



24th Annual Report

MADHYA BHARAT AGRO PRODUCTS LIMITED

ANNUAL REPORT 2020-2021



MADHYA BHARAT AGRO PRODUCTS LIMITED

GENERAL INFORMATION

Chairman

Sh. Mahendra Kumar Ostwal

Managing Director

Sh. Pankaj Ostwal

Whole Time Director & Chief financial officer

Sh. Sourabh Gupta

Non-Executive Director

Sh. Praveen Ostwal

Company Secretary & Compliance Officer

Ms. Pallavi Sukhwal

Independent Director

Sh. Paras Mal Surana

Sh. Arvind Kothari

Sh. Bheru Lal Ostwal

Statutory Auditor

Rajneesh Kanther & Associates

Chartered Accountants

Bhilwara (Raj) 311 001

Ph. No. 01482-227154

Smt. Shruti Babel

Registrar & Transfer Agent

Bigshare Services Pvt. Ltd

1st Floor, Bharat Tin Works Building Opp.

Vasant Oasis, Makwana Road, Marol, Andheri

(East) Mumbai 400059 Maharashtra

Ph. No.+91-22-62638200

Secretarial Auditor

Sourabh Bapna & Associates.

Company Secretaries

2-B-11,12, R.C. Vyas Colony,

Bhilwara, 311 001

Ph. No. 9461264697

Registered & Corporate Office

5-O-21, Basement, R.C. Vyas Colony

Bhilwara (Raj.) 311001

Ph:- 01482-233091

E- Mail - accounts@mbapl.com

Cost Auditor

K C Moondra & Associates.

Cost Accountants

6-D-10, R.C. Vyas Colony,

Bhilwara, 311 001

Ph. No. 9414262202

Plants

1. Village: Rajoua, Distt.- Sagar (M.P.)

2. Village: Sourai, Tehsil - Banda
Distt.- Sagar (M.P.)

Our Bankers**HDFC Bank Ltd.**

Shop 2,3,4, S.K. Plaza, Pur Road

Bhilwara (Raj.) 311001

Listed on

National Stock Exchange India Limited

Website address

<http://www.mbapl.com>



MADHYA BHARAT AGRO PRODUCTS LIMITED

CHAIRMAN'S MESSAGE

Dear Shareholders,

The year 2020-21 has been challenging for each one of us. The Covid-19 pandemic had a significant impact on lives, livelihoods, economy and business. Operational challenges mounted due to restricted movement and disrupted supply lines during the first few months of the year and again erupted in the later part of the FY. As the second wave of the pandemic unfolds with predictions of a third wave in the offing, our focus continues to be on our people's health & safety, ensuring uninterrupted supplies of fertilizer meeting the demand.

The commitment and dedication of every member of the Company together with industrial environment created by Govt for ensuring uninterrupted industrial output helped us to overcome many challenges in the past year. As a result, we have reported a turnover of Rs. 185.71 Crore growing by 41.91 % over last Financial Year and similarly Profit after tax at Rs. 20.24 Crore crores was up 36.42%. Quantity wise also we recorded a sale of 195163.51 MT of various products, up by 26.67%. I am happy to report that OSTWAL Group's market share as a whole has reached to 3rd position in SSP in India. We managed Covid-19 challenges well and sustained strong cash generation. The Board of Directors has proposed a final dividend of Rs. 0.50 per share, subject to approval of shareholders at the AGM.

In the financial year under review your company has seen growth in all aspects be it revenue or profit. We have grown as a company. Your company has taken several pre-emptive measures at various operational levels to ensure sustainable reduction in the cost of production with increased level of efficiency and output.

Your company is also focusing on several growth opportunities in its business segments to improve the top as well as bottom line. The ongoing DAP/NPK Complex Fertilizer project envisaged in the year 2019 has since been completed without any cost overrun and commercial production has since started from 17 May 2021 after getting authorization from Regulatory authorities. The impact of this expansion/diversification will be visible to some extent in the current FY 21-22 and fully visible in FY 22-23.

At the same time, our social contribution, through renowned NGOs and other various Trusts, has helped us to focus on a wide array of areas such as health, education Food for needy and basic infrastructure, among others. We take pride in positively having influenced many people's lives through our initiatives.



MADHYA BHARAT AGRO PRODUCTS LIMITED

We are consistent and firm on the basic principles and strategies we use to build this company; from conducting our business responsibly to better Governance practices with sustainability and core values as our foundation. We shall continue to grow our business and contribute to India's growth story. We are happy to serve our customers, develop our partners and uplift communities in and around our areas of business. I am moved by the challenges we have overcome and proud of our resolve to serve our stakeholders. With this, I would like to thank all our customers, bankers, financial institutions, industry associations, suppliers, vendors, partners, shareholders and investors and more particularly our staff and workers for their continued support, partnership and invaluable contribution in these difficult times.

Thank you,
Yours sincerely

Sd/-
Mahendra Kumar Ostwal
(Chairman)



MADHYA BHARAT AGRO PRODUCTS LIMITED

COMPANY INFORMATION

Established in 1997 Madhya Bharat Agro Products Limited is one of the quality Fertilizer and Chemical manufactures of India in private sector. The Company founded By Mr. Shailander Jain, of Sagar but taken over by Ostwal Group in the month of September, 2004. At the time of taking over, the company's total production capacity was 60000 MT PA for SSP. Over the years, with various expansion, backward/forward integration and also with diversification, made itself immune to ups and downs of SSP industry.

We are manufacturing Beneficiated Rock Phosphate (BRP), Sulphuric Acid (SA), Single Super Phosphate (SSP) and Phosphate Rich Organic Manure (Prom) which is used in large quantities for replenishing "P" (Phosphorus) in the soil and act as a fertilizer for the crop. Company is also engaged in production of Sulphur Bentonite and some value-added chemicals like oleum etc. Sulphuric acid is a mother chemical for all chemicals. During the current FY 22, we have since started manufacturing phosphoric Acid, DAP/NPK Complex Fertilizer and added capacity in manufacturing of Sulphuric Acid.

The installed capacity as at the end of March 2021 was 240000 TPY for SSP/GSSP, BRP crushing capacity is 198000 TPY, Sulphur Bentonite 10000 TPY, Sulphuric Acid 36000 TPY & Oleum 9900 TPY. With Commencement of new DAP/NPK Complex Fertilizer plant in the first quarter of FY22, we have added 63000 TPY of Sulphuric Acid, 120000 TPY of DAP / NPK Complex Fertilizer and 19800 TPY of Phosphoric Acid.

BRP (Beneficiated Rock Phosphate)

With low grade rock phosphate, through the process of BRP, we produce high grade rock which is mainly used for the production of single super phosphate & Phosphoric Acid which is the raw material of Dia-ammonium phosphate.

SSP (Single Super Phosphate)

Single Super Phosphate is a fertilizer produced by treating beneficiated/high grade rock Phosphate with Sulphuric Acid.

This process converts in soluble phosphates into forms more readily available to plants. The product is a low-cost source of phosphorus and sulphur in a wide range of pasture situations. SSP is a traditional product for supplying phosphorus and sulphur to pastures, these are the main two nutrients required for pasture production. SSP helps in improving root growth and development which is most important for uptake of plant nutrient and water.



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Granulated Single Super Phosphate

SSP is normally produced in powder form but to increase its ease of sprinkling in farms and also to make it possible to feed SSP with sowing of seeds itself, demand of granulated SSP (GSSP) is growing. We have capability to convert SSP into GSSP to the extent of 180000 TPY.

SA (Sulphuric Acid), Oleum 23%, Sulphur Bentonite

Sulphuric Acid and Oleum require Sulphur as raw material, which is easily available indigenously. Sulphuric acid is used by us for production of SSP and sale in open market as well, We supply Oleum to Indian ordinance factory which use it in manufacturing of explosives for Indian Army, it also used by dyes intermediate and cellulose industry. We have Sulphur sources near to our units at economic freight and competitive price.

Triple Single Super Phosphate / Diammonium phosphate /NPK Complex Fertilizer

TSP is nothing but upgraded version of SSP as such does not require introduction among farmers. TSP contains 46% P as against 16% in SSP as such handling, labour and transportation cost is less. It can be mixed with urea as an alternative to DAP at lower cost.

Diammonium phosphate (DAP) is the world's most widely used phosphorus fertilizer. DAP made from two common constituents in the fertilizer industry, and its relatively high nutrient content and excellent physical properties make it a popular choice in farming and other industries. It's formulated in a controlled reaction of phosphoric acid with ammonia, where the hot slurry is then cooled, granulated and sieved.

NPK Complex fertilizer is crop specific and can be customized as per soil requirements. This is mainly used for oil crops, Soya. We propose to manufacture 20:20:0:13 NPK fertilizer whose demand in our area of operations is good.



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FINANCIAL HIGHLIGHTS

(Rs. In Lakhs)

Particulars	2020-2021	2019-2020
Revenue from operation	18571.39	13086.36
Depreciation	937.20	1041.14
Profit Before Tax	2857.56	2146.64
Profit After Tax	2024.19	1483.75
Other Comprehensive Income	-14.62	3.25
Total Comprehensive Income for the period	2009.58	1487.00
Financial Position		
Property, Plant and Equipment		
(i) Tangible assets	8513.89	8316.70
(ii) Capital work-in-progress	7535.05	3071.37
Non-Current Assets	126.59	308.08
Current Assets	10265.58	7212.66
Total Assets	26441.11	18908.81
Equity Share Capital	2190.67	2190.67
Reserves & Surplus (Other Equity)	12745.34	10845.11
Non-Current Liabilities	4673.40	3117.75
Current Liabilities	6831.70	2755.28
Total Sources	26441.11	18908.81

Profit Before Tax Margin (%)	15.39	16.40
Profit After Tax Margin (%)	10.90	11.32
EPS	9.24	6.77

PROFIT BEFORE TAX

The Profit before tax for the FY 2020-21 is Rs. 2857.56 Lakhs as against Rs 2146.64 Lakhs in previous year recoding a growth of 33.12%.

TAXATION

Your company's total tax liability for the year is Rs. 833.37 Lakhs including deferred tax liability of Rs. 331.46 Lakhs.

PROFIT AFTER TAX

The profit after tax is Rs. 2024.19 Lakhs in current year as compared to Rs. 1483.75 Lakhs in the previous year showing a growth of 36.42 %.

EARNING BEFORE INTEREST, TAX & DEPRECIATION

Your company achieved healthy EBITD of Rs. 4174.89 Lakhs i.e. 22.48 % of Net Sales. The EBITD of the previous year of Rs. 3494.27 Lakhs i.e. 26.70% of Net Sales.



MADHYA BHARAT AGRO PRODUCTS LIMITED

Registered Office: 5-O-21, Basement,
R.C. Vyas Colony, Bhilwara, 311001 Rajasthan
CIN: L24121RJ1997PLC029126

Tel. No. : 01482-237104
Website: www.mbapl.com

Fax No. : 01482-239638
Email: secretarial@mbapl.com

NOTICE

NOTICE is hereby given that the **24th Annual General Meeting (AGM)** of the Members of **Madhya Bharat Agro Products Limited** will be held on **Monday, 27th day of September, 2021** at **12.30 P.M.** through two-way Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon and in this regard, pass the following resolutions as Ordinary Resolutions:

"RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.

2. To declare dividend on equity shares for the Financial Year 2020-2021.

"RESOLVED THAT in terms of recommendation of Board of Directors of the company, the approval of the members of the company be and is hereby granted for payment of dividend @ Rs. 0.50 per share (i.e. 5%) on the fully paid up equity shares of Rs.10/- each of the company for the year 2020-2021.

3. To appoint a Director in place of Mr. Mahendra Kumar Ostwal (DIN 00412163), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Mahendra Kumar Ostwal (DIN 00412163), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

4. To approve and ratify the authority of Board of directors in fixing remuneration of the Cost Auditor(s) for the financial year ending 31st March 2022 and, in this regard, to consider and if thought fit, to pass with or without modification(s) the following as an Ordinary Resolution:

"RESOLVED THAT Shareholders hereby ratify the actions of the Board of Directors pursuant to the provisions of Section 148(3) and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, for approving recommendation of Audit Committee for remuneration to M/s K.C. Moondra & Associates, Cost Auditor(s) to conduct the cost audit of the Company for the financial year ending 31st March 2022 at such remuneration as shall be fix by the board of directors of the company.

5. To approve and Re appointment of Mr. Sourabh Gupta as Whole Time Director cum Chief Financial Officer and, in this regard, to consider and if thought fit, to pass with or without modification(s) the following as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Sections 196, 197, and 203 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), and subject to the approval of shareholders in General Meeting and on the recommendations of the Nomination & Remuneration Committee, the consent of the Board of Directors of the company be and is hereby, accorded for re- appointment of Mr. Sourabh Gupta, as Whole Time Director & Chief Financial officer of the Company for a period of 5 (five) years w.e.f. 11th June 2021 subject that his term shall be liable to be determined by his liability to retire by rotation in accordance with the provisions of Section 152 of the Act.

RESOLVED FURHTER THAT a remuneration upto Rs. 36,00,000 p.a. (Rupees Thirty Six lakh per annum) including all the perquisites and benefits if any, paid to Mr. Sourabh Gupta , except the perquisites falling outside the purview of the ceiling limit of remuneration as per applicable provisions of Schedule V of the Act, be allowed to Mr. Sourabh Gupta and in the event of inadequacy of profits the Board shall be authorized to adjust the above remuneration in accordance with the provisions of Schedule V of the Act, subject however that in the event of inadequacy of profits the remuneration so paid shall be subject to review.

"RESOLVED FURTHER THAT the total remuneration paid or payable to such directors shall not exceed 5% of the profits of the Company, in case of one such director and 10% in case of more than one such directors, calculated in accordance with Section 197 of the Companies Act 2013 and all other applicable provisions of Companies Act, 2013."

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“RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to vary, change, alter, reduce, increase the amount of remuneration within the

maximum ceiling specified under Sections 196, 197 and 203 read with Schedule V and other applicable provisions of if any, of the Companies Act, 2013.

“RESOLVED FURTHER THAT notwithstanding anything contained herein above, where, during the term of employment of the Whole Time Director & Chief Financial officer, if in any financial year, the Company has no profits or its profits are inadequate, unless otherwise approved by any Statutory Authority, as may be required, the remuneration payable to the whole time director including Salary, perquisites and any other allowances shall be governed and be subject to the conditions and ceiling provided under the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 and all other applicable provisions of Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

“RESOLVED FURTHER THAT limits stipulated in this Resolution are the maximum limits and the Board may in its absolute discretion to pay a lower remuneration and revise the same from time to time within the maximum limits stipulated by the Resolution.”

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Board of Director of the Company be and is hereby authorized, to file the necessary e-forms with Registrar of Companies/portal of Ministry of Company Affairs and to do all the acts, deeds, matters and things as he may in his absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

6. To approve and increase the overall managerial remuneration limit and, in this regard, to consider and if thought fit, to pass with or without modification(s) the following as a Special Resolution:

“RESOLVED THAT in accordance with the provision of Section 197 of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017, read with Schedule V and other applicable provisions of the Companies Act, 2013 and the rules there-under amended from time to time and pursuant to recommendation of Nomination & Remuneration Committee, approval of the members of the Company be and is hereby accorded to increase the overall limit of managerial remuneration payable by the Company to the Managing Director and other Directors of the Company in respect of any financial year from 11% (eleven percent) to 25% (Twenty five percent) of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013.”



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“RESOLVED FURTHER THAT, the Board of Directors be and is hereby authorized to do all such acts, deeds and things, as it may in absolute discretion deem necessary, proper or

desirable, and to settle any question, difficulty or doubt that may arise in respect to aforesaid without being required to seek any further consent or approval of the Members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

7. To approve and revision of remuneration of Mr. Pankaj Ostwal as Managing Director of the Company and, in this regard, to consider and if thought fit, to pass with or without modification(s) the following as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and Schedule V to the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable, on the recommendation of Nomination & Remuneration Committee and subject to approval of members be and is hereby accorded for upward revision in payment of remuneration of Mr. Pankaj Ostwal, Managing Director of the Company (DIN:- 02586806) w.e.f 1st April, 2021 till remaining duration of his tenure, provided that the maximum remuneration payable to him shall not exceed 25% of the net profit of the company calculated in accordance with section 198 of the companies act 2013, provided that such variation or increase is within specified limit as under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 on the such terms and conditions of revision of remuneration as mentioned below:-

1. Salary up to Rs. 2.00 Crore per annum.
2. Commission up to 2% of total sales of the company (Monthly or annual basis).
3. At the discretion of the Board, the payment may be made on a pro-rata basis every Month or on an annual basis.

“RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee be and is hereby authorized to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, within specified limit as the case may be, as specified under the relevant provisions of Section 196, 197, 203 and Schedule V to the Companies Act, 2013 subject to any amendment in the provisions of the aforesaid sections.

“RESOLVED FURTHER THAT notwithstanding anything contained herein above, where, during the term of employment of the Managing Director, if in any financial year, the Company has no profits or its profits are inadequate, unless otherwise approved by any



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Statutory Authority, as may be required, the remuneration payable to the Managing Director including Salary, perquisites and any other allowances shall be governed and be subject to the conditions and ceiling provided under the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 and all other applicable provisions of Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

“RESOLVED FURTHER THAT limits stipulated in this Resolution are the maximum limits and the Board may in its absolute discretion to pay a lower remuneration and revise the same from time to time within the maximum limits stipulated by the Resolution.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolutions.”

8. To approve and Payment of salary or Commission to Non-Executive Directors of the Company and, in this regard, to consider and if thought fit, to pass with or without modification(s) the following as a Special Resolution:

“RESOLVED THAT pursuant to provisions of Sections 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013, the Company hereby accords its consent and approval to pay remuneration to Non-Executive Directors of the Company by way of salary or commission not exceeding 1% of the Net Profit of the Company in lieu of their services to the Company and that Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any committee which the Board may constitute to exercise its powers including powers conferred by this resolution) shall in their absolute discretion, decide the extent to which such remuneration is payable to the Non-Executive Directors based on their individual services to the Company within the ceiling limit of 1% of the Net profit of the Company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate its powers conferred by this resolution to any Director or Directors or Remuneration Committee of Directors to determine the extent to which such remuneration is payable to each of the Non-Executive Directors based on their individual services to the Company.”

Dated: 27/08/2021
Place: Bhilwara

By Order of the Board of Directors
For Madhya Bharat Agro Products Limited

Sd/-
(Pallavi Sukhwai)
Company Secretary & Compliance Officer

NOTES:-

1. In view of the outbreak of Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular dated January 13, 2021 read with General Circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') facility or other audio visual means ('OAVM'), without the physical presence of the Members at a common venue. Further, the Securities and Exchange Board of India ('SEBI') vide its Circulars dated May 12, 2020 and January 15, 2021 ('SEBI Circulars') has also granted certain relaxations. In compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/OAVM on Monday, September 27, 2021 at 12.30 p.m. (IST). The registered office of the Company shall be deemed to be the venue for the AGM.
2. Further, pursuant to the MCA and SEBI Circulars, the Notice of the AGM along with the Annual Report for FY 2020-2021 is sent in electronic form only to those Members whose email addresses are registered with the Company/ Depositories. The Notice calling the 24th AGM has been uploaded on the website of the Company at www.mbapl.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. The National Stock Exchange of India Limited ("NSE") at www.nseindia.com and on the website of National Securities Depository Limited ("NSDL") (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
3. The explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Business under Item No. 4, 5, 6, 7 & 8 of the accompanying notice is annexed hereto.
4. In respect of Resolution at item no. 3 and 5 a statement giving additional information on Directors seeking appointment/re-appointment is annexed herewith as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI Regulations).
5. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC or OAVM, physical attendance of Members has been dispensed with. Accordingly, in terms of the above-mentioned MCA and SEBI circulars, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Members attending the meeting through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act 2013.



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7. As per the provisions of Clause 3.A.III. of the General Circular No. 20/ 2020 dated May 5, 2020, the matters of Special Business as appearing at Item Nos. 4, 5, 6, 7 & 8 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.
8. Members seeking any information or clarification are requested to send in written queries to the Company, in advance, before the date of the meeting by mail at secretarial@mbapl.com.
9. Corporate members intending to send their authorized representative to attend the AGM through VC or OAVM or to vote through remote e-voting, pursuant to Sections 112 and 113 of the Act, are requested to send a certified copy of the board resolution to the Scrutinizer by e-mail at Sourabh.bapna12@gmail.com with a copy marked to evoting@nsdl.co.in, authorizing their representative to attend and vote on their behalf at the AGM.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
11. The Notice is being sent to all the Members, whose names appear in the Register of Members/List of Beneficial Owners, received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as on Friday, 27th August 2021 for those shareholders whose email ids are not registered with the Depositories, for procuring user id and password, Notice and Annual Report, are requested to provide their Mail Id at secretarial@mbapl.com.
12. The Members are requested to note that the Company is pleased to provide a two-way Video Conferencing Facility (VC) to view the live streaming of the proceedings of the AGM and facilitate participation of Members at the AGM through VC or asking their questions through a Chat box facility. The Members will be able to view the proceedings on NSDL's e-Voting website www.evoting.nsdl.com.
13. Members may use this facility by using the same login credentials as provided for remote e-Voting. Members on the day of the AGM will login through their user ID and password on e-Voting website of NSDL. The link will be available in Member login where the EVEN of Company will be displayed. On clicking this link, the Member will be able to view the webcasting of the AGM proceedings. The VC Facility will be available on September 27, 2021 from 12:30 p.m. (IST) onwards till the conclusion of the Meeting.
14. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on NSDL's e-Voting website www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 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



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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.

15. Dividend on Equity Shares, as recommended by the Board of Directors for the Year ended 31st March, 2021 and subject to approval of members at this Annual General Meeting, will be paid thirty days from the date of declaration to those shareholders whose name shall appear on the company's register of Members on September 20, 2021.

The Shareholders, who have not claimed their Dividend in the past, are requested to write to the Registrar and Transfer Agent, M/s. Bigshare Services Private Limited, Mumbai to claim the amount of Dividend.

Pursuant to Section 124 of the Companies Act, 2013, if the Dividend Amount is not claimed within 7 Years from the date it is due for payment, such unclaimed amount will be transferred to Investor Education and Protection Fund and thereafter no claim shall become against the Company.

Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 1, 2020 and the Company is required to deduct Tax At Source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by sending documents through email at secretarial@mbapl.com on or before September, 20, 2021.

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by e-mail to secretarial@mbapl.com.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose, the shareholder may submit the above documents (PDF / JPG Format) by e-mail to secretarial@mbapl.com.

16. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository



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Participants and in respect of shares held in physical form with Bigshare Services Private Limited.

17. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Bigshare Services Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Bigshare Services Private Limited.

18. Voting Through Electronic Means: The details of the process and manner of e-voting are explained herein below:

In compliance with Sections 108 and 110 of the Companies Act, 2013 and the Rules made thereunder, the Company has provided the facility to the Members to exercise their votes electronically and vote on all resolutions through the e-voting service facility arranged by NSDL. The instructions for electronic voting are given in this Notice. The Members may cast their votes using electronic voting systems from a place other than the venue of the Annual General Meeting (AGM) (remote e-voting). The instructions for e-voting are given herein below. The resolutions passed by the Members through e-voting are deemed to have been passed as if they have been passed at AGM.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The remote e-voting period begins on 24th September, 2021 (9:00 A.M.) and ends 26th September, 2021 (5:00 P.M.). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 20th September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20th September, 2021.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote



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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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li data-bbox="548 478 1495 1150">1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: 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 options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<li data-bbox="548 1184 1495 1360">2. 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 <p data-bbox="500 1411 1495 1919">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 held 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 options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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 i.e. NSDL where the e-Voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once 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 options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>



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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. NSDL and CDSL.

Login type	Helpdesk details
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
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 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is

	IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.



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c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.

9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.

5. Upon confirmation, the message “Vote cast successfully” will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sourabh.bapna12@gmail.com with a copy marked to evoting@nsdl.co.in.
- 2 It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go



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through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

- 3 In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 and 1800-224-430 or send a request at evoting@nsdl.co.in
- 4 Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date, i.e. 20th September, 2021, may obtain the User ID and password by sending a request at evoting@nsdl.co.in or secretarial@mbapl.com. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you may reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following Toll-free no. 1800-222-990.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 secretarial@mbapl.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), 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 secretarial@mbapl.com If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

The instructions for members for e-voting on the day of the EGM/AGM are as under: -

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/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 in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

Instructions for members for attending the AGM through VC/OAVM are as under:

- 1) Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- 2) Members are encouraged to join the Meeting through laptops for better experience. Further Members will be required to use internet with a good speed to avoid any disturbance during the meeting. Members connecting from their mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio or video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to attend the AGM without any interruption.
- 3) Facility of joining the meeting shall be open 30 minutes before the time scheduled for the meeting and shall be closed 15 minutes after such scheduled time and will be available on first come first served basis.
- 4) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at secretarial@mbapl.com.



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- 5) Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial@mbapl.com. The same will be replied by the company suitably.

Other Instructions

- 1) The voting rights of shareholders (for voting through remote e-Voting before the AGM and remote e-Voting during the AGM) shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, which is September 20, 2021. 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 remote e-voting as well as voting at the AGM.
- 2) Any person who is not a member as on the cutoff- date should treat this Notice for information only.
- 3) The e-voting period commences on Friday, September 24, 2021 at 9.00 a.m. (IST) and ends Sunday, September 26, 2021 at 5.00 p.m. (IST) during this period, shareholders of the Company, holding shares in physical form or in dematerialized form, as on the cut-off date, i.e. September 20, 2021, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting.
- 4) Members who are registered with NSDL for e-voting can use their existing user Id and password for casting their votes.
- 5) The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC or OAVM but shall not be entitled to cast their vote again.
- 6) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/ her existing User ID and password for casting the vote.
- 7) Mr. Sourabh Bapna, Practicing Company Secretary (Membership No. 51505 & CP No. 19968) has been appointed as the Scrutinizer by the Board for providing facility to the Members of the Company to scrutinize remote e-Voting process before the AGM as well as remote e-Voting during the AGM in a fair and transparent manner.
- 8) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-Voting facility.
- 9) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's



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Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who will acknowledge the receipt of the same and declare the result of the voting forthwith.

- 10) The results will be declared within 48 hours of conclusion of the Annual General Meeting. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.mbapl.com and on the website of NSDL: www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to The National Stock Exchange of India Limited ("NSE") where the shares of the Company are listed.
- 11) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of AGM i.e. Monday, September 27, 2021.
- 12) Since the AGM will be held through VC or OAVM, the Route Map is not annexed in this Notice.

Dated: 27/08/2021
Place: Bhilwara

By Order of the Board of Directors
For Madhya Bharat Agro Products Limited

Sd/-
(Pallavi Sukhwai)
Company Secretary & Compliance Officer

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

Item No. 4

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s K.C. Moondra & Associates, Cost Accountant, to conduct the cost audit of the Company for the financial year ending 31st March, 2022. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors. None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution.

The Directors recommend the resolution for approval of members.

Item No. 5

Subject to necessary approval by the Members in the General Meeting, the Board of Directors of the Company in its Meeting held on 10th June 2021, re-appointed Mr. Sourabh Gupta as



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Whole Time Director and Chief Financial officer of the Company for a further period of five years with effect from 11th June 2021 to 10th June 2026.

The Board of Directors of the Company has subject to the provisions of Section 196,197, and all other applicable provisions if any, of the Companies Act, 2013 read with schedule V of the said Act, appointed Sh. Sourabh Gupta as Whole Time Director and Chief Financial officer with a liability to retire by rotation to be determined in accordance with the provisions of Companies Act, 2013 for a period of five years with effect from June 11, 2021

Sh. Sourabh Gupta is a qualified Chartered Accountant and having a vast experience in the field of finance, taxation and project working. He joined the Company in May, 2014 & since then he has led the organization successfully with clear strategic vision, focus on customers and inclusive execution of customer centric value in the market.

Salary up to 36 Lacs per annum including all the perquisites and benefits if any, paid. Total remuneration contemplated as above payable to Whole Time Director of the Company shall not exceed 5% profit of the Company accordance with the section 198 and 309 of companies Act 1956 all other applicable provisions of Companies Act, 2013 (if any) in case of one such director and 10% in case of more than one such directors which shall be paid on a pro-rata basis every month or on an annual basis.

During the term of employment of the Whole Time Director, if in any financial year, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V of the Companies Act, 2013 and all other applicable provisions of Companies Act, 2013 unless otherwise approved by any Statutory Authority; the remuneration shall be paid as per the conditions and monetary ceiling prescribed in Schedule V to the Companies Act, 2013 or any re-enactment thereof and all other applicable provisions of Companies Act, 2013.

None of the Directors of the Company except Sh. Sourabh Gupta are, in any way, concerned or interested in the resolution.

The Directors recommend the resolution for approval of members.

A brief profile of Mr. Sourabh Gupta, including nature of her expertise, is provided in the notice.

Item No. 6

As per Section 197 of the Companies Act,2013 and rules thereunder the total managerial remuneration payable by the Company to its Directors, including managing director and whole time director and its manager in respect of any financial year may exceed 11% of the net profits of the Company calculated as per Section 198 of the Companies Act,2013, provided the same



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has been approved by the Shareholders of the Company by way of Ordinary/ Special Resolutions. The requirement of Central Government which was hitherto required has been done away with.

Pursuant to the recommendation of Nomination & Remuneration Committee , the Board of Directors of the Company in its meeting held on 27.08.2021 recommended to increase in overall limit of managerial remuneration payable by the Company in respect of financial year from 5% to 25% of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013 subject to the approval of the Shareholders by way of Special Resolution.

Accordingly, the Board recommends the Special Resolution for approval of the members.

Except Mr. Pankaj Ostwal, Managing Director, Mr. Mahendra Kumar Ostwal and Praveen Ostwal, Director, none of other Directors or Key Managerial personnel of the Company including their relatives is concerned or interested in the Resolution, financially or otherwise, except to the extent of their shareholding, if any, in the Company.

Item No 7

Mr. Pankaj Ostwal, was re- appointed as Managing Director of the Company by the Board at its Meeting held on June 4, 2020 for a period of 5 years i.e. from June 05, 2020 to June 04, 2025. The same was subsequently approved by the members at the AGM held on September 25, 2020.

Further, considering the contribution of Mr. Pankaj Ostwal and the progress made by the Company under his leadership and guidance and as per the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on August 27, 2021 approved the upward revision in the managerial remuneration of Mr. Pankaj Ostwal, effective from 1st April 2021 till remainder of duration of his tenure upto 25% of the net profit computed in the manner laid down in Section 198 of the Companies Act, 2013 subject to the approval of members of the Company by passing a Special Resolution.

As per Section 197 read with Schedule V of the Companies Act, 2013, the revised remuneration of Mr. Pankaj Ostwal as decided by the Board is required to be approved by the Members at their meeting and therefore, the shareholders of the company are required to approve the aforementioned upward revision in the managerial remuneration of Mr. Pankaj Ostwal Managing Director of the Company by passing a Special Resolution.

Accordingly, the Board recommends the Special Resolution for approval of the members.

Except Mr. Pankaj Ostwal, Managing Director, Mr. Mahendra Kumar Ostwal and Praveen Ostwal, Director, none of other Directors or Key Managerial personnel of the Company including their relatives is concerned or interested in the Resolution, financially or otherwise, except to the extent of their shareholding, if any, in the Company.



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Item No 8

The Board of Directors are of the opinion that, in order to remunerate the Non-Executive of the Company, for the responsibilities entrusted upon them under the law particularly with the requirements of the Corporate Governance Policies, the current trends and commensurate with the time devoted and the contribution made by them, the Board at their Meeting held on 29th December, 2021 have approved, subject to such Statutory approvals as may be necessary, payment by way of salary and Commission, to be paid to the Non- Executive of the Company. Board of Directors of the Company has approved payment of Salary/Commission to Non-Executive of the Company, within the maximum limit of 1% of net profits of the Company, to be determined by the Board of Directors for each Non-Executive for each financial year, in addition to the sitting fees paid for each of the Board and its Committee meetings attended by them. The Companies Act requires approval of members of the Company by passing a Special Resolution in general meeting for payment of remuneration by way of Salary/Commission to Non-Executive Directors of the Company.

All the Non-Executive Directors of the Company may be deemed to be concerned or interested in the said resolution to the extent of the salary/commission payable to them.

Dated: 27/08/2021
Place: Bhilwara

By Order of the Board of Directors
For Madhya Bharat Agro Products Limited

Sd/-
(Pallavi Sukhwal)
Company Secretary & Compliance Officer

INFORMATION PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATION, 2015

As required under the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 the particulars of Directors who are proposed to be appointed/reappointed at the forthcoming Annual General Meeting are as follows:

Appointment/Reappointment

- 1. Mr. Mahendra Kumar Ostwal (DIN 00412163) retires by rotation at the forthcoming Annual General Meeting and is eligible for reappointment.**

Mr. Mahendra Kumar Ostwal aged 65 years, is Bachelor in Commerce from University of Rajasthan, and having 40 years' experience in Fertilizer Industries. He is also having 12 years' experience in DCM Shri Ram Company and as Commercial Manager for 10 years with Mahadeo Fertilizers Ltd.



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He is also Managing Director of Ostwal Phoschem (India) Limited (Group Company) since 14.11.2002 and then he has led the organization successfully with clear strategic vision, focus on customers and inclusive execution of customer centric value in the market. Sh. Mahendra Kumar Ostwal also possesses varied experience in the Commercial, Marketing and Project field.

Mr. Mahendra Kumar Ostwal is the relative to the Managing Director of the Company. He is the father of Mr. Pankaj Ostwal, Managing director of Madhya Bharat Agro Products Limited and Mr. Praveen Ostwal Director of the Company.

He is neither Chairman nor a Member of any Committees of the Board of Company. Sh. Mahendra Kumar Ostwal, holds 8500 shares of the Company.

2. To Re-appointment of Mr. Sourabh Gupta (DIN 07177647) as a Whole Time Director cum Chief Financial Officer for next term:

Mr. Sourabh Gupta aged 37 years, presently Whole Time Director and Chief Financial Officer of Company. He is Chartered Accountant by qualification. He is associated with the company since 2010. He managing the financial, Commercial and administrative matters of the company. He has been appointed as the Chief Financial Officer of the Company with effect from May 19, 2014 and Director with effect from May 01, 2015. He is young and dynamic person, having 11 years' experience and he is presently looking into the financial and technical matters of the Company.

Mr. Sourabh Gupta is not a relative to the any of Directors of the Company. He is neither Chairman nor a Member of any Committees of the Board of Company.

Mr. Sourabh Gupta does not hold any shares of the Company.



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DIRECTORS' REPORT

For the Year 2020-2021

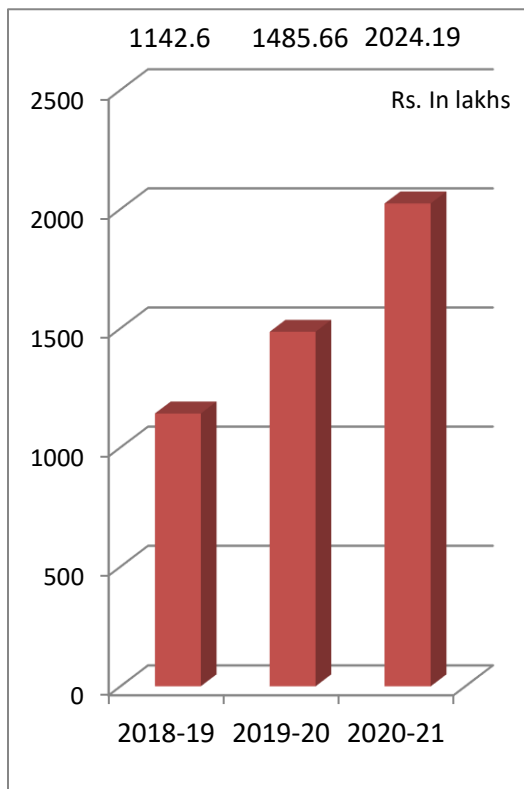
Dear Members,

Your Directors have pleasure in presenting the 24th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2021.

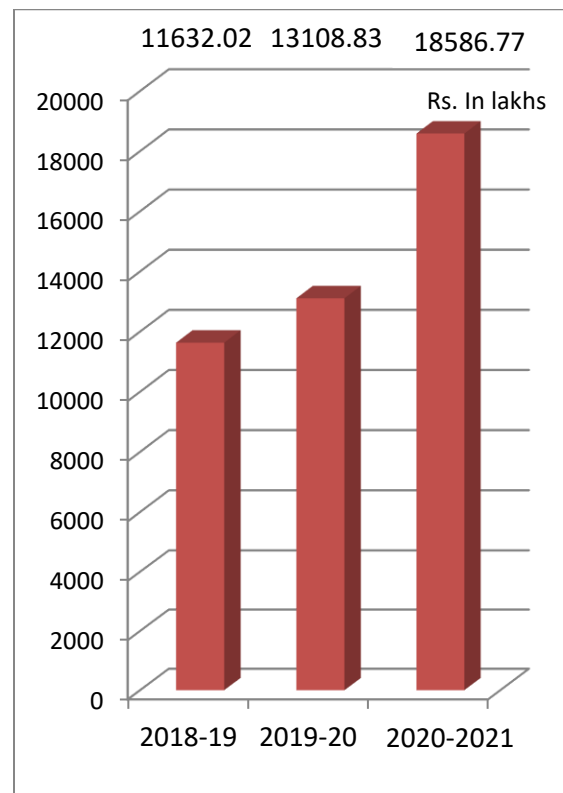
FINANCIAL RESULTS:

(Rs. in Lakhs)

Particulars	2020-2021	2019-2020
Turnover and Other Income	18586.77	13108.83
Profit Before Taxation	2857.56	2146.64
Taxation/Deferred Tax	833.37	662.89
Profit / (Loss) after Tax	2024.19	1483.75
Other comprehensive income	-14.62	03.25
Total comprehensive income	2009.58	1487.00
Earning Per equity Share	9.24	6.77



Profit



Turnover



MADHYA BHARAT AGRO PRODUCTS LIMITED

PERFORMANCE REVIEW AND STATE OF COMPANY'S AFFAIR

Despite all the adversities on account of the Covid-19 pandemic, the Company has reported a tremendous growth in its fertilizer business. During the year ended, the Company has reported revenue from operations of Rs 185.71 crores in its business registering at strong growth of 41.91 %.

The Net Profit for the year ended March 31, 2021 stood at Rs 20.24 crores translating into a healthy annual growth of 36.42%. The Earnings per share for the year is Rs. 9.24 compared to Rs. 6.77 for the last year.

COVID-19 IMPACT

The outbreak of the deadly Covid-19 virus and the ensuing lockdown imposed across the country affected most of business operations.

COVID-19 is an unprecedented challenge. The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. The Company operates its business in conformity with the protocol prescribed by Govt authorities with highest safety and well-being of all the stakeholders including workers and staff at all its plant locations, various branch offices and the head office.

CHANGE IN THE NATURE OF BUSINESS OF COMPANY

During the year under review, there is no change in the nature of business of Company

LISTING OF THE COMPANY

The Shares of your Company are listed on Platform of "National Stock Exchange". The annual Listing Fees for the Year 2021-22 has been paid to the exchange.

SHARE CAPITAL

During the year ended 31st March 2021, there was no change in the issued and subscribed capital of the Company, the capital as on 31st March 2021 continues to be 2190.67 Lakhs comprising of 219.07 Lakhs shares of 10/- each.

ANNUAL RETURN:

The information required pursuant to the provisions of Section 134 (3) (a) and Section 92 (3) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the extract of the Annual Return for the financial year ended on March 31st, 2021 is provided in Annexure I forming part of this report and also disclosed on the website of the Company viz. <http://www.mbapl.com>

STATUTORY AUDITORS & STATUTORY AUDITORS' REPORT

The Company has appointed M/s. Rajneesh Kanther & Associate, Statutory Auditors of the Company for a term of 5 years from the conclusion of the 21st annual general meeting till the conclusion of 25thAGM to be held in the year 2022.



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The Auditor's Report is self-explanatory and therefore, does not call for any further comments/clarifications and Auditor's report does not contain any qualification, reservation or adverse remarks.

SECRETARIAL AUDITOR & SECRETARIAL AUDITORS' REPORT

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial personnel) Rules, 2014, the company has Re-appointed M/s Sourabh Bapna & Associates, a practicing company Secretaries to undertake the Secretarial Audit of the Company for financial year 2021-22. The Company has received their consent for Re-appointment.

The Secretarial Audit report for financial year 2020-21 received from Sourabh Bapna & Associates is provided in Annexure II forming part of this report. The Secretarial Audit report does not contain any qualification, reservation or adverse remarks.

COST AUDITOR

M/s. K. C. Moondra & Associates, Cost Accountant, has Re-appointed as Cost Auditors of your Company for FY 2021-2022.

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, and on the recommendation of the Audit Committee, the Board has Re-appointed M/s K.C. Moondra & Associates, Cost Accountants (Registration No. 101814), at such remuneration as shall be fixed by the board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022. The appointment and the remuneration of the cost Auditor is required to be ratified subsequently by the Members of the Company and further subject to the approval of the Central Government.

The Company has received their written consent and confirmation that the Re-appointment will be in accordance with the applicable provisions of the Act and rules framed thereunder.

INTERNAL AUDITOR & AUDITORS' REPORT

As per section 138 of The Companies Act 2013 read with Rule 13 of Companies (Accounts) Rules, 2014, the company has Re-appointed M/s Sourabh Bapna & Associates, Practicing Companies Secretaries as Internal Auditor to conduct Internal Audit for the Financial Year 2021-2022. The Company has received their consent for Re-appointment.

The Internal Audit Report is received by the Company and the same is reviewed and approved by the Audit Committee and Board of Directors for the year 2020-2021. All the observations made by the Internal Auditors have been attended to.

INTERNAL CONTROL SYSTEM

The company has in place an adequate internal control system, which is commensurate with the size, scale and complexity of the company. The internal auditors independently evaluate the adequacy of



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internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit compliance is ensured by the direct reporting of Internal Audit Division and Internal Auditors to the Audit Committee of the Board.

During the period under review the Internal Financial Control were tested and no reportable material weakness in the design or operation were observed.

REPORTING OF FRAUDS BY AUDITORS, IF ANY

No fraud has been reported by auditors under section 143 (12) of the companies act 2013.

RESERVES

During the year under review, The Board of Directors of the Company has not recommended for transfer of any amount to the Reserve for the Financial Year ended March 31, 2021.

DIVIDEND

The Directors are pleased to recommend a final dividend of 0.50 per share (i.e. 5%) on the Equity Shares of the Company of 10 each for the year ended March 31, 2021 (previous year 0.50 per share). The dividend payout is subject to the approval of the members at the ensuing Annual General Meeting.

DEPOSITS

The Company has not accepted any deposits covered under section 73 of the Companies Act, 2013.

NO DEFAULT

The company has not defaulted in payment of interest and/or repayment of loan to any of the financial institutions and/or bank.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with provisions of Companies Act, 2013 and Company's Articles of Association, Mr. Mahendra Kumar Ostwal (DIN 00412163), Director of the Company, retire by rotation and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

The Board of Directors of the Company in its Meeting held on June 10, 2021 re-appointed Mr. Sourabh Gupta as a Whole Time Director of the Company for a next term commencing from June 11, 2021 upto June 10, 2026 subject to approval of Annual General Meeting.

Mr. Pankaj Ostwal, Managing Director of the Company, Mr. Sourabh Gupta, Whole Time Director & Chief Financial Officer and Ms. Pallavi Sukhwil, Company Secretary of the Company were designated as Key Managerial Personnel of the Company pursuant to Section 203 of the Companies Act, 2013.



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NUMBER OF MEETINGS OF BOARD OF DIRECTORS:

The Board of Directors duly met 08 (Eight) times on 04th June, 2020, 29th June, 2020, 21st July, 2020, 11th August, 2020, 21st August, 2020, 5th November, 2020, 29th December, 2020 and 06th February, 2021 in F.Y. 2020-21 for which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

PARTICULARS OF EMPLOYEES

The information required pursuant to the Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of ratio of remuneration of each director to the median remuneration of the employees of the Company is provided in Annexure III forming part of this report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOING

The details as required under section 134 (3) (m) of the Companies Act, 2013 read with the Rule 8 of Companies (Account) Rule, 2014 for conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo are given in Annexure IV forming part of this report.

PARTICULAR OF LOAN, GUARANTEE AND INVESTMENT UNDER SECTION 186

The information required for loans given, investment made or guarantee given or security provided during the year under section 186 of the Companies Act, 2013 read with the rule 11 of Companies (Meetings of Board and its power) Rule, 2014 is provided in Annexure V forming part of this report and also provided in the financial statement of the Company (please refer Notes of the balance sheet).

RISK MANAGEMENT:

Proper Risk Management Practices have been followed for the purpose of risk identification, analysis, and mitigation planning, monitoring, and reporting. Although, all risks cannot be eliminated, but mitigation and contingency plans are developed to lessen their impact if they occur.

RELATED PARTY TRANSACTION UNDER SECTION 188

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company during the financial year which were in the conflict of interest of the company.

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure VI in Form AOC-2 and the same forms part of this report.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS

The Corporate Governance and Management Discussion & Analysis Report, as required pursuant to the SEBI ((Listing Obligations & Disclosure Requirements) Regulations, 2015, is provided in Annexure VII and Annexure VIII respectively forming part of this report.



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DECLARATION OF INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, to the effect that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013. The terms and conditions for appointment of the Independent Directors are incorporated on the website of the Company.

BOARD EVALUATION:

Pursuant to the relevant provisions of the Companies Act, 2013 and the Listing regulations, the Board has carried out an annual performance evaluation of its own, working of its Committees and the Directors. The Nomination and Remuneration Committee has carried out evaluation of every Director. The Independent Directors evaluated performance of the Non-Independent Directors, the Board as whole and the Chairperson of the Company.

COMMITTEES OF BOARD:

The Board of Directors of your Company has constituted the following committees in terms of the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosures Requirements), Regulation, 2015:

AUDIT COMMITTEE DISCLOSURE UNDER SECTION 177:

The Audit Committee of the Company consists of 2 Independent Directors and 1 Executive Director. The Chairman of the Audit Committee is financially literate and majority of them having accounting or related financial management experience. Company Secretary acts as Secretary to the Committee.

The following Directors are the members of Audit Committee.

- | | |
|---------------------------|----------|
| (1) Shri Arvind Kothari | Chairman |
| (2) Shri Pankaj Ostwal | Member |
| (3) Shri Bheru Lal Ostwal | Member |

During the year, the Committee had 4 Meetings i.e. on 21st July, 2020, 21st August, 2020, 5th November, 2020, and 06th February, 2021.

NOMINATION & REMUNERATION COMMITTEE DISCLOSURE UNDER SECTION 178:

In pursuant to the provisions of section 178 (4) of the Companies Act, 2013, the Nomination and Remuneration Policy recommended by the Nomination and Remuneration committee is duly approved by the Board of Directors of the Company and is provided in Annexure IX forming part of this report.

The following Directors are the members of nomination and Remuneration Committee.

- | | |
|---------------------------|----------|
| (1) Shri Bheru Lal Ostwal | Chairman |
| (2) Shri Arvind Kothari | Member |
| (3) Shri Paras Mal Surana | Member |



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The Committee meets once in a year and also as and when any remuneration is to be fixed for any Director /Managing Director and Key Managerial Personnel. During the year the Committee had a Meetings i.e. on 21st August, 2020

STAKEHOLDER RELATIONSHIP COMMITTEE:

The following Committee of Directors looks after the Investor Grievances:

- | | |
|---------------------------|----------|
| (1) Shri Arvind Kothari | Chairman |
| (2) Shri Pankaj Ostwal | Member |
| (3) Shri Bheru Lal Ostwal | Member |

During the year the 3 Stakeholder Relationship Committee Meetings were held on 21st August, 2020, 5th November, 2020, and 06th February, 2021 and the complaints received and their disposal has been reviewed.

INDEPENDENT DIRECTORS COMMITTEE:

The following are the members of independent directors committee:

- | | |
|---------------------------|----------|
| (1) Shri Bheru Lal Ostwal | Chairman |
| (2) Shri Arvind Kothari | Member |
| (3) Shri Paras Mal Surana | Member |

During the year under review, the Independent Directors met on 06th February, 2021.

CORPORATE SOCIAL RESPONSIBILITY:

In pursuant to the provisions of section 135 and schedule VII of the Companies Act, 2013, CSR Committee of the Board of Directors was formed to recommend (a) the policy on Corporate Social Responsibility (CSR) and (b) implementation of the CSR Projects or Programme to be undertaken by the Company as per CSR Policy for consideration and approval by the Board of Directors. CSR Policy is disclosed on the website of the Company viz. http://mbapl.com/pdf/CSR_Policy_MBAPL.pdf

As per provision of new enacted Company Act, 2013, the Board of Directors have formed Corporate Social Responsibilities Committee having the following members: -

- | | |
|---------------------------|----------|
| (1) Shri Arvind Kothari | Chairman |
| (2) Shri Paras Mal Surana | Member |
| (3) Shri Bheru Lal Ostwal | Member |

Our Company considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of society.

During the tough times, when the entire world was trying to cope up with the deadly outbreak of COVID-19, Madhya Bharat Agro Products Limited (MBAPL) contributed immensely to help the marginalized sections of the society. During the lockdown, when the villagers were finding it difficult



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to fulfil their requirements, the MBAPL distributed food kits, supply of sanitizer and mask in the Sagar district of Madhya Pradesh.

During the year the Committee had 2 Meetings i.e. on 21st August, 2020 and 06th February, 2021. The CSR Report of the Company is provided in Annexure X forming part of this report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company has established vigil mechanism policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy. Vigil Mechanism Policy is disclosed on the website of the Company viz. <http://mbapl.com/pdf/Vigil-mechanism.pdf>

MATERIAL CHANGES AND COMMITMENTS:

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of the Company and its future operation.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:

The Company does not have any Subsidiary, Joint Venture and Associate Company.

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

The company has in place an Anti-Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainee) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2020-2021.

No. of complaints received: Nil

No. of complaints disposed off: Nil

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (3) (c) & 134 (5) of the Companies Act, 2013 with respect to Directors Responsibility Statement, it is hereby confirmed:

- a) That in the preparation of the Accounts for the Financial Year ended 31st March, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures.



MADHYA BHARAT AGRO PRODUCTS LIMITED

- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 and of profit of the company for the year under review.
- c) That 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.
- d) That the Directors have prepared the accounts for the financial year ended 31st March, 2021 on a going concern basis.
- e) That the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) That the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

HEALTH, SAFETY AND QUALITY MANAGEMENT

Your Company is ISO 9001:2015 certified and maintains high quality of product and processes and the company is conscious about its responsibility towards the upkeep of environment and maintenance of high safety and health standards at its work places.

ACKNOWLEDGEMENT

We wish to place on record the cooperation received from the government authorities, Banks and customers, suppliers, business associates and shareholders of the Company. The Directors also wish to place on record the appreciation to the team of executives, staff and workers, who have shown devotion and efficiency in performing their jobs. The Directors deeply regret the loss of life caused due to the outbreak of COVID-19 and are grateful to every person who risked his life and safety to fight this pandemic.

For and on behalf of the Board of Directors

Place Bhilwara

Date 15.06.2021

Sd/-
(Pankaj Ostwal)
Managing Director

DIN 02586806

Sd/-
(Sourabh Gupta)
Whole Time Director
&
Chief Financial Officer
DIN 07177647

ANNEXURE I
Form No. MGT-9
As on the financial year ended on 31.03.2021

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

REGISTRATION AND OTHER DETAILS

i)	CIN	L24121RJ1997PLC029126
ii)	Registration Date	22-10-1997
iii)	Name of the Company	Madhya Bharat Agro Products Limited
iv)	Category / Sub-Category of the Company	Public Company Company Limited by Share
v)	Address of the Registered office and contact details	5-O-21, Basement, R.C. Vyas Colony Bhilwara (Raj.) 311001
vi)	Whether listed company (Yes / No)	Yes National Stock Exchange of India Limited
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. 1st Floor, Bharat Tin Works Building Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai 400059 Maharashtra Tel No.:+91-22-62638200 Fax No.:+91-22-62638299 Email: ipo@bigshareonline.com

PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Fertilizer	20121	88.20

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Ostwal Phoschem (India) Limited	U26933RJ1989PLC032188	Holding	65.05%	Section 2(46) of the Companies Act ,2013

SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
Individual/ HUF	1272175	0	1272175	5.81	1272175	0	1272175	05.81	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt (s)	-	-	-	-	-	-	-	-	-
Bodies Corp.	15203204	0	15203204	69.40	15101354	0	15101354	68.93	0.47
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	16475379	0	16475379	75.21	16373529	0	16373529	74.74	-0.47
2. Foreign									
NRIs –Individuals	-	-	-	-	-	-	-	-	-
Other Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	16475379	0	16475379	75.21	16373529	0	16373529	74.74	-0.47
B. Public Shareholding									
1 Institutions									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt (s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	-
2 Non-Institutions									
a) Bodies Corp.									
Indian	3040770	0	3040770	13.88	3288390	0	3288390	15.01	1.13

Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
Individual shareholders holding nominal share capital up to Rs. 1 lakh	462994	0	462994	2.11	385295	0	385295	1.76	-0.35
Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1911011	0	1911011	8.72	1723916	0	1723916	7.87	-0.85
Others									
Clearing Member	16581	0	16581	0.07	16372	0	16372	0.07	0.00
Hindu Undivided Family (HUF)	0	0	0	0	119233	0	119233	0.54	0.54
Sub-total (B)(2):-	5431356	0	5431356	24.79	5431356	0	5431356	24.79	-0.47
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5431356	0	5431356	24.79	5431356	0	5431356	24.79	-0.47
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	21906735	0	21906735	100.00	21906735	0	21906735	100.00	0

Shareholding of Promoters

S No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Pankaj Ostwal	201015	0.92	-	201015	0.92	-	-
2	Praveen Ostwal	332700	1.52	-	332700	1.52	-	-
3	Ekta Jain	661840	3.02	-	661840	3.02	-	-
4	Pankaj Ostwal (HUF)	57120	0.26	-	57120	0.26	-	-
5	Mahendra Kumar Ostwal	8500	0.04	-	8500	0.04	-	-
6	Smt. Nitu Jain	5000	0.02	-	5000	0.02	-	-
7	Praveen Ostwal (HUF)	6000	0.03	-	6000	0.03	-	-
9	Ostwal Phoschem (India) Limited	14303204	65.29	-	14251554	65.05	-	-0.24
10	Nirmala Realinfrastructure Private Limited	900000	4.11	-	849800	3.88	-	-0.23
	Total	16475379	75.21	0	16373529	74.74	0	-0.47

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

S. No.	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Ostwal Phoschem (India) Ltd				
1	At the beginning of the year	8261770	37.71	8261770	37.71
	Purchase	6041434	27.58	14303204	65.29
	At the End of the year	14303204	65.29	14303204	65.29

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

S. No.	Name of shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Suswani Textiles Pvt. Ltd.				
	At the beginning of the year	1441840	6.58	1441840	6.58
	Increase /Decrease in Share Holding during the year	63500	0.29	1505340	6.87
	At the End of the year	1505340	6.87	1505340	6.87
2	Visualize Tradecom Pvt. Ltd.				
	At the beginning of the year	1085496	4.95	1085496	4.95
	Increase /Decrease in Share Holding during the year	34876	0.16	1120372	5.11
	At the End of the year	1120372	5.11	1120372	5.11
3	Swastik Clothtex Private Limited				
	At the beginning of the year	360465	1.64	360465	1.64
	Increase /Decrease in Share Holding during the year	15475	0.07	375940	1.71
	At the End of the year	375940	1.71	375940	1.71
4	Naresh Chandra Garg				
	At the beginning of the year	213000	0.97	213000	0.97
	Increase /Decrease in Share Holding during the year	-	-	-	-
	At the End of the year	213000	0.97	213000	0.97
5	Ayush Ashok Ostwal				
	At the beginning of the year	114000	0.52	114000	0.52
	Increase /Decrease in Share Holding during the year	22595	0.10	136595	0.62
	At the End of the year	136595	0.62	136595	0.62

6	Nirmala Devi Garg				
	At the beginning of the year	120000	0.54	120000	0.54
	Increase /Decrease in Share Holding during the year	-	-	-	-
	At the End of the year	120000	0.54	120000	0.54
7	Arham Suitings Pvt. Ltd.				
	At the beginning of the year	117000	0.53	117000	0.53
	Increase /Decrease in Share Holding during the year	-	-	-	-
	At the End of the year	117000	0.53	117000	0.53
8	Kan Singh Ostwal				
	At the beginning of the year	108000	0.49	108000	0.49
	Increase /Decrease in Share Holding during the year	-	-	-	-
	At the End of the year	108000	0.49	108000	0.49
9	Jash Kanwar Ostwal				
	At the beginning of the year	103414	0.47	103414	0.47
	Increase /Decrease in Share Holding during the year	-	-	-	-
	At the End of the year	103414	0.47	103414	0.47
10	Naresh Kumar Bhargava				
	At the beginning of the year	81000	0.36	81000	0.36
	Increase /Decrease in Share Holding during the year	-	-	-	-
	At the End of the year	81000	0.36	81000	0.36

Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sh. Praveen Ostwal				
	At the beginning of the year	332700	1.52	332700	1.52
	Increase /Decrease in Share Holding during the year	-	-	-	-
	At the End of the year	332700	1.52	332700	1.52
2	Sh. Pankaj Ostwal				
	At the beginning of the year	201015	0.92	201015	0.92
	Increase /Decrease in Share Holding during the year	-	-	-	-
	At the End of the year	201015	0.92	201015	0.92

3	Sh. Arvind Kothari				
	At the beginning of the year	12000	0.05	12000	0.05
	Increase /Decrease in Share Holding during the year	-	-	-	-
	At the End of the year	12000	0.05	12000	0.05
4	Sh. Mahendra Kumar Ostwal				
	At the beginning of the year	8500	0.04	8500	0.04
	Increase /Decrease in Share Holding during the year	-	-	-	-
	At the End of the year	8500	0.04	8500	0.04
5	Sh. Bheru Lal Ostwal				
	At the beginning of the year	54000	0.25	54000	0.25
	Increase /Decrease in Share Holding during the year	(1450)	(0.006)	52550	0.24
	At the End of the year	52550	0.24	52550	0.24
6	Smt. Shruti Babel				
	At the beginning of the year	0	0.00	0	0.00
	Increase /Decrease in Share Holding during the year	50	0.0002	50	0.0002
	At the End of the year	50	0.0002	50	0.0002

INDEBTEDNESS

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

(In Lakhs)

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3971.57	13.50	0	3984.57
ii) Interest due but not paid	12.32	0	0	12.32
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	3983.39	13.50	0	3996.89
Change in Indebtedness during the financial year				
Addition	1996.89	1142.93	0	3139.82
Reduction	258.29	28.15	0	286.44
Net Change	1738.6	1114.78	0	2853.38
Indebtedness at the end of the financial year				
i) Principal Amount	5892.77	1128.28	0	7021.05
ii) Interest due but not paid	23.75	0	0	23.75

iii) Interest accrued but not due	0			
Total (i+ii+iii)	5916.52	1128.28	0	7044.80

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(In Lakhs)

S.no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Pankaj Ostwal	Sourabh Gupta	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	51.02	8.55	59.57
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	47.00	-	47.00
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	98.02	8.55	106.57
	Ceiling as per the Act			

B. Remuneration to other directors -

(In Lakhs)

S. no.	Particulars of Remuneration	Name of Directors	Total Amount
	Independent Directors		
1	Fee for attending board committee meetings		-
2	Commission		-
3	Others, please specify		-
	Total (1)		
	Other Non-Executive Directors	Mahendra Kumar Ostwal	
1	Fee for attending board committee meetings		
2	Commission/Salary		18.00
3	Others, please specify		0.00
	Total (2)		18.00
	Total (B)= (1+2)		18.00
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

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

(In Lakhs)

S. no.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
			Pallavi Sukhwai		
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	3.35	-	3.35
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	3.35	-	3.35

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

For and on Behalf of the Board of Directors

Date 15.06.2021
Place Bhilwara (Raj)

Sd/-
(Pankaj Ostwal)
Managing Director

Sd/-
(Sourabh Gupta)
**Whole Time Director
&
Chief Financial Officer**
DIN 0717764

DIN 02586806

ANNEXURE II

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 2020-2021

*[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,
Madhya Bharat Agro Products Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Madhya Bharat Agro Products Limited**. Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Madhya Bharat Agro Products Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Madhya Bharat Agro Products Limited** (“the Company”) for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made 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, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (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;

(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;

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

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

(ii) The Listing Agreements entered into by the Company with Stock Exchange

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Sourabh Bapna & Associates
Company Secretaries

Sd/-
(Sourabh Bapna)
Proprietor
C.P. No. 19968
M. No. A51505

UDIN:- A051505C000753019

Date: 15.06.2021
Place: Bhilwara



MADHYA BHARAT AGRO PRODUCTS LIMITED

ANNEXURE 'III'

PARTICULARS OF EMPLOYEES

Details Pertaining to Remuneration as Required Under Section 197(12) of the Companies Act, 2013 Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	1. Mr. Pankaj Ostwal: 50.98 2. Mr. Sourabh Gupta: 4.39
(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.	1. Pankaj Ostwal (Managing Director): 103.75% 2. Sourabh Gupta (Whole Time Director & Chief Financial Officer): 10.33%
(iii) The percentage Increase in the median remuneration of employees in the financial year	In the Financial Year, there was a decrease of (17.18) % in the median remuneration of Employees.
(iv) The number of permanent employees on the rolls of company.	199 Employee
(v) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average increase in remuneration of employees other than the Managerial Personnel: 18.90% Average increase in remuneration of Managerial Personnel: 118.46%
(vi) Affirmation that the remuneration is as per the remuneration policy of the company.	The company affirmed that the remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of section 178 of the Companies Act, 2013.



MADHYA BHARAT AGRO PRODUCTS LIMITED

Details of the employees of the Company - Pursuant to Section 197 (Rule 5) of the Companies Act, 2013.

- (i) Employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees: NA
- (ii) Employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month: NA
- (iii) Employed throughout the financial year or part thereof receiving remuneration in excess of the amount drawn by Managing Director: NA

For and on behalf of the Board of Directors

Date 15.06.2021
Place Bhilwara (Raj)

Sd/-
(Pankaj Ostwal)
Managing Director

DIN 02586806

Sd/-
(Sourabh Gupta)
Whole Time Director
&
Chief Financial Officer
DIN 07177647



MADHYA BHARAT AGRO PRODUCTS LIMITED

ANNEXURE IV

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

Information pursuant to section 134 (3) (m) of the Companies Act, 2013 read with the Rule 8 of (Companies (Account) Rule, 2014) and forming part of the Director's Report for the year ended 31st March 2021.

CONSERVATION OF ENERGY

(a) The Company takes adequate steps for the conservation of energy at every stage of production and remains conscious about conserving energy resources.

(b) The Company has made adequate investment on various measures for conservation of energy which has resulted in optimizing energy consumption and saving in cost.

(c) The capital investment on energy conservation equipment: Approx. Rs. 1 Crore

TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption:

The Company is continuously endeavoring to upgrade its technology from time to time in all aspects through in-house R&D primarily aiming at reduction of cost of production and improving the quality of the product. The Company has strengthened the infrastructure for R & D and carried out improvement in quality systems. This has resulted into consistency in achieving standard quality parameters as per Government of India. The Company will continue to thrust on R & D activities of the Company.

(ii) The benefits derived therefrom:

The Company could successfully reduce the cost of production, by using the inhouse developed alternative raw materials, power consumption and improving technical efficiencies and productivity.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -

(a) The details of technology imported; None

(b) The year of import; None

(c) Whether the technology been fully absorbed; None

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; None



MADHYA BHARAT AGRO PRODUCTS LIMITED

FOREIGN EXCHANGE EARNINGS AND OUTGO

The figure of earnings and expenditure in foreign currency during the year is as under:

(Rs. in Lakhs)

Particulars	2020-2021	2019-20
Foreign Currency Earning	-	-
Foreign Currency outgo	528.66	479.29

For and on Behalf of the Board of Directors

Date 15.06.2021
Place Bhilwara (Raj)

Sd/-
(Pankaj Ostwal)
Managing Director

DIN 02586806

Sd/-
(Sourabh Gupta)
Whole Time Director
&
Chief Financial Officer
DIN 07177647



MADHYA BHARAT AGRO PRODUCTS LIMITED

ANNEXURE V

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

(Pursuant to clause (g) of sub-section (3) of section 134 & section 186(4) of the Companies Act, 2013)

S. No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(A)	Loan Given	NIL	NIL
(B)	Investment made	NIL	NIL
(C)	Guarantee given	NIL	NIL

For and on Behalf of the Board of Directors

Date 15.06.2021
Place Bhilwara (Raj)

Sd/-
(Pankaj Ostwal)
Managing Director

DIN 02586806

Sd/-
(Sourabh Gupta)
Whole Time Director
&
Chief Financial Officer
DIN 07177647



MADHYA BHARAT AGRO PRODUCTS LIMITED

ANNEXURE VI

FORM NO. - AOC- 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis -N.A.
2. Details of material contracts or arrangement or transactions at arm's length basis:-

Name(s) of the related party	Nature of relationship	Duration of contract	Salient terms	Amount (In Lakh)
Purchases of Material				
Krishana Phoschem Ltd	Interested Director	FY 20-21	See note-1	1538.50
Ostwal Phoschem India Limited	Interested Director	FY 20-21	See note-1	2268.28
Shri Ganpati fertilizers Ltd.	Interested Director	FY 20-21	See note-1	6.39
Sale of Material				
Krishana Phoschem Ltd	Interested Director	FY 20-21	See note-1	755.25
Ostwal Phoschem (India) Limited	Holding Company	FY 20-21	See note-1	121.63
Rent Paid				
Ostwal Phoschem India Limited	Holding Company	FY 20-21	See note-1	0.12
Loan Taken				
Krishana Phoschem Ltd	Interested Director	FY 20-21	See note-1	1100.00



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Note:

1. Terms of the contract conform to the prevailing market rates and all the care has been taken to ensure reasonability of prices compare to the prevailing rates in the market, better quality products and timely supply.
2. Appropriate approvals have been taken for related party transactions.
3. Advance paid have been adjusted against billing, wherever applicable.

For and on Behalf of the Board of Directors

Place	Bhilwara (Raj)	Sd/- (Pankaj Ostwal) Managing Director	Sd/- (Sourabh Gupta) Whole Time Director & Chief Financial Officer
Date	15.06.2021	DIN 02586806	DIN 07177647

ANNEXURE VII

CORPORATE GOVERNANCE REPORT- 2020-21

1. Corporate Governance Philosophy on Code of Corporate Governance

Corporate Governance has been an integral part of the way we are doing our business. As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long-term success. The Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

The Company believes that sound ethical practices, transparency in operations and timely disclosures go a long way in enhancing long-term shareholders' value while safeguarding the interest of all the stakeholders. It is this conviction that has led the Company to make strong corporate governance values intrinsic to all its operations. The Company is led by Board, which includes independent directors. The Board provides strong oversight and strategic counsel. The Company has established systems and procedures to ensure that the Board of the Company is well-informed and well-equipped to fulfill its oversight responsibilities and to provide management the strategic direction it needs. In terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of compliances, are as follows:-

2. Board of Directors

Composition of the Board

As on March 31, 2021, the Company's Board comprised of 8 (Eight) Directors viz., 3(Three) Independent Non-Executive Directors, 1 (One) Women Independent Non-Executive Directors, 1 (One) Promoter and Managing Director, 1 (One) Whole time Director & CFO, and 2 (Two) Promoter and Non-Executive Director. The Chairman of the Board is also Promoter Non - Executive Director.

Details of Board of Director's category, attendance at the Board Meetings and last Annual General Meeting (AGM), number of other Directorships and Committee positions as on 31st March, 2021 are given below:

Sr. No.	Name of the Director	Category/ Status of Directorship	No. of Board Meetings during year	No. of Board Meetings attended	Whether Attended AGM	No. of Directorships in other Public Limited Companies	No. of Committee positions held in Public Limited Companies		No. of Equity Shares held in the Company
							Chairman	Member	
1	Pankaj	Managing	08	08	Yes	1. Ostwal	-	3	201015

MADHYA BHARAT AGRO PRODUCTS LIMITED

	Ostwal	Director				Phoschem (India) Limited (Non-Executive Director) 2. Krishana Phoschem Limited (Non-Executive Director)			
2	Sourabh Gupta	Whole Time Director and Chief Financial Officer	08	08	Yes	-	-	-	-
3	Praveen Ostwal	Non-Executive Director	08	08	Yes	1. Ostwal Phoschem (India) Limited (Non-Executive Director) 2. Krishana Phoschem Limited (Managing Director)	-	2	332700
4	Mahendra Kumar Ostwal	Chairman cum Non-Executive Director	08	08	Yes	1. Ostwal Phoschem (India) Limited (Managing Director) 2. Krishana Phoschem Limited (Non-Executive Director)	-	1	8500
5	Arvind Kothari	Non-Executive Independent Director	08	08	Yes	-	2	3	12000
6	Paras Mal Surana	Non-Executive Independent Director	08	08	No	-	-	2	-
7	Shruti Babel	Woman Non-Executive Independent	08	08	No	-	-	-	50

		Director							
8	Bheru Lal Ostwal	Independent Non-Executive Director	08	08	No	1. Ostwal Phoschem (India) Limited (Non-Executive Independent Director) 2. Krishana Phoschem Limited (Non-Executive Independent Director)	2	3	52550

Number of Board Meetings

The Board of Directors duly met 08 (Eight) times on 04th June, 2020, 29th June, 2020, 21st July, 2020, 11th August, 2020, 21st August, 2020, 5th November, 2020, 29th December, 2020 and 06th February, 2021. The maximum time gap between any two consecutive board meetings was less than 120 days.

Disclosure of relationships between directors inter-se

Sh. Pankaj Ostwal, Managing Director on the Board of Directors is the Brother of Sh. Praveen Ostwal, Non-Executive Director. Sh. Pankaj Ostwal, Managing Director and Sh. Praveen Ostwal, Non-Executive Director are the Son of Sh. Mahendra Kumar Ostwal, Chairman cum Non-Executive Director in the Company.

Number of shares and convertible instruments held by non- executive directors

Sh. Praveen Ostwal, who holds 332700 Equity Shares, Sh. Mahendra Kumar Ostwal who holds 8500 Equity Shares, Sh. Bheru Lal Ostwal who holds 52550 Equity Shares, Sh. Arvind Kothari who holds 12000 Equity Shares and Smt. Shurti Babel holds 50 Equity Shares in the Company.

Web link where details of familiarization programmes imparted to Independent Directors is disclosed:

All Independent Directors are familiarized with the Company and their roles, rights, responsibilities, nature of the industry in which the Company operates, business model of the Company, etc. from time to time.

The details regarding Independent Directors’ Familiarization Programmes are given on the website of the Company and can be accessed at <http://mbapl.com/pdf/Familizaration-Programmes-for-Independent-Directors.pdf>.

Separate Meeting of the Independent Directors

During the reporting financial year, a separate Meeting of the Independent Directors of the Company, was held on 06th February, 2021, at the Registered Office of the Company at 5-O-21, Basement, R.C. Vyas Colony, Bhilwara 311001, whereat the following items as enumerated under Schedule IV to the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were discussed:

- a) Review of performance of Non-Independent Directors and the Board as a whole.
- b) Review of performance of the Chairperson of the Company.
- c) Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

List of skills/expertise/competencies required to function the business effectively:

The following list of core skills/ expertise/ competencies are identified by the Board of Directors as required in the context of Business(es) and sector(s) for it to function effectively and those actually available with the Board of Directors.

Qualification & Knowledge: Directors should be financially literate and have a sound understanding of business strategy, corporate governance and board operations.

Integrity and Judgment: Directors should have the highest level of integrity, ethical character and the ability to exercise sound business judgment on a broad range of issues consistent with the Company's values.

Experience and Accomplishments: Directors should have significant experience and proven Superior performance in professional endeavours whether this experience is in business, government, and academic or with non-profit organizations.

Independence: Directors who are not current or former management should meet the spirit as well as the letter of the applicable independence standards. In addition, all Directors should be independent in their thought and judgment so that they represent the long-term interests of all shareholders of the Company.

Diversity: Directors should be capable of representing the multi-cultural nature of our global corporation with consideration being given to a diverse board in terms of gender and ethnic membership. In addition, the Committee shall take into account diversity in professional experience, skills and background.

Board Interaction: Directors should value board and team performance over individual performance, demonstrate respect for others and facilitate superior board performance.



MADHYA BHARAT AGRO PRODUCTS LIMITED

Directors should be willing and able to devote the time required to become familiar with Company's business and to be actively involved in the Board and its decision-making.

Skills: Directors should have expertise in one or more of the areas such as accounting and finance, technology, management, international business, compensation, legal, HR, corporate governance, strategy, industry knowledge and general business matters.

Confirmation pertaining to independent directors of the company:

In the opinion of the Board of Directors of the Company, Mr. Arvind Kothari, Mr. Paras Mal Surana, Mr. Bheru Lal Ostwal, Non-Executive Independent Directors and Shruti Babel, Woman Non- Executive Independent Director are Independent from the management and complies with the criteria of Independent Director as placed in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

Reasons for the resignation of an independent director: Not applicable

3. Audit Committee

(a) Brief description of terms of reference:

The terms of reference of the Audit Committee are in line with the provisions of Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The role of the Audit Committee is to provide oversight over the accounting systems, financial reporting and internal controls of the Company.

The powers and role of the Audit Committee are as set out in the Listing Agreement and Section 177 of the Companies Act, 2013.

(b) Composition, Name of Members and Chairperson:

The Audit Committee comprises 3 (Three) Directors as members. All members are financially literate and possess sound knowledge of accounts, finance and audit matters. The Company Secretary of the Company acts as Secretary to the Audit Committee. The Internal Auditors of the Company attend the Meetings of the Audit Committee on invitation of the Chairman of the Committee. The Composition of Audit Committee of the Company, is given below:

Sr. No	Name	Name Designation	Position in Committee
1.	Shri Arvind Kothari	Non-Executive-Independent Director	Chairman
2.	Shri Pankaj Ostwal	Managing Director	Member
3.	Shri Bheru Lal Ostwal	Non-Executive-Independent Director	Member

(c) Meetings and attendance during the year:

Four Audit Committee Meetings were held during the year ended March 31, 2021. The maximum time gap between any of the two meetings was not more than one hundred and twenty days.

The dates on which the Audit Committee meetings held are 21st July, 2020, 21st August, 2020, 5th November, 2020, and 06th February, 2021.

Details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Designation	Number of Meetings	
		Held	Attended
Arvind Kothari	Chairman	4	4
Pankaj Ostwal	Member	4	4
Bheru Lal Ostwal	Member	4	4

4. Nomination and Remuneration Committee

(a) Brief description of terms of reference:

Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;

Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;

Formulation of criteria for evaluation of performance of independent directors and the board of directors;

Devising a policy on diversity of board of directors;

Whether to extend or continue the term of appointment of the independent director, on the basis of the report performance evaluation of independent directors;

Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;

Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;

Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.

Decide the amount of Commission payable to the Whole time Directors;

Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc. and

To formulate and administer the Employee Stock Option Scheme.

(b) Composition, Name of Members and Chairperson:

The Nomination and Remuneration Committee was constituted by the Board with three Independent Directors. The Chairman of this Committee is Independent Director.

The Company Secretary acts as the Secretary of the Committee.

The Nomination and Remuneration Committee of the Company as under:-

Sr. No.	Name	Designation	Position in Committee
1.	Shri Bheru Lal Ostwal	Non-Executive-Independent Director	Chairman
2.	Arvind Kothari	Non-Executive-Independent Director	Member
3.	Paras Mal Surana	Non-Executive-Independent Director	Member

(c) Meetings and attendance during the year:

During the year, 1 Committee Meetings were held on 21st August, 2020.

Details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Designation	Number of Meetings	
		Held	Attended
Bheru Lal Ostwal	Chairman	1	1
Arvind Kothari	Member	1	1
Paras Mal Surana	Member	1	1

(d) Performance evaluation criteria for Independent Directors:

The Nomination and Remuneration Committee of the Board laid out the evaluation criteria for performance evaluation of the Board, its Committees and all the individual directors, in adherence of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The performance evaluation for the financial year was carried out in accordance with the criteria laid out by the Nomination and Remuneration Committee. The evaluation of all directors (including Independent Directors) was done by the entire Board of Directors (excluding the Director being evaluated).

5. Remuneration of director

(a) All pecuniary relationship or transactions of the non-executive director's visà- vis Company:

(Rs. In Lakhs)

Director	Designation	Salary /Perquisites /Commission	Sitting Fees	Total
Mahendra Kumar Ostwal	Non-Executive Director	18.00	-	18.00

(b) Criteria of making payments to Non-Executive Directors:

The Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees; regulated by the Nomination and Remuneration Committee of the Board. The Policy is also available on the website of the Company www.mbapl.com in the 'Investor Handbook' section in 'Investor Relation'.

6. Stakeholders' Relationship Committee

Composition, Name of Members and Chairperson:

The Nomination and Remuneration Committee was constituted by the Board with two Independent Directors and one executive Director. The Chairman of this Committee is Independent Director. During the year the 3 Stakeholder Relationship Committee Meetings were held on 21st August, 2020, 5th November, 2020, and 06th February, 2021.

The Company Secretary acts as the Secretary of the Committee.

The constituted Stakeholders Relationship Committee comprises the following:

Sr. No.	Name	Designation	Position in Committee
1.	Arvind Kothari	Non-Executive-Independent Director	Chairman
2.	Pankaj Ostwal	Managing director	Member
3.	Bheru Lal Ostwal	Non-Executive-Independent Director	Member

(a) Name of Non-Executive Director heading the Committee:

Shri Arvind Kothari, Non-Executive Independent Director was appointed as the Chairman of the Stakeholders Relationship / Grievance Redressal Committee.

(b) Name and designation of Compliance officer: Ms. Pallavi Sukhwai, Company Secretary

(c) A Summary of complaints received and resolved by the Company during the period under review is given below:

No. of Investor Complaints received	No. of Investor Complaints disposed	No. of Investor Complaints those remaining unresolved
0	0	0

7. Corporate Social Responsibility Committee

In compliance of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board has constituted a Corporate Social Responsibility Committee. The composition of the Corporate Social Responsibility (CSR) Committee as at March 31, 2021 is as under:

Name of the Director	Designation	Nature of Directorship
Arvind Kothari	Chairman	Non-Executive Independent Director
Paras Mal Surana	Member	Non-Executive Independent Director
Bheru Lal Ostwal	Member	Non-Executive-Independent Director

8. General Body Meetings

Annual General Meeting (“AGM”):

Particulars of last three Annual General Meetings:

AGM	Year Ended	Venue	Date	Time
23 rd	March 31, 2020	Meeting conducted through two-way Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) pursuant to the MCA Circular	25 th September 2020	11:30 A.M.
22 nd	March 31, 2019	Hotel Kanchi Resorts, Pur Road, Bhilwara (Raj) 311001	26 th September 2019	04:00 P.M.
21 st	March 31, 2018	Hotel Kanchi Resorts, Pur Road, Bhilwara (Raj) 311001	27 th September, 2018	04:00 P.M.

Extraordinary General Meeting:

No extraordinary general meeting of the members was held during FY 2021.

Special Resolutions passed in previous three Annual General Meetings

Following Special resolutions were passed by the Company during the last three Annual General Meetings (AGM) of the Company:

Date	Particulars
26 th September, 2020	1. No Special Resolutions were passed
26 th September, 2019	2. To consider and if thought fit, to pass, with or without modification, to appoint Sh. Mahendra Kumar Ostwal as a Non-Executive Director. 3. To consider and if thought fit, to pass, with or without modification, to appoint Sh. Bheru Lal Ostwal as a Non-Executive Independent Director. 4. To consider and, if thought fit, to pass, with or without modification(s), to re-appoint Mr. Arvind Kothari as an Independent Director of the Company for the second term

	<p>of five (5) consecutive years</p> <p>5. To consider and, if thought fit, to pass, with or without modification(s), to appoint Mr. Paras Mal Surana as an Independent Director of the Company for the five (5) consecutive years</p> <p>6. To consider and, if thought fit, to pass, with or without modification(s), to Increase in Borrowing Powers of the Company.</p> <p>7. To consider and, if thought fit, to pass, with or without modification(s), to Creation of Charge on Movable and Immovable properties of the Company, both present and future.</p>
27 th September, 2018	<p>1. To Approval of Loans to Directors/Interested Parties</p> <p>2. To Approval of Migration from NSE Emerge Platform to Main Board of NSE India Limited</p>

Resolution proposed to be passed through Postal Ballot

None of Business proposed to be transacted in the ensuring Annual General Meeting required the passing of a resolution by way of postal ballot.

9. Means of Communication

- 1). The unaudited quarterly results are announced within forty-five days from the close of the quarter and the Audited results are announced within sixty days from the close of the financial year. The financial results are immediately sent to the Stock Exchanges and also uploaded on the website of the Company -**www.mbapl.com**.
- 2). The Company's corporate website, **www.mbapl.com** provides comprehensive information to the Shareholders.
- 3). The Company has not made any presentation to the institutional investors or analysts.

10. General Shareholders Information

Sr. No.	Salient Items of Interest	Particulars
1.	Annual General Meeting Date and Day Time Venue/Mode	On Monday, September 27, 2021. 12.30 PM Meeting conducted through Video Conference ("VC")/Other Audio-Visual Means ("OAVM")
2.	Financial Year	April 1 st 2020 to March 31 st , 2021

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3.	Dividend Payment Date	Dividend will be paid within 30 days of the approval of the same in the Annual General Meeting			
	Listing on Stock Exchanges	The Company's equity shares are listed on National Stock Exchange (NSE). The listing fee for the same has been paid.			
	Symbol	MBAPL ISIN : INE900L01010			
Market Price Data: High, Low during each month in Last Financial Year					
	Month	High	Low		
	Apr-2020	65.00	61.75		
	May-2020	61.75	61.75		
	June- 2020	67.95	55.80		
	July-2020	72.00	56.90		
	Aug-2020	76.10	58.00		
	Sep-2020	70.70	57.95		
	Oct-2020	65.60	57.00		
	Nov- 2020	73.50	59.15		
	Dec-2020	72.00	63.45		
	Jan-2021	76.00	67.50		
	Feb-2021	83.90	67.00		
	Mar-2021	102.70	70.40		
	Register and Transfer Agents	BIGSHARE SERVICES PRIVATE LIMITED 1st Floor, Bharat Tin Works Building Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai 400059 Maharashtra Tel No.: +91-22-62638200 Fax No.: +91-22-62638299 Email: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Ashok Shetty SEBI Regn. No.: MB/INR000001385			
	Share Transfer System	As all the shares are held in dematerialized mode, the transfer takes place instantaneously between the transferor, transferee, and the Depository Participant through electronic debit/credit of the accounts involved.			
Distribution of Shareholding (as on 31.03.2021)					
	Shareholding	No. of Shareholders	Percentage of Shareholder	Share Amount	Percentage of Shareholding
	1-5000	402	70.90	291020	00.13
	5001-10000	22	03.88	180270	00.08
	10001-20000	12	02.12	183030	00.08

	20001-30000	21	03.70	606360	00.28
	30001-40000	5	00.88	175920	00.08
	40001-50000	9	01.59	433140	00.20
	50001-100000	42	07.41	2735800	01.25
	100001-999999999	54	09.52	214461810	97.90
	Total	567	100.00	219067350	100.00
	Dematerialization of shares and Liquidity	All the Equity shares i.e. 100 % of the total issued, subscribed and paid-up equity share capital of the Company was held in dematerialized form.			
	Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity	Not Applicable			
	Plant Locations	1. Village Rajoua, Distt: - Sagar (M.P.) 2. Village Sourai Tehsil - Banda, Distt: - Sagar (M.P.)			
	Address for correspondence	5-O-21, Basement R. C. Vyas Colony, Bhilwara - 311001, Rajasthan, India. Ph. No. 91-1482-237104/ 239091/ 230060 Email: secretarial@mbapl.com ; Website: www.mbapl.com			
	list of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	Not Applicable			

11. Other Disclosures

(a) Related Party Transactions:

During the year, none of the transactions with the related parties were in conflict with the interest of the Company at large.

All the related party transactions have been disclosed in the notes to the accounts of the Balance Sheet presented in the Annual Report.

(b) Details of non-compliance:

There were no strictures or penalties imposed by either SEBI or Stock Exchanges or any Statutory Authority for non-compliance of any matter related to the capital markets during the last three years.

(c) Vigil Mechanism / Whistle Blower Policy:

The Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. None of the person of the Company has been denied access to the Audit Committee.

The Whistle Blower Policy is displayed on the Company's website viz. <http://mbapl.com/pdf/Vigil-mechanism.pdf>

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

The policy for determining 'material' subsidiaries is available on the website of the Company at <http://mbapl.com/pdf/Material-Subsidiaries-Policy.pdf>

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

The policy on dealing with related party transactions is available on the website of the Company at <http://mbapl.com/pdf/Policy-on-related-party-transactions.pdf>

(g) Commodity price risk or foreign exchange risk and hedging activities:

The Company has a proper Risk Management Practices and any risk arising from exposure to foreign currency for exports and imports is being hedged on a continuous basis. As of now, the Company does not hedge any commodity price risk.

(h) Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under regulation 32(7A).

Not Applicable

(i) Certificate from the Practicing Company Secretary for the Non - Disqualification of Directors under SEBI (LODR), 2015- Regulation 34(3):

The Company has received Certificate from Practicing Company secretary, M/s. Sourabh Bapna & Associates, regarding that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as a director of companies by the Board, Ministry of Corporate Affairs or any other statutory authority as on March 31, 2021.

(j) Where the Board has not accepted any recommendation of any committee of the Board which is mandatorily required in the relevant financial year the same to be disclosed along with the reason thereof:- Not Applicable

(k) Total fees of all service paid by the listed company and its Subsidiary, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: - Rs. 1, 50,000 per annum.

(l) Disclosure under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

The company has in place an Anti-Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainee) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2020-21.

No. of complaints received: Nil

No. of complaints disposed off: Nil

(m) Instance of non-Compliance of any requirement of corporate governance report:

There has been no instance of non-compliance of any requirement of corporate governance report.

(n) Disclosure of compliance of regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(o) Disclosure of Accounting Treatment:

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

(p) CEO and CFO Certification:

The Chairman and Managing Director and Chief Financial Officer of the Company give annual Compliance Certificate in accordance with Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange(s). The annual Compliance Certificate given by Chairman and Managing Director and Chief Financial Officer is attached with this Report an integral part of the Annual Report.



MADHYA BHARAT AGRO PRODUCTS LIMITED

(q) Code of conduct for Board Members and Senior Management Personnel:

The Board had approved a code of conduct for Board Members and Senior Management Personnel of the company which also incorporates the duties of Independent directors as laid down in Companies act, 2013. The Code has been displayed on the company's website www.mbapl.com. The Board Members and Senior Management Personnel have affirmed compliance with the aforesaid code.

(r) Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance:

The Company taken Certificate from the Practicing Company secretaries, M/s. Sourabh Bapna & Associates, regarding compliance of conditions of corporate governance is attached with this Report an integral part of the Annual Report.

For and on behalf of the Board of Directors

Date 15.06.2021
Place Bhilwara (Raj)

Sd/-
(Pankaj Ostwal)
Managing Director

DIN 02586806

Sd/-
(Sourabh Gupta)
Whole Time Director
&
Chief Financial Officer
DIN 07177647

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS
OF CORPORATE GOVERNANCE**

To
The Members,
Madhya Bharat Agro Products Limited

We have examined the compliance conditions of corporate governance by Madhya Bharat Agro Products Limited for the Financial year ended March 31, 2021 as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Company Secretaries of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us,

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further 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 Sourabh Bapna & Associates
Company Secretaries

Sd/-
(Sourabh Bapna)
Proprietor
C.P. No. 19968
M. No. A51505

Date: 15.06.2021
Place: Bhilwara

CERTIFICATION FROM THE MANAGING DIRECTOR AND THE CFO

In terms of Regulation 34(3) of the SEBI (LODR) Regulation, 2015, we hereby certify as under:

a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:

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

ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violates the Code of Conduct of the Company.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We do further certify that there has been:

i. No Significant changes in internal control over financial reporting during the year;

ii. No Significant changes in accounting policies during the year;

iii. No Instances of fraud of which we have become aware and the involvement therein, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For and on Behalf of the Board of Directors

Sd/-

(Pankaj Ostwal)

Managing Director

DIN 02586806

Sd/-

(Sourabh Gupta)

Whole Time Director

&

Chief Financial Officer

DIN 07177647

Place Bhilwara (Raj)

Date 15.06.2021

ANNEXURE VIII**MANAGEMENT DISCUSSION & ANALYSIS REPORT****INDUSTRY SCENARIO AND DEVELOPMENTS**

The Company is mainly engaged in the manufacturing of fertilizer and chemical products. Out of three main nutrient viz N, P & K, which every soil requires, we are in the business of producing P through SSP. The winner in this field is those manufacturers who have integrated facilities and we are one among them. Demand of P has regularly increased and the same is ever growing with additional land coming under cultivation. The product being a part of agriculture revolution, received always Govt. support.

India still has capacity less than the demand and the deficit is met by imports.

OPPORTUNITIES

MBAPL has undertaken backward integration and there exists good scope for various expansion and development of new product due to availability of ample land and skill manpower. There exists ample scope for value addition product from Sulphuric Acid. Following opportunities are also available for MBAPL:

- Increase in product line covering Macro and Micro nutrients.
- MBAPL has commenced production of Phosphoric Acid, SA in its new sulphuric acid plant and DAP/NPK/Complex Fertilizer.
- The expansion activities chalked out by the company and optimization of production, introduction of value-added products at regular interval are favourable to the company.
- High Growth Potential.

THREATS

- Competition from other Fertilizer manufacturing companies and imports.
- The main threat to the industry is vagaries of monsoon.
- Changes in government policies or regulations may have an adverse impact on the business.
- Generic impact of economic slowdown may adversely affect business.
- Exchange fluctuation on which roc phosphate and DAP prices are dependent.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

Detail of Segment wise performance is furnished separately in the Balance Sheet of the Company.

FUTURE OUTLOOK- EXPANSION & INFRASTRUCTURE PROJECT

Company has recently commenced production of new portfolio products viz DAP, TSP and NPK post receipt of consent from Ministry of Industry for its unit with combined production capacity of 120,000 MT. These products currently have huge consumption demand in India which is substantially been met by Import.

RISK & CONCERN

Our business is mostly dependent upon the growth of agriculture and Agri-products which are subject to substantial risks faced by the Monsoon in India. Weather condition such as delayed monsoon or less rainfall may affect our business, the dependence on Government policies which ultimately impact the overall performance of the industry. These are all factors which are beyond the control of the private enterprise and would continue to be a challenge.

The previous financial year 2020-21 has been very tough due to the outbreak of COVID 19 pandemic which has thrown up many challenges in terms of complete shutting down for few months, limited operations for most part of the year and crippled supply chains across the manufacturing sector. The COVID effect on businesses is still a worrisome situation for the industry in the next FY and the businesses have to adopt newer strategies to stay afloat and relevant.

INTERNAL CONTROL SYSTEM

The company has in place an adequate internal control system, which is commensurate with the size, scale and complexity of the company. The internal auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit compliance is ensured by the direct reporting of Internal Audit Division and Internal Auditors to the Audit Committee of the Board.

During the period under review the Internal Financial Control were tested and no reportable material weakness in the design or operation were observed.

OPERATIONAL PERFORMANCE

During the year under review, company has reported a turnover of Rs. 185.71 Crore as against of Rs. 130.86 Crore growing by 41.91 % over last Financial Year and similarly Profit after tax at Rs. 20.24 Crore as against 14.83 crores in previous year was up 36.42%.

KEY FINANCIAL RATIOS

Sr. No	Particulars of Ratio	31.03.2021	31.03.2020	Explanation for change in Ratios
1	Debtors Turnover	4.58	4.60	No major change, continues to be good
2	Inventory Turnover	3.23	3.27	No major change
3	Interest Coverage Ratio	8.52	8.00	Improved, No major change
4	Current Ratio	1.50	2.62	Excess surplus utilized for new project still continued to be above benchmark.
5	Debt Equity Ratio	0.31	0.24	Due to availment of Term Loan for new project but still good.

6	Operating Profit Margin (%)	15.30	16.23	No major change, Slight deterioration is due to rise of raw material prices.
7	Net Profit Margin (%)	10.90	11.34	No major change, slight change is due to rise in raw material prices.

DETAILS PERTAINING TO RETURN ON NET-WORTH OF THE COMPANY

Sr. No	Particulars of Ratio	31.03.2021	31.03.2020	Explanation for change in Return on Net Worth
1	Return on Net Worth (%)	13.55	11.38	Improved due to better performance

HUMAN RESOURCE DEVELOPMENT

As a part of ongoing exercise of the restructuring and re-organisation of the Company's business, the Company undertakes periodic comprehensive reviews of its HR policies and amends the same suitably from time to time, to meet the emerging business requirements. We have had cordial relations with the staff throughout the year.

CAUTIONARY STATEMENT

There are certain statements in this report which the Company believes are forward looking. The forward-looking statements stated in this report could significantly differ from the actual results due to certain risks and uncertainties, including but not limited to economic developments, Government actions, etc.

For and on behalf of the Board of Directors

Date 15.06.2021
Place Bhilwara (Raj)

Sd/- (Pankaj Ostwal) Managing Director DIN 02586806	Sd/- (Sourabh Gupta) Whole Time Director & Chief Financial Officer DIN 07177647
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MADHYA BHARAT AGRO PRODUCTS LIMITED

ANNEXURE-IX

NOMINATION AND REMUNERATION POLICY

(Pursuant to clause (e) of sub-section (3) of section 134 of the Companies Act, 2013)

Introduction:

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee, in compliances with Section 178 of the Companies Act, 2013 read along with applicable rules thereto.

Objectives of the Committee:

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- ii. Specify the manner for effective evaluation of performance of Board, its committees and individual directors (including Independent director) to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance and to provide necessary report to the Board for further evaluation.
- iii. Devising a policy on Board diversity.
- iv. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- v. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- vi. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- vii. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- viii. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- ix. To perform such other functions as may be necessary or appropriate for the performance of its duties.
- x. To develop a succession plan for the Board and to regularly review the plan.

Definitions:

- **“Board”**:-Board means Board of Directors of the Company.

- **“Director”**:-Directors means Directors of the Company.
- **“Key Managerial Personnel”**:- Key Managerial Personnel (KMP) means-
 - (i) The Chief Executive Officer or the managing director or the manager;
 - (ii) The Whole-Time Director;
 - (iii) The Company Secretary;
 - (iv) The Chief Financial Officer; and
 - (v) Such other officer as may be prescribed under the applicable statutory provisions/ regulations
- **“Nomination and Remuneration Committee”** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.
- **“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Chairman:

- a. Chairman of the Committee shall be an Independent Director.
- b. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d. Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

Frequency of Meetings:

The Committee shall meet once in a year.

Committee Members' Interests:

- a. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

Voting:

(a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

(b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

General Appointment Criteria:

i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.

ii. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under or any other enactment for the time being in force.

iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, or any other enactment for the time being in force.

iv. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

Criteria for Evaluation of the Board:

Following are the Criteria for evaluation of performance of the Board:

1. Executive Directors:

The Executive Directors shall be evaluated on the basis of targets/Criteria given to executive Directors by the Board from time to time

2. Non-Executive Director:

The Non-Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

(a) Act objectively and constructively while exercising their duties;

(b) Exercise their responsibilities in a bona fide manner in the interest of the Company;



MADHYA BHARAT AGRO PRODUCTS LIMITED

- (c) Devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- (d) Do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (e) Refrain from any action that would lead to loss of his independence
- (f) Inform the Board immediately when they lose their independence,
- (g) Assist the Company in implementing the best corporate governance practices.
- (h) Strive to attend all meetings of the Board of Directors and the Committees;
- (i) Participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (j) Strive to attend the general meetings of the Company;
- (k) Keep themselves well informed about the Company and the external environment in which it operates;
- (l) Do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (m) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.
- (n) Abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading etc.

Remuneration:

The Committee will recommend the remuneration to be paid to the Managing Director, Whole Time Director, KMP and Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks.

Deviations from this policy

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

For and on behalf of the Board of Directors

Date 15.06.2021
Place Bhilwara (Raj)

Sd/-
(Pankaj Ostwal)
Managing Director

DIN 02586806

Sd/-
(Sourabh Gupta)
**Whole Time Director
&
Chief Financial Officer**
DIN 07177647

ANNEXURE X**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY****1. Brief outline on CSR Policy of the Company.**

CSR activities at Madhya Bharat Agro Products Limited is already in existence for the benefit of the society. It is recognized that integrating social, environmental and ethical responsibilities into the governance of businesses ensures the long-term success, competitiveness and sustainability.

Further, Corporate Social Responsibility makes a business sense as companies with effective CSR brings improvement in social strata which ultimately comes back to the company through increased demand of products. It also improves image as a socially responsible company.

The main objective of CSR policy is to make CSR a key business process for sustainable development of the society. Madhya Bharat Agro Products Limited will act as a good corporate citizen and aims at supplementing the role of Government in enhancing the welfare measures of the society within the framework of its policy.

The Corporate Social Responsibility Policy of the Company is available on the website of the Company <http://www.mbapl.com> in the 'Investor Handbook' under 'Investor Relation'.

2. Composition of CSR Committee-

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Arvind Kothari	Chairman	2	2
2.	Shri Paras Mal Surana	Member	2	2
3.	Shri Bheru Lal Ostwal	Member	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: - <http://www.mbapl.com>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): - Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2017-2018	-	-
2	2018-2019	-	-
3	2019-2020	-	-
	TOTAL		

6. Average net profit of the company as per section 135(5): - 1527.51 lakhs
7. (a) Two percent of average net profit of the company as per section 135(5): - 30.55 Lakhs
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (c) Amount required to be set off for the financial year, if any: - Nil
- (d) Total CSR obligation for the financial year (7a+7b- 7c): - 30.55 Lakhs
8. (a) CSR amount spent or unspent for the financial year:

Total amount spent for the financial Year. (Rs. in Lakhs)	Amount Unspent (Rs. In Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
30.72	NA	NA	NA	NA	NA

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (Rs. in Lakhs).	Mode of implementation on Direct Yes/No	Mode of implementation - Through implementing agency	
				State.	District.			Name.	CSR registration No.
1	COVID support - supply of sanitizer, Mask and food packets distribution	promoting health care and Disaster Managment	Yes	Madhya Pradesh	Sagar	5.34	Yes	-	-
2	Ensure Environmental Sustainability - Flora and Fauna	Environmental Sustainability	Yes	Madhya Pradesh	Sagar	2.39	Yes	-	-
3	Promoting Rural Sports by providing contributions	Promote rural sports	Yes	Madhya Pradesh	Sagar	0.26	Yes	-	-
4	Building of Classrooms and Toilets in schools	promoting education	Yes	Madhya Pradesh	Sagar	12.31	Yes	-	-
5	Drinking Water, Conducting Health Camps, Eradication of Poverty, Food Distribution	promoting health care and Eradicating hunger, poverty and malnutrition	No	Rajasthan	Bhilwara	2.50	No	Nirmala Devi Seva Sansthan	In Process
6	Promoting Preventive Health Care and Promoting education by providing contributions	promoting health care and promoting education	No	New Delhi	New Delhi	5.00	No	Terapant h Professional Forum	In Process
7	Eradication of Poverty, Food Distribution	Eradicating hunger, poverty and	No	Rajasthan	Bhilwara	1.92	Yes	-	-

		malnutrition							
8	Rural Development Project	Rural Development Project	Yes	Madhya Pradesh	Sagar	1.00	Yes	-	-
	Total					30.72			

- (d) **Amount spent in Administrative Overheads:** Not Applicable
(e) **Amount spent on Impact Assessment, if applicable:** Not Applicable
(f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** 30.72 Lakhs
(g) **Excess amount for set off, if any**

Sl. No.	Particular	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	30.55
(ii)	Total amount spent for the Financial Year	30.72
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.17
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.17

9. (a) **Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSRA Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.).	Date of transfer.	
1.							
2.				NA			
3.							
	TOTAL						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
N.A.								
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: -

- (a) Date of creation or acquisition of the capital asset(s) - Not Applicable
- (b) Amount of CSR spent for creation or acquisition of capital asset - Not Applicable
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.- Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) - Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): - Not Applicable

For and on behalf of the Board of Directors

Date 15.06.2021
Place Bhilwara (Raj)

Sd/-
(Pankaj Ostwal)
**Managing
Director**
DIN 02586806

Sd/-
(Arvind Kothari)
**Chairman CSR
Committee**
DIN 03268623

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MADHYA BHARAT AGRO PRODUCTS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **MADHYA BHARAT AGRO PRODUCTS 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 the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, 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 standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the

context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the 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 standalone financial statements and our auditor's report thereon.

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

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

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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 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 Flows dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". 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 of 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 information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position;
 - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

2) 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 B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For M/s. Rajneesh Kanther & Associates
Chartered Accountants
(Firm's Registration No. 021262C)

Place: Bhilwara
Date: June 15, 2021

Sd/-
Rajneesh Kanther
Proprietor
(Membership No. 102162)

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of MADHYA BHARAT AGRO PRODUCTS LIMITED of even date)

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

We have audited the internal financial controls over financial reporting of **MADHYA BHARAT AGRO PRODUCTS LIMITED** (the “Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The

procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to 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

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For M/s. Rajneesh Kanther & Associates
Chartered Accountants
(Firm's Registration No. 021262C)

Sd/-
Rajneesh Kanther
Proprietor
(Membership No. 102162)

Place: Bhilwara
Date: June 15, 2021

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MADHYA BHARAT AGRO PRODUCTS LIMITED of even date)

- 1) In respect of the Company's fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a regular program of physical verification of its property, plant and equipment, by which all property, plant and equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties taken on lease and disclosed as right-of-use-assets in the standalone financial statements, the lease agreements are in the name of the Company.
- 2) As per the information and explanation given to us, the inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on such verification.
- 3) As per the information and explanations given to us and on the basis of the books of accounts, the company has not granted loans to any parties covered in the register maintained under section 189 of the Companies act, 2013. Thus clause iii (a), iii (b), iii(c) are not applicable.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- 5) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of sections 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.

- 6) 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 section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the same.
- 7) According to the information and explanations given to us, in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
 - Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2021 on account of dispute are given below:

Name of the statute	Nature of dues	Amount (Rs. In Lakhs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Demand raised by commercial tax department for Entry tax for the F.Y.2012-13	Sales Tax	3.72	2012-13	Appeal made to Appellate Authority ,APP DC Sagar Division

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have any outstanding loans or borrowings from financial institutions or Government and there are no dues to debenture holders during the year.
- 9) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

- 10) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 11) In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- 12) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- 13) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- 14) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- 15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- 16) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M/s. Rajneesh Kanther & Associates
Chartered Accountants
(Firm's Registration No. 021262C)

Sd/-

Rajneesh Kanther
Proprietor
(Membership No. 102162)

Place: Bhilwara
Date: June 15, 2021

MADHYA BHARAT AGRO PRODUCTS LIMITED
5-O-21, Basement, R.C. Vyas Colony, Bhilwara (Raj.) India
Website: www.mbapl.com Email: secretarial@mbapl.com; CIN No.: L24121RJ1997PLC029126
BALANCE SHEET AS AT 31st March 2021

(Rs. in lakhs)

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
I ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	8513.89	8316.70
(b) Capital work-in-progress	3	7535.05	3071.37
(c) Financial Assets			
(i) Other Financial Assets	4	121.64	65.61
(d) Deferred tax assets (Net)	5	0.00	0.00
(d) Other Non-Current Assets	6	4.95	242.47
Total Non Current Assets		16175.53	11696.15
Current Assets			
(a) Inventories	7	5307.54	3298.09
(b) Financial Assets			
(i) Trade receivables	8	2729.55	2777.13
(ii) Cash and cash equivalents	9	47.00	95.03
(iii) Loans	10	8.21	1.28
(iv) Other Current Financial Assets	11	128.00	177.89
(c) Other current assets	12	2045.28	863.24
Total Current Assets		10265.58	7212.66
Total Assets		26441.11	18908.81
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13	2190.67	2190.67
(b) Other Equity	14	12745.34	10845.11
Total Equity		14936.01	13035.78
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	4135.59	2918.85
(ii) Lease Liabilities	16	10.93	12.93
(b) Provisions	21	15.46	0.00
(c) Deferred tax liabilities (Net)	5	511.42	185.97
Total Non Current Liabilities		4673.40	3117.75
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	2083.29	785.41
(ii) Trade Payables	18		
(A) total outstanding dues of micro enterprises and small enterprises		89.42	117.92
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		2082.15	458.81
(iii) Lease Liabilities	16	0.19	0.21
(iv) Other financial liabilities	19	1250.18	323.21
(b) Other current liabilities	20	1267.11	1031.69
(c) Provisions	21	2.60	0.00
(d) Current tax liabilities (Net)	22	56.76	38.03
Total Current Liabilities		6831.70	2755.28
Total Equity and Liabilities		26441.11	18908.81

Significant Accounting Policies & the accompanying notes forming integral part of the Financial Statements

"1 to 45"

As per our report of even date.

For :M/s Rajneesh Kanther & Associates
Chartered Accountants
(Firm Registration No. 021262C)

For and on Behalf of the Board of Directors

Sd/-
(Rajneesh Kanther)
Proprietor
Membership No. 102162
Place: Bhilwara
Date: 15th June,2021

Sd/-
(Pankaj Ostwal)
Managing Director
DIN 02586806

Sd/-
(Praveen Ostwal)
Director
DIN : 00412207

Sd/-
(Pallavi Sukhwai)
Company Secretary
Membership No. ACS 43744

Sd/-
(Sourabh Gupta)
CFO
DIN 07177647

MADHYA BHARAT AGRO PRODUCTS LIMITED

5-O-21, Basement, R.C. Vyas Colony, Bhilwara (Raj.) India

Website: www.mbapl.com Email: secretarial@mbapl.com; CIN No.: L24121RJ1997PLC029126

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2021

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31 st March 2021	For the year ended 31 st March 2020
REVENUE			
Revenue From operations	23	18571.39	13086.36
Other income	24	15.38	22.47
Total Income		18586.77	13108.83
Expenses:			
Cost of materials consumed	25	9381.64	6706.75
Changes in inventories of finished goods, work-in-progress, and stock-in- trade	26	(340.72)	(983.04)
Employee benefits expense	27	1134.83	799.15
Finance costs	28	380.13	306.49
Depreciation and amortization expense	29	937.20	1041.14
s	30	4236.13	3091.70
Total expenses		15729.21	10962.19
Profit Before Tax		2857.56	2146.64
Tax expense:			
(1) Current tax		501.91	378.71
(2) Deferred tax		331.46	284.18
Total Tax Expense		833.37	662.89
Profit After Tax		2024.19	1483.75
Other Comprehensive Income			
Items that will not be reclassified to profit or loss	31		
Remeasurement of defined benefit plans		(20.62)	4.59
Tax relating to remeasurement of defined benefits plans		6.00	(1.34)
Total Other Comprehensive Income for the period		(14.62)	3.25
Total Comprehensive Income for the period		2009.58	1487.00
Earning Per equity Share of Face value Rs.10 each (Basic and Diluted in Rs.)	38	9.24	6.77

Significant Accounting Policies & the accompanying notes forming integral part of the Financial Statements

"1 to 45"

As per our report of even date.

For :M/s Rajneesh Kanther & Associates
Chartered Accountants
(Firm Registration No. 021262C)

For and on Behalf of the Board of Directors

Sd/-
(Rajneesh Kanther)
Proprietor
Membership No. 102162
Place: Bhilwara
Date: 15th June,2021

Sd/- (Pankaj Ostwal)
Managing Director
DIN 02586806

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Director
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MADHYA BHARAT AGRO PRODUCTS LIMITED
5-O-21, Basement, R.C. Vyas Colony, Bhilwara (Raj.) INDIA
Website: www.mbapl.com Email: secretarial@mbapl.com; CIN No.: L24121RJ1997PLC029126
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST March 2021

(Rs. in lakhs)

Particulars	For The year ended 31st March 2021	For The year ended 31st March 2020
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	2,857.56	2,146.64
Adjustments for:		
Depreciation and Amortisation	937.20	1,041.14
Finance Cost	379.24	305.42
Interest Income	(5.82)	(4.58)
Loss / (Profit) on sale of Property, Plant & Equipment	5.45	0.29
Interest paid on Lease Liabilities	0.89	1.07
Actuarial (Loss)/ Gains on Defined Benefit Obligations	(20.62)	-
Operating profit before working capital change	4,153.90	3,489.98
Adjustments for:		
Increase/(Decrease) in Trade payable	1,594.84	58.78
Increase/(Decrease) in Other Current Liability	235.42	135.96
(Increase)/Decrease in Inventories	(2,009.45)	(1,208.92)
(Increase)/Decrease in Trade Receivable	47.60	(551.53)
(Increase)/Decrease in Other Financial Assets	231.38	400.43
(Increase)/Decrease in Other Current Assets	(1,182.05)	(394.24)
(Increase)/Decrease in Other Financial Assets -Loans	(6.93)	1.16
Increase/(Decrease) in Other Financial Liability	405.02	(61.25)
Increase/(Decrease) in Provision	18.06	-
Net changes in working capital	(666.11)	(1,619.61)
Cash Generated from/(used in) operations	3,487.79	1,870.37
Direct Taxes paid	483.18	425.97
Net cash from/(Used in) operating activities (A)	3,004.61	1,444.40
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant & Equipment	(5,626.09)	(2,265.14)
Sale proceed of Property, Plant & Equipment	20.84	21.85
Interest Income	5.82	4.58
Net cash from investing activities (B)	(5,599.43)	(2,238.71)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds of long term borrowings	432.00	1,214.89
Repayment of long term borrowings	1,306.66	-
Proceeds/(Repayment) of short term borrowings	1,297.88	108.48
Repayment of Lease Liabilities	(1.07)	(1.45)
Finance Costs (Including Lease Liabilities Interest)	(379.24)	(305.42)
Dividend Paid	(109.44)	(109.53)
Dividend Distribution tax Paid	-	(22.52)
Net cash from financing activities (C)	2,546.79	884.45
Net increase in cash and cash equivalents (A+B+C)	(48.03)	90.14
Cash and cash equivalents as at the Start of the Year	95.03	4.89
Cash and cash equivalents as at the End of the Year	47.00	95.03
Net Cash Flow During The Year	(48.03)	90.14

As per our report of even date.

For :M/s Rajneesh Kanther & Associates

Chartered Accountants

(Firm Registration No. 021262C)

For and on Behalf of the Board of Directors

Sd/-
(Pankaj Ostwal)
Managing Director
DIN 02586806

Sd/-
(Praveen Ostwal)
Director
DIN : 00412207

Sd/-
(Rajneesh Kanther)
Proprietor
Membership No. 102162
Place: Bhilwara
Date: 15th June,2021

Sd/-
(Pallavi Sukhwai)
Company Secretary
Membership No. ACS 43744

Sd/-
(Sourabh Gupta)
CFO
DIN 07177647

A. EQUITY SHARE CAPITAL

(Rs. in lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	2,19,06,735	2,190.67	2,19,06,735	2,190.67
Changes in equity share capital during year	-	-	-	-
Balance at the end of the reporting period	2,19,06,735	2,190.67	2,19,06,735	2,190.67

B. OTHER EQUITY

Particulars	Reserve and Surplus		Other Comprehensive Income	Total
	Securities Premium	Retained Earnings	Remeasurement of defined benefit plans	
Balance at the beginning of the reporting year i.e 01.04.2019	1,686.52	7,804.30	-	9,490.82
Profit for the year	-	1,483.75	-	1,483.75
Other Comprehensive Income /(Loss) for the year, net of income tax	-	-	2.59	2.59
Total Comprehensive Income for the year	-	1,483.75	2.59	1,486.34
Dividend paid (Including Dividend Distribution Tax)	-	132.05	-	132.05
Balance at the end of the reporting period i.e. 31.03.2020	1,686.52	9,156.00	2.59	10,845.11
Restated balance at the beginning of the reporting period	1,686.52	9,156.00	2.59	10,845.11
Profit for the year	-	2,024.19	-	2,024.19
Other Comprehensive Income /(Loss) for the year, net of income tax	-	-	(14.62)	(14.62)
Total Comprehensive Income for the year	-	2,024.19	(14.62)	2,009.58
Transfer to / (from) retained earnings	-	0.18	-	0.18
Dividends Paid (including Dividend Distribution Tax)	-	109.53	-	109.53
Balance at the end of the reporting period i.e. 31.03.2021	1,686.52	11,070.84	(12.02)	12,745.34

As per our report of even date.

For :M/s Rajneesh Kanther & Associates
Chartered Accountants
(Firm Registration No. 021262C)

Sd/-
(Rajneesh Kanther)
Proprietor
Membership No. 102162
Place: Bhilwara
Date: 15th June, 2021

For and on Behalf of the Board of Directors

Sd/-
(Pankaj Ostwal)
Managing Director
DIN 02586806

Sd/-
(Praveen Ostwal)
Director
DIN : 00412207

Sd/-
(Pallavi Sukhwai)
Company Secretary
Membership No. ACS 43744

Sd/-
(Sourabh Gupta)
CFO
DIN 07177647

CORPORATE INFORMATION:

Madhya Bharat Agro Products Limited (“the Company”) is a public limited Company, incorporated and domiciled in India having its registered office at 5-O-21, Basement, R.C. Vyas Colony, Bhilwara (Rajasthan) 311001. The equity shares of the Company are listed on NSE Limited. The Company is engaged in the manufacturing of fertilizers & chemicals having manufacturing facility located Unit at Rajoua Dist. Sagar (M.P.) & Unit at Industrial Area ,Village Sourai Teh. –Banda Distt. Sagar(M.P.)

The financial statements of the Company for the year ended 31st March, 2021 are approved for issue by the Company’s Board of Directors on 15th June 2021

1. SIGNIFICANT ACCOUNTING POLICIES & KEY ACCOUNTING ESTIMATES & JUDGEMENTS

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

A. Statement of compliance:

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“the Act”) [Companies (Indian Accounting Standards) Rules, 2015] Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These Ind AS had been adopted w.e.f. 1 April, 2018 as notified by Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015.

The Financial Statements includes Balance Sheet as at 31 March, 2021, the Statement of Profit & Loss including Other Comprehensive Income, Cash Flows Statement, and Statement of Change in Equity for the year ended 31 March, 2021 and significant accounting policy and other explanatory information.

B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company’s functional currency. All financial information presented in INR has been rounded off to the nearest Lakhs, except as stated otherwise.

C. Basis of measurement

The financial statements have been prepared under the historical cost convention on accrual basis. The following items are measured on each reporting date as under:

- Defined benefit plans - plan assets at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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.

D. Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The Company is evaluating the effect of the amendments on its financial statements.

E. Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

The 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 no. 1.2.

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 reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

1.2 Use of Critical Judgments, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial years are described below. The Company based its assumptions and estimates or parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

A. Useful lives of property, plant and equipment and Intangible Assets

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life.

The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

B. Employee benefits

Defined benefit plans and other long-term benefits are evaluated with reference to uncertain events and based upon actuarial assumptions including among others discount rates, expected rates of return on plan assets, expected rates of salary increases, estimated retirement dates, mortality rates. The significant assumptions used to account for Employee benefits are described in Note no M.

C. Revenue Recognition

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Judgement is also required to determine the transaction price for the contract. The Company allocates the elements of variable considerations to all the performance

obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

D. 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 judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. 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.

E. Loss allowance for receivables

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19.

F. Taxes

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

G. Contingencies

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies and obligations. Obligations relating to Project Executions is largely depends upon performance of services by respective contractors. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognised until the contingency has been resolved and amounts are received or receivable.

1.3 SIGNIFICANT ACCOUNTING POLICIES:

A. Current and non-current classification

Any asset or liability is classified as current or non-current based on Company's normal- operating cycle and other criteria as set out in the Division II of schedule III to the Companies Act, 2013.

Asset/ Liability is classified as current, if it satisfies any of the following conditions:

- the asset/liability is expected to be realized/settled in the Company's normal operating cycle;

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets/ liabilities are classified as noncurrent.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of product and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

B. Property, plant and equipment (PPE)

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to the costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discount or rebate is deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the statement of profit and loss as and when incurred.

Capital work-in-progress includes cost of property, plant and equipment not ready for the intended use as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as 'capital advances' under other non-current assets.

The cost and related accumulated depreciation are eliminated from the Financial Statements upon sale or retirement of the property, plant and equipment and the resultant gains or losses are recognised in the statement of profit and loss. Property, plant and equipment to be disposed of are reported at the lower of the carrying value or the fair value less cost of disposal.

The Company had elected to continue with the carrying value of all of its property, plant and equipment appearing in the financial statements prepared as per accounting standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (Generally Accepted Accounting Standards "Previous GAAP") as the deemed cost of the property, plant and equipment in the opening balance sheet under Ind As effective 1st April, 2018.

C. Depreciation and amortization

Depreciation method, estimated useful lifes and residual values are determined based on technical parameters / assessment, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

The estimated useful life of Property, Plant & Equipment are as follows:

Assets	Useful life (Years)
Buildings	30 -60
Plant and Machinery	8 -20
Office Equipment	5
Furniture & Fixtures	10
Vehicles	8 -10
Computers	3
Energy Saving Equipment	15
Pollution Control Equipment	15
Electric Installations	10

The management believes that these estimated useful lifes are realistic and reflect fair approximation of the period over which the Property, Plant and Equipment are likely to be used.

Depreciation on property, plant and equipment is provided on pro rata basis using the straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 in consideration with useful life of the assets as estimated by the management.

Depreciation on an item of property, plant and equipment sold, discarded, demolished or scrapped, is provided up to the date on which such item of property, plant and equipment is sold, discarded, demolished or scrapped.

The estimated useful lifes, residual values and methods of depreciation of property, plant & equipment are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate and adjusted prospectively, if any.

D. Impairment of assets

As at the end of each accounting year, the Company reviews the carrying amounts of its property, plant and equipment (PPE) and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. The intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- a) In the case of an individual asset, at the higher of the net selling price and the value in use; and
- b) In the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

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

E. Leases:

As a Lessee

The Company implemented a single accounting model as per Ind AS 116, requiring lessees to recognize assets and liabilities for all leases excluding exceptions listed in the standard. The Company elected to apply exemptions to short term leases or for leases for which the underlying asset is of low value.

Based on the accounting policy applied the Company recognizes a right-of-use asset and a lease liability at the commencement date of the contract for all leases conveying the right to control the use of an identified assets for a period of time. The commencement date is the date on which a lessor makes an underlying asset available for use by a lessee.

The right-of-use assets are initially measured at cost, which comprises:

- The amount of the initial measurement of the lease liability,
- Any lease payments made at or before the commencement date, less any lease incentives,
- Any initial direct costs incurred by the lessee,
- An estimate of costs to be incurred by the lessee in dismantling and removing the underlying assets or restoring the site on which the assets are located.

After the commencement date the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability. Depreciation is calculated using the straight-line method over the shorter of lease term or useful of underlying assets.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date. These include:

- fixed payments, less any lease incentives receivable;

- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease payments exclude variable elements which are dependent on external factors. Variable lease payments not included in the initial measurement of the lease liability are recognized directly in the profit and loss. The lease payments are discounted using the Company's incremental borrowing rate or the rate implicit in the lease contract.

F. 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.

i) Financial assets

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition and adjusted for transaction costs that are attributable to the acquisition or issues of financial assets and financial liabilities in case of financial assets or financial liabilities not at fair value through profit or loss account.

Where the fair value of financial assets and financial liabilities at initial recognition is different from its transaction price, the difference between the fair value and transaction price is recognised in the statement of profit and loss.

However, trade receivables that do not contain a significant financing component are initially measured at transaction price.

Financial assets are subsequently classified as measured at:

- amortized cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVTOCI)

i. Financial assets measured at amortised cost

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

- If 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.

This category applies to trade receivables, loans and other financial assets of the Company measured using the Effective Interest Rate (EIR) method less impairment, if any, and the amortisation of EIR and loss arising from impairment, if any is recognised in the statement of profit and loss.

ii. Financial assets measured at fair value

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

- If it is held within a business model whose objective is to hold these assets in order to collect contractual cash flows and to sell these financial assets, and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value movements are recognised in the other comprehensive income.

A financial asset not classified as either amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

De-recognition of Financial Assets

A financial asset is de-recognised only when

- The contractual rights to cash flows from the financial asset expire;
- The Company has transferred the contractual rights to receive cash flows from the financial asset or;
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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 the statement of profit and loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

ii) Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method.

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 Instrument

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

Financial Liability

Trade and other payables are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Interest bearing loans and overdrafts are initially measured at fair value, and are subsequently measured at amortised cost using effective interest rate method. Any difference between proceeds (net of transaction cost) and the settlement amount of borrowing is recognised over the terms of the borrowings in the statement of profit and loss.

De-recognition of Financial liabilities

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or has expired.

iii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

G. Fair Value Measurement

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability and the Company has access to the principal or the most advantageous market.

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 categorized within the fair value hierarchy that categorizes into three levels, described as follows:-

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

H. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of the assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

I. Income tax

Income tax expense for the year comprises current tax and deferred tax.

Current tax

Current tax is the amount of income tax payable in respect of taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Current tax is determined on the basis of taxable income and tax credits computed for Company, in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit under the IT Act.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a

transaction (other than business combination) that affects neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized.

Deferred tax assets (including unused tax credits such as MAT credit) are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws in force. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

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

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

Current and deferred tax are recognized in statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

J. Inventories

Raw Materials, Packing Materials, Consumable Stores and Spares including Fuel and Finished goods are valued at the lower of cost or net realizable value as under:

(i)	Raw materials, Packing materials, Stores and Spares including Fuel	At Cost on FIFO basis
	Stock in trade and Finished Goods	At Cost plus appropriate overheads
(ii)		

The cost of purchase comprises of the purchase price including duties and taxes (other than those subsequently recoverable by the Company from the taxing authorities), freight inward and other

expenditure directly attributable to the acquisition but net of trade discount, rebates, and other similar items.

The cost of Inventories of finished goods comprises the cost of purchases, the cost of conversion and the cost of packing materials.

The cost of conversion comprises of depreciation and repairs and maintenance of plant and machineries, power and fuel, factory management and administration expenses and consumable stores and spares.

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

K. Cash and cash equivalents

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

L. Foreign currency translation

The functional currency and presentation currency of the Company is Indian Rupee.

Transactions denominated in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying the exchange rate prevailing on the date of transaction.

Foreign currency denominated monetary items is restated at the closing exchange rates.

Non-monetary items are recorded at exchange rate prevailing on the date of transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the statement of profit and loss.

The forward exchange contracts are marked to market and gain/loss on such contracts are recognised in the statement of profit and loss at the end of each reporting period.

M. Employee benefits

i) Short-term benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

ii) Post-Employment Benefits:

i. Defined benefit plan

Gratuity liability is a defined benefit obligation and is provided for on the basis of actuarial valuation on Project Unit Credit Method made at the end of each financial year. The scheme is maintained and administered by Life Insurance Corporation of India to which the Company makes periodical contributions through its trustees.

Remeasurement actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur directly

in other comprehensive income. They are included in retained earnings in the statement if changes in equity and in the balance sheet.

ii. Defined contribution plan

A Defined Contribution Plan is plan under which the Company makes contribution to Employee's Provident Fund administrated by the Central Government. The Company's contribution is charged to the statement of profit and loss.

iii) Other Long Term Employee Benefits - Leave Salary

The liability towards leave salary which is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related services is recognized based on actuarial valuation carried out using the Projected Unit Credit Method.

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

N. Provision and contingent liabilities

The Company sets up a provision when there is a present legal or constructive obligation as a result of a past event and it will probably requires an outflow of resources to settle the obligation and a reliable estimate can be made. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and 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.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or where reliable estimate of the obligation cannot be made. Contingent liabilities are disclosed on the basis of judgment of the management/ independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

O. Revenue recognition:

Revenue from contracts with customer is recognized when the Company satisfies a performance obligation by transferring the promised goods or services to a customer at a transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer as per contract, excluding amount of taxes collected on behalf of the government. The transaction price is adjusted of trade discount, cash discount, volume rebate and other variable considerations as per the terms of contract.

A. Sale of Goods

Revenue from sale of products is recognised at a point in time when the control on the goods have been transferred to a customer i.e. when material is delivered to the customer or as per shipping terms , as may be specified in the contract.

B. Government Subsidy

Subsidy has been recognized by the Company on the basis of the notification received from the ministry of Chemicals and fertilizers from time to time.

C. Other Operating revenue

- i. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable interest rates.
- ii. Claim lodged with insurance companies is recognized as income on acceptance by the insurance Companies.
- iii. Rental income is recognised in the statement of profit and loss on straight line basis.

P. Segment Accounting

The Managing Directors monitor the operating results of the business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products.

- i. Segment revenue includes sales and other income directly identifiable with/ allocable to the Segment.
- ii. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result.
- iii. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
- iv. Income which relates to the Company as a whole and not allocable to segments is included in unallowable income.
- v. Segment result represent the profit before interest and tax earned by each segment without allocation of central administrative costs.
- vi. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

The Company has disclosed Business Segments as its primary segments. Reporting segments have been identified as Fertilizers and Chemicals, taking into accounts the nature of product, the different risk and returns, the organizational structure and the internal reporting system.

The Company caters mainly to the need of domestic market. The direct export turnover is Nil during the year. As such there are no reportable geographical segments.

Inter-Segment transfer pricing

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to

yield a desired margin or agreed on a negotiated basis and are on an arm's length basis in a manner similar to transactions with third parties.

These transfers are eliminated in consolidation.

Q. Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

R. Statement of Cash Flow

Cash flows are reported using the indirect method prescribed in Ind AS 7 'Statement of Cash Flows', whereby profit for the year 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. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

Madhya Bharat Agro Products Limited

Notes forming part of Financial Statements for the Year Ended as on 31.03.2021


3. Property, Plant and Equipment

(Rs. in lakhs)

	Particulars	Gross Block				Accumulated Depreciation					Net Block	
		As at 1 April 2020	Additions	(Disposals)	As at 31st March, 2021	As at 1 April 2020	Opening Retain Earning	for the period	On disposals	As at 31st March, 2021	Balance as at 31st March 2021	Balance as at 31st March 2020
A	Tangible Assets											
	Factory Building	2,879.95	233.12	-	3,113.07	601.69		93.40	-	695.09	2,417.98	2278.26
	Office Building	163.47	-	-	163.47	22.96		2.59	-	25.55	137.91	140.51
	Plant & Machinery	6,603.26	900.90	37.39	7,466.77	3,594.57		689.86	23.63	4,260.80	3,205.96	3008.69
	Plant Electricals	571.39	5.64	-	577.03	330.02		54.15	-	384.17	192.86	241.37
	OE-Office Equipments	17.83	1.78	-	19.61	13.05		1.47	-	14.52	5.09	4.78
	Tools & Spares	1.39	-	-	1.39	1.27		0.02	-	1.29	0.09	0.12
	Furniture & Fixtures	31.47	2.50	-	33.97	22.65		2.85	-	25.50	8.47	8.82
	Vehicles	137.87	10.90	18.02	130.75	22.47		15.50	7.46	30.51	100.23	115.40
	Quality Control Laboratory	11.75	-	-	11.75	8.55		1.06	-	9.61	2.14	3.20
	Computers	21.56	7.57	2.08	27.05	16.23		2.93	0.10	19.06	7.99	5.33
	Gas Cylinder	0.14	-	-	0.14	0.10		0.01	-	0.11	0.03	0.04
B.	Assets under Finance Lease											
	Right of Use- Leasehold Land	2,657.04	-	1.66	2,655.38	146.86		73.36	-	220.22	2,435.16	2,510.18
	Total	13,097.12	1,162.41	59.15	14,200.38	4,780.42		937.20	31.19	5,686.43	8,513.89	8,316.70
C	Capital Work In Progress	3,071.37	5,619.32	1,155.64	7,535.05						7,535.05	3,071.37
	Building	364.38	834.00	130.95	1,067.43						1,067.43	364.38
	Plant & Machinery	2,706.99	4,785.32	1,024.69	6,467.62						6,467.62	2,706.99
	Total this year	16,168.48	6,781.73	1,214.79	21,735.42	4,780.42		937.20	31.19	5,686.43	16,048.94	11,388.06

	Particulars	Gross Block				Accumulated Depreciation					Net Block	
		As at 1 April 2019	Additions	(Disposals)	As at 31st March 2020	As at 1 April 2019	Opening Retain Earning	for the period	On disposals	As at 31st March 2020	Balance as at 31st March 2020	Balance as at 31st March 2019
A	Tangible Assets											
	Factory Building	2879.95	0.00	-	2,879.95	508.69		93.00	-	601.69	2,278.26	2371.27
	Office Building	163.47	0.00	-	163.47	20.37		2.59	-	22.96	140.51	143.10
	Plant & Machinery	6601.65	1.61	-	6,603.26	2795.02		799.55	-	3,594.57	3,008.69	3806.63
	Plant Electricals	571.39	0.00	-	571.39	278.91		51.11	-	330.02	241.37	292.48
	OE-Office Equipments	16.84	0.99	-	17.83	11.86		1.19	-	13.05	4.78	4.98
	Tools & Spares	1.39	0.00	-	1.39	1.23		0.04	-	1.27	0.12	0.16
	Furniture & Fixtures	30.37	1.10	-	31.47	19.81		2.84	-	22.65	8.82	10.56
	Vehicles	99.64	79.59	41.36	137.87	27.57		14.11	19.21	22.47	115.40	72.07
	Quality Control Laboratory	11.75	0.00	-	11.75	7.49		1.06	-	8.55	3.20	4.26
	Computers	16.95	4.61	-	21.56	14.02		2.21	-	16.23	5.33	2.93
	Gas Cylinder	0.14	0.00	-	0.14	0.09		0.01	-	0.10	0.05	0.05
B.	Assets under Finance Lease											
	Right of Use- Leasehold Land	2615.93	41.11	0.00	2657.04	73.43		73.43	0.00	146.86	2510.18	2542.50
	Total	13,009.47	129.01	41.36	13,097.12	3,758.50		1,041.14	19.21	4,780.42	8,316.70	9,250.99
C	Capital Work In Progress	935.24	2,136.13	-	3,071.37	-		-	-	-	3,071.36	935.24
	Building	60.28	304.10	-	364.38	-		-	-	-	364.38	60.28
	Plant & Machinery	874.96	1,832.03	-	2,706.99	-		-	-	-	2,706.98	874.96
	Total this year	13,944.71	2,265.14	41.36	16,168.49	3,758.50		1,041.14	19.21	4,780.42	11,388.06	10,186.23

Additional Note:

1. For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of PPE measured as per I-GAAP less accumulated depreciation and cumulative impairment on the transition date of 1st April, 2018.

2. Refer Note 14 and 17 for details of assets pledged.

3. Leasehold land includes assets acquired as "Right to Use".

4. OTHER FINANCIAL ASSETS

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
(Unsecured and considered good)		
Security Deposits*	121.64	65.61
Total	121.64	65.61

* Pledged with government authorities and others

6. OTHER NON - CURRENT ASSETS

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
(Unsecured and considered Good)		
Capital Advances - Others	4.95	242.47
Total	4.95	242.47

7. INVENTORIES

Particulars	As at 31st March 2021	As at 31st March 2020
(As Taken ,valued & certified by the management)		
a) Raw Materials	2,360.99	786.28
b) Finished Goods	2,591.01	2,250.29
c) Stores & Spares	301.34	258.30
d) Other Consumables	54.20	3.22
Total	5,307.54	3,298.09

7.1 All the above inventories have been valued as per the accounting policy (Refer Note No. 1.3 J)

7.2 The major components of inventory in case of raw material are Rock-Phosphate, Sulphuric Acid & HDPE Bags, Boron, Zinc Sulphate (Boron & Zinc Sulphate are fortified with SSP), Sulphur etc. and in case of finished goods its includes Beneficiated Rock Phosphate(BRP), Single Super Phosphate(SSP), Granular Single Super Phosphate(GSSP),Chemical Product & Sulphuric Acid & Oluem.

7.3 Inventories as above are hypothecated to secured short term borrowings (Refer Note No. 17.1)

8. TRADE RECEIVABLES

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Trade receivables Unsecured,Considered Good	1,219.10	1,455.58
Subsidy receivables Unsecured ,Considered Good	1,510.45	1,321.55
Total	2,729.55	2,777.13

8.1 Above Trade receivables are hypothecated to secured short term borrowings (Refer Note No. 17.1)

9. CASH AND CASH EQUIVALENTS

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Cash on Hand	0.48	0.97
Balance with bank in Current Accounts	17.81	17.18
Earmarked Balances with Banks for Unclaimed & Unpaid Dividends	0.09	-
Fixed Deposit with Bank	28.63	76.88
Total	47.00	95.03

10. LOANS - CURRENT

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
(Unsecured and Considered Good)		
Loan to Employee	8.21	1.28
Total	8.21	1.28

11. OTHER CURRENT FINANCIAL ASSETS

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
(Unsecured and Considered Good)		
Security Deposit	128.00	96.07
VAT Subsidy Recievables	-	81.82
Total	128.00	177.89

12. OTHER CURRENT ASSETS

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
(Unsecured and Considered Good)		
Prepaid expenses	30.75	29.83
Advances to suppliers	83.93	100.91
GST Credit Receivables	1,930.60	732.50
Total	2,045.28	863.24

13. Equity Share Capital

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Authorized Share Capital		
2,50,00,000(31 March,2020 - 2,50,00,000) Equity Shares of Rs.10/- each fully paid up	2,500.00	2,500.00
Issued, Subscribed and Paid Up		
2,19,06,735(31 March 2020 - 2,19,06,735) Equity Shares of Rs. 10/- each fully paid up	2,190.67	2,190.67
Total issued, subscribed and fully paid up share capital	2,190.67	2,190.67

i). Terms and Rights attached to Equity Shares

Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders. There is no restriction on distribution of dividend. However, same is subject to the approval of the shareholders in the Annual General Meeting.

ii) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March 2021	As at 31st March 2020
As at the beginning of the year	21,906,735.00	21,906,735.00
Add: Shares Issued during the year	-	-
As at the end of the year	21,906,735.00	21,906,735.00

iii) Shares of the company held by holding company

out of equity shares issued by the company, shares held by its holding company are as below:

(Rs. in lakhs)

Name of Shareholder	As at 31st March 2021	As at 31st March 2020
Ostwal Phoschem (India) Limited, holding Company (Holds 1,42,51,554 Equity Shares of Rs.10/- each)	1425.16	1430.78

iv) Details of shares held by shareholders holding more than 5% shares of the company

Name of Shareholder	As at 31st March 2021		As at 31st March 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ostwal Phoschem (India) Limited.	14251554	65.05%	14307804	65.31%
Suswani Textiles Pvt. Ltd.	1505340	6.87%	1441840	6.58%
Visualize Tradecom Pvt. Ltd.	1120372	5.11%	1085496	4.95%

v) The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

14. Other Equity

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Securities Premium		
Balance at the beginning of the year	1,686.52	1,686.52
Addition during the year	-	-
Balance at the end of the year	1,686.52	1,686.52
Retained Earnings		
Balance at the beginning of the year	9,156.00	7,804.30
Add: Net Profit/(Net Loss) For the current year	2,024.19	1,483.75
Less: Appropriations		
Transferred to General Reserve	-	-
Due to Reversal of Lease Assets & Liability	0.18	-
Dividend On Equity Shares	109.53	109.53
Tax On Dividend	-	22.52
Balance at the end of the year	11,070.84	9,156.00
Other Comprehensive Income		
Remeasurement of defined benefit plans		
Balance at the beginning of the year	2.59	(0.66)
Addition during the year	(14.62)	3.25
Balance at the end of the year	(12.02)	2.59
Total	12,745.34	10,845.11

Nature and Purpose of Other Reserves / Other Equity

14.1 Securities Premium Reserve

Balance of Security premium reserve consist of premium on issue of share over its face value. The balance will be utilized for issue of fully paid bonus shares, buy-back of its own share as per provisions of the Companies Act, 2013.

14.2 Dividend

The following dividends were declared and paid by the Company during the year.

Particulars	As at 31st March 2021	As at 31st March 2020
Final Dividend for the year ended 31st March, 2020	109.53	109.53
Dividend Distribution Tax on Final Dividend	-	22.52
Total	109.53	132.05

15. BORROWINGS- NON CURRENT

Particulars	As at 31st March 2021	As at 31st March 2020
Secured		
Term Loan From Banks		
Rupee Loans	4,135.59	2,918.85
Total	4,135.59	2,918.85

a) In respect of Secured Term Loan

i) Nature of Security – The term loans from HDFC Bank by way of 1st charge in the form of mortgage of assets of the company's immovable properties at Banda Unit and Rajoua Unit Dist Sagar, (MP) owned by the company.

ii) Terms of repayment – Term loans from HDFC Bank Ltd. are repayable in monthly installments and having fixed interest rate @ 7.75%

(Rs. in lakhs)

Name of Banks	Date of Maturity	No. of Instalments outstanding as on 31.03.21	As at 31st March 2021		
			Total Outstanding	Current Maturities	Net Long Term Borrowings
HDFC Bank Ltd. (Term Loan of Rs. 22.92 crore)	07th June 2025	51	1492.65	312.40	1180.25
HDFC Bank Ltd. (Term Loan of Rs. 30.00 crore)	07th Feb 2027	71	3013.11	413.90	2599.22
HDFC Bank Ltd. (Term Loan of Rs. 4.32 crore)	07t Aug 2024	41	432.00	75.87	356.13
Total			4,937.76	802.17	4,135.59

(Rs. in lakhs)

Name of Banks	Date of Maturity	No. of Instalments outstanding as on 31.03.2020	As at 31st March 2020		
			Total Outstanding	Current Maturities	Net Long Term Borrowings
HDFC Bank Ltd. (Term Loan of Rs. 22.92 crore)	07t April 2025	61	1,699.16	280.31	1,418.85
HDFC Bank Ltd. (Term Loan of Rs. 15.00 crore)	07t April 2027	85	1,500.00	-	1,500.00
Total			3,199.16	280.31	2,918.85

ii) **Guarantors** - Secured loans are guaranteed by personal guarantee of Sh.Pankaj Ostwal (Managing Director) and Sh.Mahendra Kumar Ostwal, Sh. Praveen Ostwal, Director.

16. LEASE LIABILITIES

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Lease liability (Non current)	10.93	12.93
Lease liability (Current)	0.19	0.21
Total	11.12	13.14

17. BORROWINGS – CURRENT

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Secured		
Loans Repayable On Demand From Banks		
Working Capital -HDFC Bank Ltd.	955.01	772.41
Unsecured Loan-From Related Parties	1,128.28	-
Unsecured Loan-From Others	-	13.00
Total	2,083.29	785.41

17.1 for transactions with related party, Refer Note No. 35

i) **Nature of Security** – The advance shall be secured by 1st charge on Company's movable assets of Unit-I & Unit II including movable plant and machinery, machinery spares, tools and accessories, furnitur, fixture, vehicles, and all other movable assets present and future, intangible, goodwill, uncalled capital, present and future.

ii) **Terms of repayment** – The bank loan for working capital is repayable on demand and having interest rate 7.75% as on 31/03/2021

iii) The bank loan for working capital is guaranteed by personal guarantee of Sh.Pankaj Ostwal(Managing Director) and Sh.Mahendra Kumar Ostwal,Sh.Praveen Ostwal

18. TRADE PAYABLES

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Trade Payable - Due to Micro and Small Enterprises	89.42	117.92
Trade payable Due to others	2,082.15	458.81
Total	2,171.57	576.73

Additional Note:-

18.1 The Government of India has promulgated an act namely "The Micro, Small & Medium Enterprises Development Act 2006" which comes into force with effect from October,2 2006. As per The Act, the Company is required to identify the Micro & Small Enterprises & Pay them interest on overdue beyond the specified period irrespective of the terms agreed with the enterprises. The Company has initiated the process of identification of such suppliers. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. Accordingly, there were no interest due on the principal amount, not there was necessity to pay interest for delayed payment in terms of section 16 of the Micro, Small and Medium Enterprises Development Act. Since the Company is regular in making payments to all suppliers, the management does not anticipate any significant interest liability.

18.2 The balance outstanding with sundry creditors either debit or credit are subject to confirmation and reconciliation

18.3 for transactions with related party, Refer Note No. 35

19. OTHER CURRENT FINANCIAL LIABILITIES

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Current Maturities of Long Term Debt	802.17	280.31
Unpaid Dividends #	0.09	-
Liability Towards Staff & Workers	96.24	17.53
Security Deposits from Dealers	42.25	25.25
Liability for Expenses	36.21	0.12
Trade Payable (Sundry Creditors) for capital goods	273.22	-
Total	1,250.18	323.21

There is no overdue amount to be credited to investor education & protection fund.

20. OTHER CURRENT LIABILITIES

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Statutory dues	47.25	8.76
Advance from customers	1,219.86	1,022.93
Total	1,267.11	1,031.69

21. PROVISIONS

Particulars	As at 31st March 2021	As at 31st March 2020
For employee benefits-		
Leave Encashment - Non Current	15.46	-
Leave Encashment - Current	2.60	-
Total	18.06	

22. CURRENT TAX LIABILITIES (NET)

(Rs. in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for taxation (Net of advance tax)	56.76	38.03
Total	56.76	38.03

5. DEFERRED TAX LIABILITIES (NET)
(Rs. in lakhs)

Deferred income tax reflect the net tax effects of temporary difference between the carrying amount of assets and liabilities for the financial reporting purposes and the amounts used for income tax purposes. Significant component of the Company's net deferred income tax are as follows:-

Particulars	Defined benefit obligation	Property, plant and equipment	Provisions & others	MAT credit entitlement	Total
Balance as at 1 April, 2020	1.80	993.74	(3.79)	(805.77)	185.97
(Changed)/Credited:					
- to Statement of profit and loss	4.21	(157.05)	(10.19)	494.49	331.46
- to other comprehensive income	(6.00)				(6.00)
- to current tax liability					
Balance as at 31.03.2021	0.00	836.69	(13.99)	(311.28)	511.42

B. Income tax recognised in profit or loss
(Rs. in lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Current Tax	501.91	378.71
Deferred Tax	331.46	284.18
Total income tax recognised for the year	833.37	662.89

C. Income tax recognised in other comprehensive income
(Rs. in lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Remeasurement of defined benefit obligation	(6.00)	(1.34)
Total income tax recognised in other comprehensive income	(6.00)	(1.34)

D. The income tax expense for the year can be reconciled to the accounting profit as follows:
(Rs. in Lakhs)

Particulars	2020-21	2019-20
Net Profit as per Statement of Profit and Loss (before tax)	2857.56	2146.64
Applicable Tax Rate	29.12%	29.12%
Computed Tax Expense	832.12	625.10
Tax effect of :		
Items Considered Separately	(1.68)	0.00
The amount of eligible / ineligible expenditure	180.76	209.11
Carried Forward Losses Utilised	0.00	(347.81)
MAT Adjustment	(498.09)	(107.70)
Current Tax Provision (Net of MAT Credit) (A)	513.11	378.71
Incremental Deferred Tax Liability on account of Tangible Assets	331.46	284.18
Deferred Tax Provision (B)	331.46	284.18
Tax Expenses recognised in Statement of Profit and Loss (A+B)	844.57	662.89
Effective Tax Rate	29.56%	30.88%

23. REVENUE FROM OPERATIONS

(Rs. in lakhs)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
a) Sale Of Products	13,110.25	8,819.48
b) Government Subsidies	5,461.14	4,266.88
Total	18,571.39	13,086.36

24. OTHER INCOME

(Rs. in lakhs)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Interest on Govt. deposit	5.82	4.58
Net Gain/(Loss) on Foreign Currency Fluctuation	4.34	1.83
Profit on sale of Property ,Plant ,Equipment(Net)	2.43	(0.29)
Miscellaneous balance W/off	2.60	16.34
Others(insurance claim rec.)	0.19	0.01
Total	15.38	22.47

25. COST OF MATERIALS CONSUMED

(Rs. in lakhs)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Opening Stock	789.50	611.52
Add: Purchases	11,007.33	6,884.73
Less: Closing Stock	2,415.19	789.50
Total	9,381.64	6,706.75

26. CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Rs. in lakhs)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Stock at the beginning of the year (A)		
Finished Goods(Including traded goods)	2,250.29	1,257.61
Work in progress	-	9.64
Total	2,250.29	1,267.25
Stock at the end of the year (B)		
Finished Goods	2,591.01	2,250.29
Work in progress	-	-
Total	2,591.01	2,250.29
(Increase)/Decrease in stocks (B-A)	(340.72)	(983.04)

27. EMPLOYEE BENEFITS EXPENSE

(Rs. in lakhs)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Salaries, Bonus and allowances	1,083.13	753.99
Contribution to Provident Fund & ESI	26.39	21.90
Gratuity Fund contribution	6.65	4.10
Staff welfare expenses	18.66	19.16
Total	1,134.83	799.15

*Including Managing Director's Commission Rs. 47 Lakhs

28. FINANCE COST

(Rs. in lakhs)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Term Loan Interest	269.49	154.26
Working Capital Interest	58.26	127.09
Interest on lease liabilities	0.89	1.07
Other Interest	41.89	16.76
Bank Charges	9.60	7.31
Total	380.13	306.49

29. DEPRECIATION AND AMORTISATION EXPENSE

(Rs. in lakhs)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Depreciation on Tangible Assets	863.84	967.71
Depreciation on Right of Use Assets	73.36	73.43
Total	937.20	1,041.14

30. OTHER EXPENSES

(Rs. in lakhs)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Manufacturing Expenses		
Consumption of Stores & Spares parts	755.11	689.30
Power & Fuel	641.81	496.54
Repairs & Maintenance to Plant & Machinery	32.35	19.55
Other manufacturing expenses	331.52	162.39
Sub Total	1,760.79	1,367.78
Administration Expenses		
Repairs to Building	3.85	7.00
Insurance	34.99	28.17
Auditors' Remuneration :		
Statutory Audit Fess	1.50	1.10
CSR Expenses	30.72	26.20
Travelling Expenses	51.94	74.64
Vehicle Running & Maintenance Expenses	7.09	9.51
Consultancy Charges	24.37	20.55
Office Expense	41.29	24.19
Miscellaneous Expenditure	84.08	49.68
Sub Total	279.83	241.04
Selling & Distribution Expenses		
Freight & Transport	2,075.61	1,268.33
Advertisement & Business Promotion Expenses	5.70	8.55
Godown Rent	26.14	16.64
Discount Allowed	88.06	189.36
Sub Total	2,195.51	1,482.88
Grand Total	4,236.13	3,091.70

31. OTHER COMPREHENSIVE INCOME

(Rs. in lakhs)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Items that will not be reclassified to profit or loss		
Remeasurement of Defined Benefit Plans	(20.62)	4.59
Tax relating to remeasurement of defined benefits plans	6.00	(1.34)
Total	(14.62)	3.25

32. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

I. The carrying value of financial instruments by categories are as follows:

(Rs. In Lakh)

Particulars	As at 31st March 2021			As at 31st March 2020		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial Assets						
Other Non-Current Financial Assets	-	-	121.64	-	-	65.11
Trade Receivables	-	-	2729.55	-	-	2777.13
Cash and Cash equivalents	-	-	47.00	-	-	95.03
Loans	-	-	8.21	-	-	1.28
Other Current Financial Assets	-	-	128.00	-	-	177.89
Total Financial Assets	-	-	3034.40	-	-	3,116.94
Financial Liabilities						
Borrowings	-	-	4,135.59	-	-	2918.85
Lease Liability	-	-	11.12	-	-	13.14
Short Terms Borrowings	-	-	2,083.29	-	-	785.41
Trade Payables						
(A) Total outstanding dues of micro enterprises and small enterprises	-	-	89.42	-	-	117.92
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	2082.15	-	-	458.81
Other Current Financial Liabilities	-	-	1250.18	-	-	323.21
Total Financial Liabilities	-	-	9,651.75	-	-	4,617.34

II. Financial risk management

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

- credit risk;
- liquidity risk; and
- Market risk

i. Risk management framework

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 has established the processes

to ensure that executive management controls risks through the mechanism of property defined framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

ii. Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk for trade receivables and financial guarantees for dealers, derivative financial instruments and other financial assets.

The Company assess the counter party before entering into transactions and wherever necessary supplies are made against advance payment. The Company on continuous basis monitor the credit limit of the counter parties to mitigate or minimise the credit risk. The credit risk for the financial guarantees issued by the Company to bank for credit facilities availed by Company's dealers from bank is minimum as those parties have long vintage with the Company and they are also subject to credit risk assessment by bank on periodical basis.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes market check, industry feedback, past financials and external ratings, if they are available, and in some cases bank references.

Based on the credit aging of individual customer, the management considers that no provision on such receivables has been recognised as on the reporting date.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

The Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank loans and intercorporate loans.

Exposure to liquidity risk

a) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date.

(Rs. In Lakh)

Particulars	Carrying Amount		Contractual cash flows		
	As at 31st March 2021	Total	Within 1 Year	1-5 years	More than 5 years
Financial Liabilities					
Borrowings	4135.59	4135.59	-	4135.59	-
Lease Liability	11.12	11.12	-	-	11.12
Short Terms Borrowings	2083.29	2083.29	2083.29	-	-
Trade Payables					
(A) Total outstanding dues of micro enterprises and small enterprises	89.42	89.42	89.42	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	2082.15	2082.15	2082.15	-	-
Other Current Financial Liabilities	1250.18	1250.18	1252.40	-	-
Total Financial Liabilities	9,651.75	9,651.75	5,507.26	4,135.59	11.12
Particulars	Carrying Amount		Contractual cash flows		
	As at 31st March 2020	Total	Within 1 Year	1-5 years	More than 5 years
Financial Liabilities					
Borrowings	2918.85	2918.85	-	2918.85	-
Lease Liability	13.14	13.14	-	-	13.14
Short Terms Borrowings	785.41	785.41	785.41	-	-
Trade Payables					
(A) Total outstanding dues of micro enterprises and small enterprises	117.92	117.92	117.92	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	458.81	458.81	458.81	-	-
Other Current Financial Liabilities	323.21	323.21	323.21	-	-
Total Financial Liabilities	4,617.34	4,617.34	1,685.35	2918.35	13.14

iv. Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and commodity prices which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market exposures within acceptable parameters, while optimising the return.

Foreign Currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchanges rates relates primarily to import of raw materials. When a derivative is entered for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term borrowing. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The exposure of the Company's financial liabilities to interest rate risk based on liabilities as at reporting date is as follows:

Particulars	Impact on profit before tax	
	2020-21	2019-20
Increase in interest rate by 100 basis points	(42.29)	(32.34)
Decrease in interest rate by 100 basis points	42.29	32.34

Commodity price risk

Commodity price risk for the Company is mainly related to fluctuations of raw materials prices linked to various external factors, which can affect the production cost of the Company. Company actively manages inventory and in many cases sale prices are linked to major raw material prices. To manage this risk, the Company enters into long-term supply agreement for Raw Material, identifying new sources etc. Additionally, processes and policies related to such risks are reviewed and managed by senior management on continuous basis.

33. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company monitors capital using a gearing ratio, which is calculated by dividing Net Debt from the Equity. The Company includes within Net Debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance) and under Equity, the Equity Share Capital plus other Equity (excluding Preference Share Capital) is considered:

Particulars	₹ In lacs)	
	31.03.2021	31.03.2020
Gross Debt	7021.05	3984.57
Less: Cash & Cash Equivalents	47.00	95.03
Net Debt (A)	6974.05	3889.54
Total Equity (B)	14,936.01	13035.78
Gearing Ratio (A/B)	0.47	0.30

34. CONTINGENT LIABILITIES:

1. Claims against the Company not acknowledged as debt

Particulars	2020-21 (in lacs)	2019-20 (in lacs)
a. Demand raised by commercial tax department for Entry tax for the F.Y.2012-13	3.72	3.72

35. DISCLOSURE OF RELATED PARTY TRANSACTIONS PURSUANT TO IND AS 24 "RELATED PARTY DISCLOSURES"

A. Details of Related Parties

B.

a.	Parent	Ostwal Phoschem (India) Ltd.
b.	Key Managerial Personnel	Shri Pankaj Ostwal (Managing Director) Shri Sourabh Gupta (Whole Time Director & Chief Financial Officer) Mrs. Pallvi Sukhwal (Company Secretary)
c.	Non-Executive Director/ Independent Director	Shri Mahendra Kumar Ostwal Shri Praveen Ostwal Shri Bheru Lal Ostwal

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

		Shri Arvind Kothari Shri Paras mal Surana Smt.Shruti babel
d.	Where persons mentioned in (b) exercise significant influence	Krishna Phoschem Ltd. Ostwal Phoschem (India) Ltd. Nirmala Realinfrastructure Private Limited
e.	Relatives of Key Managerial Personnel (KMP)	Mrs. Nitu Ostwal Mrs. Ekta Jain
f.	Other Related Parties	M.K. Ostwal HUF (Director is karta) Pankaj Ostwal HUF (Director is karta) Praveen Ostwal HUF (Director is karta)

B. Transactions with the Related Parties

(Rs. In Lakh)

Sr. No.	Particulars	2020-21	2019-20
1	Purchase of goods		
	Ostwal Phoschem (India) Ltd.	2268.28	810.41
	Krishna Phoschem Ltd.	1538.50	1205.77
	Shri Ganpati Fertilizers Ltd	6.39	-
2	Sale of goods		
	Ostwal Phoschem (India) Ltd.	121.63	26.39
	Krishna Phoschem Ltd.	755.25	260.31
	Shri Ganpati Fertilizers Ltd	-	-
3	Rent paid		
	Ostwal Phoschem (India) Ltd.	0.12	0.12
4	Interest paid to		
	Krishna Phoschem Ltd.	30.57	-
5	Insurance paid for		
	(i) Key Managerial Personnel		
	Shri Pankaj Ostwal	1.33	1.33
6	Compensation paid to Key Managerial Personnel:		
	Remuneration		
	(1) Short-term employment benefits / Salary		
	(i) Key Managerial Personnel		
	Shri Pankaj Ostwal	51.02	48.02
	Shri Sourabh Gupta	8.55	7.56
	Ms. Pallvi Sukhwal	3.35	2.64
	(2) Commission		
	Shri Pankaj Ostwal	47.00	-
7	Dividend Paid		
	Ostwal Phoschem (India) Ltd.	71.26	45.19
	Seasons Agro Chem india Private Limited	0.00	10.33
	Nirmala realinfrastructure Private Limited	4.50	4.50
	Shri Praveen Ostwal	1.66	1.66

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

	Shri Pankaj Ostwal	1.01	1.01
	Shri Mahendra Kumar Ostwal	0.04	0.04
	Shri Bheru lal Ostwal	0.27	0.27
	Shri Arvind Kothari	0.06	0.06
	Mrs. Nitu Ostwal	0.03	0.03
	Mrs. Ekta jain	3.31	3.31
	Pankaj ostwal (karta of pankaj Ostwal HUF)	0.29	0.29
	Praveen Ostwal (Karta of praveen Ostwal HUF)	0.03	0.03
8	Transaction with Non- executive Director:		
	Remuneration/Commission		
	Shri Mahendra Kumar Ostwal	18.00	-
9	Loan Taken From :		
	Krishna Phoschem Ltd.	1100	-

All related party contracts / arrangements have been entered on arms' length basis.

C. Amount due to/from related parties:

(Rs. In Lakh)

Sr. No.	Particulars	2020-21	2019-20
	OUTSTANDING AT THE YEAR END		
1	Trade Payable		
	Ostwal Phoschem (India) Ltd.	287.80	0.12
	Krishna Phoschem Ltd.	624.99	-
2	Loan taken		
	Krishna Phoschem Ltd.	1128.28	-
3	Compensation payable to Key Managerial Personnel as on 31.03.2021 & 31.03.2020		
	Shri Pankaj Ostwal	13.85	2.50
	Shri Sourabh Gupta	0.51	0.00
4	Compensation payable to Non-Executive Director as on 31.03.21 &20		
	Shri Mahendra Kumar Ostwal	11.50	0.00

36. SEGMENT REPORTING

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(Rs. In Lakh)

Particulars	Business Segments				Total	
	Fertilizer		Chemicals		Current Year	Previous Year
	Current Year	Previous Year	Current Year	Previous Year		
Segment Revenue						
Turnover	17,255.24	12,363.34	1,316.15	723.02	18,571.39	13086.36
Segment Result						
Segment Profit	3,056.28	2,247.63	166.03	183.03	3,222.31	2,430.66
Unallocated Finance charges					380.13	306.49
Unallocated expenses					-	-
Unallocated Income					15.38	22.47
Profit before tax					2,857.56	2,146.64
Income tax (net)					833.37	622.89
Profit after tax					2,024.19	1,483.75
Other Information						
Segment assets	24,337.42	16,776.94	2,103.69	2,131.87	26,441.11	18,908.75
Unallocated other assets						
Total assets	24,337.42	16,776.94	2,103.69	2,131.87	26,441.11	18,908.75
Segment liabilities	8,723.72	4,793.43	129.91	70.19	8,853.63	4,863.62
Unallocated other liabilities					2,651.47	1,009.41
Total liabilities	8,723.72	4,793.43	129.91	70.19	11,505.10	5,873.03
Capital Expenditure	1,162.41	129.01	-	-	1,162.41	129.01
Depreciation	653.71	757.73	283.49	283.41	937.20	1,041.14

37. CORPORATE SOCIAL RESPONSIBILITIES (CSR)

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) The Gross amount required to be spent by the Company during the year	30.55	25.01
b) The Details of the amount spent during the year on CSR activities as follow:		
(i) Construction/Acquisition of any Asset	-	-
(ii) On purpose other than (i) above	30.72	26.20

38. EMPLOYEE BENEFITS

(a) Defined Contribution Plans:

The Company has recognized the following amounts in the Statement of Profit and Loss which are included under Contribution to Provident and other funds;

Particulars		(Rs. In lakhs)	
		For the year ended 31st March 2021	For the year ended 31st March 2020
I)	Employers Contribution to Provident Fund	26.39	21.90

(b) Defined Benefit Plan:

GRATUITY

The Company makes payment to vested employees as per provisions of Payment of Gratuity Act, 1972. The provision of Gratuity Liability as on the Balance Sheet date is done on actuarial valuation basis for qualifying employees, however the same is not funded to any trust or scheme. The present value of the Defined Benefits obligation and the related current service cost is measured using the Projected Unit Credit Actuarial Method at the end of Balance Sheet date by the Actuary.

Leave Encashment

The Company provides benefit of leave encashment to its employees as per defined rules. The provision for liability for leave encashment as on date of Balance Sheet is recognised on the basis of Actuarial certificate.

Particulars		(Rs. In Lakhs)			
		For the year ended 31st March 2021		For the year ended 31st March 2020	
A)	Changes in Defined Benefit Obligations :-	Gratuity	Earned Leave	Gratuity	Earned Leave
	a) Defined Benefit Obligation at the beginning of the year	33.17	5.03	30.43	0.00
	b) Interest Cost	2.40	0.32	2.28	0.00
	c) Current Service Cost	6.63	4.87	4.10	4.34
	d) Benefits paid	0.00	-0.68	-1.16	-0.38
	e) Actuarial (Gain)/Loss on Obligation	20.62	8.52	-2.49	1.07
	Present value of obligation at the end of year	62.82	18.06	33.17	5.03
Particulars		For the year ended 31st March 2021		For the year ended 31st March 2020	
B)	Change in Fair Value of Plan Assets during the year :-	Gratuity	Earned Leave	Gratuity	Earned Leave
	a) Plan Assets at the beginning of the year	39.34	0.00	31.48	0.00
	b) Expected Return on Plan Assets	3.14	0.00	0.08	0.00
	c) Actuarial Gain/(Loss) on Assets	0.00	0.00	2.60	0.00
	d) Employer's contribution	8.00	0.68	6.34	0.38
	e) Benefits Paid	0.00	-0.68	-1.16	-0.38

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

Fair Value of the plan assets at the end of the year		50.48	0.00	39.34	0.00
Particulars		For the year ended 31st March 2021		For the year ended 31st March 2020	
C)	Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets	Gratuity	Earned Leave	Gratuity	Earned Leave
	a) Present value of defined benefit obligation at end of the year	62.82	18.06	33.17	5.03
	b) Fair value of plan assets at end of the year	50.48	0.00	39.34	0.00
	Funded status Surplus/(Deficit)	(12.34)	(18.06)	6.17	(5.03)
Particulars		For the year ended 31st March 2021		For the year ended 31st March 2020	
D)	Expenses recognised in the Statement of Profit and Loss	Gratuity	Earned Leave	Gratuity	Earned Leave
	a) Current Service Cost	6.63	4.87	4.10	4.34
	b) Net Interest Cost	(0.74)	0.32	2.20	-
	b) Actuarial (Gain) / Loss	0.00	8.52	(2.49)	1.07
	Expenses recognized in the Statement of Profit and Loss	5.90	13.71	3.81	5.41
Particulars		For the year ended 31st March 2021		For the year ended 31st March 2020	
E)	Expenses recognized in the Other Comprehensive Income (OCI)	Gratuity	Earned Leave	Gratuity	Earned Leave
	a) Actuarial (gain)/loss arising from changes in demographic assumption	-4.97	0.00	0.00	0.00
	b) Actuarial (gain)/loss arising from changes in financial assumption	10.43	0.00	0.00	0.00
	c) Actuarial (gain)/loss arising on account of experience changes	15.15	0.00	-2.49	0.00
	d) (Gain)/ Loss on plan assets less interest on plan assets	0.00	0.00	-0.08	0.00
	Expenses recognised in the Statement of Other Comprehensive Income	20.62	0.00	-2.57	0.00

(Rs. In Lakhs)

F)		For the year ended 31st March 2021	For the year ended 31st March 2020
	Investment details - Plan assets:-		
	LIC- Administrator of the plan fund	50.48	39.34

G)		For the year ended 31st March 2021		For the year ended 31st March 2020	
	The assumptions used in Actuarial Valuation:-				
	1. Financial Assumptions used in determining the Defined Benefit Obligation	Gratuity	Earned Leave	Gratuity	Earned Leave
	A) Discount rate (per annum)	6.32%	6.32%	7.25%	6.80%
	B) Salary escalation rate (per annum)	7.00%	7.00%	6.00%	7.00%
	2. Demographic Assumptions used to determine the Defined Benefit Obligation				
	A) Retirement Age	60 Years		60 Years	
	B) Mortality Table	IALM (2012-2014)		IALM (2012-2014)	
	C) Employee Turnover/Attrition Rate	5.00%		5.00%	

H)	Sensitivity Analysis:-	For the year ended 31st March 2021

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

	Gratuity		Earned Leave	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	56.96	69.77	16.35	20.10
Expected rate of future salary increase (1% movement)	69.48	57.09	20.02	16.39

i)	Maturity Profile of Defined Benefit Obligation:-	For the year ended 31st March 2021	
		Gratuity	Earned Leave
	Within 1 Year	6.06	2.60
	1-5 Years	13.58	3.56
	Beyond 5 Years but up to 10 Years	24.05	5.94

1. The Weighted average duration of the defined benefit plan obligation at the end of the reporting period is 10.25 Years.
2. The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method.

J) Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follows –

- Salary Increases: - Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Investment Risk: - If Plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate: - Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability: - Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals: - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

39. EARNINGS PER SHARE (EPS)

(Rs. In Lakh)

Particulars		2020-21	2019-20
i)	Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders ₹ In Lakhs	2024.19	1,483.75
ii)	Weighted Average Number of Equity Shares used as denominator for calculating EPS	2,19,06,735	2,19,06,735
iii)	Basic and Diluted Earning per Share (₹)	9.24	6.77
iv)	Face Value per Equity Share (₹)	10	10

40. Impact of COVID-19 :

The Company has taken into account all the possible impacts of COVID-19 in preparation of these standalone financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenue recognition owing to changes in cost budgets of fixed price contracts. The Company has carried out this assessment based on available internal and external sources of information up to the date of approval of these standalone financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of COVID-19.

41. MSME Disclosure

(Rs in Lakhs)

Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follows :		
Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount due	89.42	117.92
Interest due on above	-	-
Interest paid during the period beyond the appointed day	-	-
Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-
Amount of interest accrued and remaining unpaid at the end of the period	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprises for the purpose of disallowance as a deductible expenditure under Sec.23 of the Act	-	-

Note: The above information and that given in Note No. 18 'Trade Payables' regarding Micro and Small Enterprises has been determined on the basis of information available with the Company and has been relied upon by the auditors.

42. APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements were approved for issue by the Board of Directors on May, 2021. The Board of Directors have recommended dividend of ₹ 0.50 per fully paid up equity share of ₹ 10/- each, aggregating ₹ 109.53 Lacs for the financial year 2020-21, which is based on relevant share capital as on 31st March, 2021. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date / book closure.

43. Previous year's figures have been reclassified, wherever necessary, to conform current year's presentation.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

43. Previous year's figures have been reclassified, wherever necessary, to conform current year's presentation.
44. In the opinion of the Board, all assets other than fixed assets and non-current investments, have a realisable value in the ordinary course of business which is not significantly differ from the amount at which it is stated.
45. The new Code on Social Security, 2020 (the Code) has been enacted, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified. The Ministry of Labour and Employment (the Ministry) has released draft rules for the Code on November 13, 2020 and has invited suggestions from stake holders which are under active consideration by the Ministry. The Company will complete its evaluation and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules are published.

As per our report of even date

For M/s Rajneesh Kanther & Assosaties

For and Behalf of the Board of Directors

Chartered Accountants

(Firm Registration No. 021262C)

Sd/-
(Pankaj Ostwal)
(Managing Directors)
DIN: 02586806

Sd/-
(Praveen Ostwal)
(Directors)
DIN: 00412207

Sd/-
(Rajneesh Kanther)
Proprietor
Membership No.102162
Place: Bhilwara
Date: 15th June 2021

Sd/-
(Pallavi Sukhwal)
Company Secretary
Membership No .ACS43744

Sd/-
(Sourabh Gupta)
(CFO)
DIN: 07177647