23985159	15325617
Others	64248848	15342708
Total – Sale of Manufactured Goods	4354181261	3820502981
Trading Goods:		
Other Oil	58004488	52159718
Total – Sale of Traded Goods	58004488	52159718
Total Sales	4412185749	3872662699

39.2 Closing Stock of Finished Goods

	2020-21	2019-20
Manufactured Goods		
Oils	392094295	321029730
Deoiled Rice Bran	77284439	111813938
Others	6919034	7214150
Fatty	3409868	296389
Total	479707636	440354207
Trading Goods:		
Other Oil	8277183	25641635
Total	8277183	25641635

39.3 Material Consumed

	2020-21	2019-20
Raw Material		
Rice Bran	1601138085	1900664814
Oils	1859343180	1110791476
Others	16574068	2742221
Total	3477055333	3014198511
Chemical		
Hexane	13110080	11392396
Activated Earth	23568254	20758890
Others	15889548	14246096
Total	52567882	46397382

39.4 Purchase of Stock in Trade

Oils	15840979	31372922
Others	-	4905
Total	15840979	31377827

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

39.5 Value of import on CIF/F.O.B basis of –

Raw Material	108952894	74227007
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39.6 Expenditure in Foreign Currency

Travelling Expenses	-	1175760
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39.7 Earning in foreign currency

Value of Export of F.O.B. basis	15626107	12051256
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39.8 Value of imported and indigenous raw materials, stores, components and spare parts consumed:

	For the year ended 31.03.2021		For the year ended 31.03.2020	
	Amount	%	Amount	%
(i) Raw Material				
a. Imported	190204771	5.47	118077486	3.92
b. Indigenous	3286850562	94.53	2896121025	96.08
Total	3477055333	100.00	3014198511	100.00
(ii) Packing Material				
a. Imported	1775895	2.09	620789	0.87
b. Indigenous	83094850	97.91	70668884	99.13
Total	84870745	100.00	71289673	100.00
(iii) Chemicals				
a. Imported	-	-	-	-
b. Indigenous	52567882	100.00	46397382	100.00
Grand Total (i)+(ii)+(iii)	3614493960		3131885566	

40. Approval of financial statements

The financial statements for the year ended 31 March, 2021 were approved by the Board of Directors and authorize for issue on 25th June, 2021.

As per our report of even date attached

for Kashyap & Co

Chartered Accountants

Registration No.: 011355C

for and on behalf of the Board

Sd/-

Sd/-

Nupur Gupta

Partner

Membership No.: 075983

UDIN: 21075983AAAACF4088

Anil Modi
Akshay Modi
Pradeep Kapoor
Ankit Agarwal

DIN:00187078
DIN:03341142
PAN:ATEPK2474R
M.No.:A23445

Chairman & Managing Director
Jt. Managing Director
Chief Financial Officer
Company Secretary

New Delhi, 25th June, 2021

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Green Initiative in Corporate Governance: Register e-mail Address

The Ministry of Corporate Affairs has now permitted companies to send various notices/documents under the Companies Act, 2013 to its shareholders, through electronic mode. We request the Members to support this initiative and register their e-mail addresses in respect of shares held in: (1) dematerialized mode, with their Depository Participants; and (2) physical mode with Skyline Financial Services Private Limited (RTA). Please quote the following particulars in the e-mail Registration Request: Folio No./DPID-Client ID, PAN, Names (s) of Registered Holder(s), Address, Telephone and e-mail Address (to be registered for sending future communications through e-mail).