



**29<sup>th</sup>**  
**ANNUAL REPORT**  
**2019-20**

**AJANTA SOYA LIMITED**

**BOARD OF DIRECTORS**

Mr. Sushil Goyal  
Mr. Abhey Goyal

Mr. Harsh Chander Kansal  
Mr. Hemant Bansal  
Mrs. Sushila Jain  
Mr. Gagan Goyal

Managing Director  
Whole Time Director  
(w.e.f. 01-07-2020)  
Independent Director  
Independent Director  
Independent Director  
Additional Director  
(w.e.f. 29-06-2020)

**COMPANY SECRETARY**

Mr. Kapil

**STATUTORY AUDITORS**

**M/s. Pawan Shubham & Co.**  
**Chartered Accountants**  
603, Laxmi Deep Building,  
District Center, Laxmi Nagar,  
New Delhi - 110 092

**SECRETARIAL AUDITORS**

**M/s. R&D Company Secretaries**  
785, Pocket-E, Mayur Vihar, Phase-II  
Delhi - 110 091  
Phone/Fax : 011-22725301 / 43012488  
E-Mail : rndregular@gmail.com

**SHARES LISTED WITH STOCK EXCHANGE AT**

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001

**BANKERS****STATE BANK OF INDIA**

15<sup>th</sup> Floor, IFB Branch,  
Jawahar Vyapar Bhawan  
1, Tolstoy Marg, New Delhi - 110 001

**STANDARD CHARTERED BANK,**

10 Sansad Marg,  
New Delhi-110 001

**REGISTERED OFFICE**

SP-916, RILCO Industrial Area Phase - III,  
Bhiwadi - 301 019, Distt. Alwar (Rajasthan)  
CIN: L15494RJ1992PLC016617

**INVESTORS RELATION CENTRE**

12<sup>th</sup> Floor, Bigjos Tower, A-8 Netaji Subhash Place  
Wazirpur District Centre, New Delhi - 110 034  
Phone : 011-42515151, Fax : 011-42515100  
E-mail : cs@ajantasoya.com  
Website : www.ajantasoya.com

**REGISTRAR & SHARE TRANSFER AGENT**

Skyline Financial Services Pvt. Ltd.  
D-153A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I,  
New Delhi - 110 020  
Phone No. : 011-40450193-97  
E mail : admin@skylinerta.com

*ALL CORRESPONDENCE RELATING TO TRANSFER OF SHARES, CHANGE IN ADDRESS ETC. SHOULD BE SENT TO THE REGISTRAR & SHARE TRANSFER AGENT OR INVESTORS RELATION CENTRE*

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**AJANTA SOYA LIMITED**

CIN: L15494RJ1992PLC016617

**Regd. Office & Works:** SP 916, Phase-III, Industrial Area, Bhiwadi – 301 019, Rajasthan.**Ph. No.** 911-6176727, 911-6128880**Corp Office:-** 12<sup>th</sup> Floor, Bigjo's Tower, A-8, Netaji Subhash Place,  
Wazirpur District Centre, Delhi – 110 034,**Website:-** www.ajantasoya.com, **E-Mail:-** Info@ajantasoya.com, cs@ajantasoya.com**Ph. No.** 91-11-42515151, **Fax:** 91-11-42515100**NOTICE**

Notice is hereby given that the Twenty-Ninth 29<sup>th</sup> Annual General Meeting of the Members of M/s Ajanta Soya Limited will be held on Wednesday, 30<sup>th</sup> September, 2020 at 12.30 P.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on 31<sup>st</sup> March, 2020 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Abhey Goyal (DIN:02321262), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS**

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

**"Resolved that** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 (the "Act") and the Rules framed thereunder, Mr. Gagan Goyal (DIN: 00125331), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 29<sup>th</sup> June, 2020 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

**Resolved further that** the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

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

**"Resolved that** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s K.G. Goyal & Associates, Cost Accountants, having Firm Registration No. 000024, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2020-21, amounting to Rs. 50,000/- (Rupees Fifty Thousand Only) per annum plus applicable taxes as applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified, confirmed and approved.

**Resolved further that** the Board of Directors of the Company be and are hereby authorized to do all such acts, matters, deeds & things and to take all such steps as they may deem necessary, proper or expedient to give effect to this resolution."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

**"Resolved that** pursuant to the provisions of sections 196, 197, 198 & 203 read with schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Abhey Goyal, Director be and is hereby Appointed as Whole time Director of the Company for a period of 3 years with effect from 1<sup>st</sup> July 2020 on the following terms and conditions:

**Terms and Conditions:**

**Remuneration:** Gross monthly remuneration not exceeding Rs. 2,50,000/- (Rupees Two Lakhs Fifty Thousand only) whether paid as salary, allowance(s), perquisites or a combination thereof w.e.f. 1<sup>st</sup> July, 2020.

**Provided that the following perquisites will not be included in the aforesaid remuneration:**

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.

**Resolved further that** payment/re-imbusement of telephone and/or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.

**Resolved further that** in the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.

**Resolved further that** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to assign and delegate, from time to time, such work, duties, power and authorities to the Whole Time Director as it may deem fit and proper.

**Resolved further that** the Board of Directors and the Nomination and Remuneration Committee of the Company be and are hereby severally authorised to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

**Resolved further that** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to take all necessary steps to give effect to the aforesaid resolution."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**Resolved that** pursuant to the provisions of sections 196, 197, 198 & 203 read with schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Sushil Goyal, Director be and is hereby re-appointed as Managing Director of the Company for a period of 3 years with effect from 26<sup>th</sup> July 2020 on the following terms and conditions:

**Terms and Conditions:**

**Remuneration:** Gross monthly remuneration not exceeding Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousand only) whether paid as salary, allowance(s), perquisites or a combination thereof w.e.f. 26<sup>th</sup> July, 2020.

**Perquisites:** Car to the Managing Director with driver at the cost of the company. However, Managing Director will reimburse the company for any personal use of the car.

**Provided that the following perquisites will not be included in the aforesaid remuneration:**

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.

**Resolved further that** payment/re-imbusement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.

**Resolved further that** in the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.

**Resolved further that** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to assign and delegate, from time to time, such work, duties, power and authorities to the Managing Director as it may deem fit and proper.

**Resolved further that** the Board of Directors and the Nomination and Remuneration Committee of the Company be and are hereby severally authorised to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

**Resolved further that** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to take all necessary steps to give effect to the aforesaid resolution.”

**Regd. Office:**  
SP-916, Phase III, Industrial Area,  
Bhiwadi, 301019, Distt. Alwar, Rajasthan  
**CIN:** L15494RJ1992PLC016617  
**E-mail:** cs@ajantasoya.com  
**Website:** www.ajantasoya.com  
**Phone:** 911-6176727, 911-6128880

By order of the board  
**For Ajanta Soya Limited**

**Sushil Goyal**  
**Managing Director**  
**DIN: 00125275**  
**Address: House No. 42-A, Road No. 78,**  
**West Punjabi Bagh, New Delhi - 110 026**

**Date: 28<sup>th</sup> August, 2020**  
**Place: New Delhi**

#### NOTES

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM” or “Meeting”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM 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 on AGM through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. However, this number does not include the large Shareholders holding 2% or more share capital, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Secretarial Auditors, Scrutinisers, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the MCA dated 8<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020 and 5<sup>th</sup> May, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has made an arrangement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, The Skyline Financial Services Private Limited, Registrar and Share Transfer Agent, of the Company will be providing VC/OAVM Services and necessary technical support as may be required. Therefore, the facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by NSDL.
6. On account of threat posed by COVID-19 and in terms of the MCA and SEBI Circulars, the Company will send the Annual Report and the Notice of AGM only in electronic form to the registered email addresses of the shareholders. Therefore, those shareholders who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:
  - a) For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your 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 the Company’s email address at **cs@ajantasoya.com** or to the email id of Skyline Financial Services Pvt Ltd- Registrar & Share Transfer Agent (RTA) of the Company at **compliances@skylinerta.com**.
  - b) For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

- c) The Annual Report of the Company for the financial year 2019-20 which includes Notice of 29<sup>th</sup> AGM and Audited Financial Statement of the Company, will be available on the website of the Company at **www.ajantasoya.com** and the website of stock exchanges BSE Limited at **www.bseindia.com** and at website of National Securities Depository Limited (NSDL) at **www.evoting.nsdl.com**. The shareholders are also requested to visit the websites for downloading the same.
  - d) The Annual Report along with Notice of AGM to be sent to the members whose email ids are available and registered with the Company.
  - e) Since the AGM will be held through VC, the route map, proxy form and attendance slip are not annexed to this Notice.
7. The recorded transcript of the forthcoming AGM shall also be made available on the website of the Company – **www.ajantasoya.com** as soon as possible after the Meeting is over.
  8. All documents referred to in the accompanying Notice and the Explanatory Statement can be obtained for inspection by writing to the Company at its email ID **cs@ajantasoya.com** till the date of AGM.
  9. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of item no. 3 to 6 of the notice set out above is annexed herewith.
  10. Members seeking any information with regard to the accounts or any other matter to be placed at the AGM, are requested to write to the Company latest by the close of business hours on 23<sup>rd</sup> September, 2020 through email on **cs@ajantasoya.com**. Such questions shall be taken up during the meeting or replied by the Company suitably.
  11. Members who would like to express their views or ask questions during the AGM may register themselves as speaker by sending their request from their registered email address mentioning their name, DP ID and client ID/ Folio no, No. of shares, PAN, mobile number at **cs@ajantasoya.com** on or before the close of business hours on 23<sup>rd</sup> September, 2020. Those Members who have registered themselves as a speaker will be allowed to express their views, ask questions during the AGM. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.
  12. Pursuant to the provisions of Section 113 of the Act, Corporate Members (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy of certified true copy of its Board Resolution / Authorisation letter etc. authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to **cs@ajantasoya.com**, or to the Scrutinizer by e-mail to **rndregular@gmail.com** with a copy marked to NSDL by e-mail: **evoting@nsdl.co.in**.
  13. The requirement to place the matter relating to appointment of statutory auditors for ratification by members at every annual general meeting is omitted vide notification dated 7<sup>th</sup> May 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, resolution for ratification of the appointment of statutory auditors who were appointed for a period of five years at the 26<sup>th</sup> annual general meeting held on 26<sup>th</sup> September, 2017 is not proposed at this AGM.
  14. The Share Transfer Books and Register of Members of the Company will remain closed from Wednesday, 23<sup>rd</sup> September, 2020 to Wednesday, 30<sup>th</sup> September, 2020 (both days inclusive).
  15. A. Members holding shares in physical form are requested to notify/send the following to the Registrar & Transfer Agent (RTA) of the Company M/s Skyline Financial Services Pvt Ltd., D-153/A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi- 110 020; Phone No. 011-40450193-97:-
    - i) their bank account details in order to receive payment of dividend through electronic mode,
    - ii) their email id, in case the same have not been sent earlier, for the purpose of receiving the communication electronically,
    - iii) any change in their address/e-mail id/ECS mandate/ bank details, share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholding into one account.
    - iv) share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholding into one account.
  - B. Members holding shares in dematerialized form are requested to notify to their Depository Participant:
    - i) their email id.
    - ii) all changes with respect to their address, email id, ECS mandate and bank details.

C. Kindly note that as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') it is mandatory for the company to print the bank account details of the investors in dividend payment instrument. Hence, you are requested to register/ update your correct bank account details with the Company/RTA/Depository Participant, as the case may be.

16. The SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agents.
17. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), securities of listed companies can only be transferred in dematerialized form with effect from April 1, 2019, except in case of transmission or transposition of securities. In view of the above, Members are advised to dematerialise shares held by them in physical form. Members may contact the Company's RTA for any assistance in this regard.
18. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
19. As required under Listing Regulations and Secretarial Standards-2 on General Meetings, details in respect of Directors seeking appointment/re-appointment at the AGM, are provided in the Report on Corporate Governance forming part of the Annual Report and also annexed hereto and form part of this Notice. Directors seeking appointment / re-appointment have furnished requisite declarations under section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed there under.
20. Members holding shares in physical form and desirous of making a nomination or cancellation/variation in nomination already made in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit to the RTA of the Company the prescribed Form SH-13 for nomination and Form SH-14 for cancellation/ variation, as the case may be. The Forms can be downloaded from Company's website [www.ajantasoya.com](http://www.ajantasoya.com). Members holding shares in demat mode may contact their respective Depository Participant for availing this facility.
21. The Register of Directors' and Key Managerial Personnel & their Shareholding maintained under Section 170 of the Companies Act, 2013, and the Register of Contracts & Arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection in electronic mode.
22. In case of joint holders attending the meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting.
23. Voting through electronic means:
  - i) In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, Regulation 44 of the SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2") issued by The Institute of Company Secretaries of India ("ICSI") as amended from time to time, the Company is pleased to provide its Members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited ("NSDL") as the Authorised Agency to provide e-voting facilities.
  - ii) The Board of Directors have appointed Mr. Debabrata Deb Nath, Company Secretary in Whole Time Practice, 785, Pocket-E, Mayur Vihar-II, Delhi-110 091 as the Scrutinizer, for conducting the e-voting process in a fair and transparent manner.
  - iii) Members are requested to carefully read the instructions for e-voting before casting their vote.
  - iv) The Remote e-voting facility will be available during the following voting period after which the portal will be blocked and shall not be available for e-voting:
 

|                          |   |
|--------------------------|---|
| Commencement of e-voting | From 9.00 a.m. (IST) on Sunday, 27 <sup>th</sup> September, 2020  |
| End of e-voting          | Upto 5.00 p.m. (IST) on Tuesday, 29 <sup>th</sup> September, 2020 |
- v) The cut-off date (i.e. the record date) for the purpose of e-voting is 23<sup>rd</sup> September, 2020.

- vi) Declaration of Result of e-voting:
- The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date (i.e. the record date).
  - The Scrutinizer shall immediately after the conclusion of e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
  - The Scrutinizer's decision on the validity of the vote shall be final and binding.
  - The Results on resolutions shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions.
  - The result declared along with the Scrutinizer's report shall be placed on the website of the Company ([www.ajantasoya.com](http://www.ajantasoya.com)) within 3 (three) days of passing of the resolutions at the AGM and communicated to the Stock Exchanges where the Company shares are listed.

24. The Meeting shall be deemed to be held at the Registered office of the Company.
25. The procedure and instructions for remote e-voting and e-voting on the day of AGM are given separately with this Annual Report.

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

- Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
- The Skyline Financial Services Private Limited, Registrar and Share Transfer Agent, of the Company will be providing VC/OAVM Services.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 3**

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors appointed Mr. Gagan Goyal (DIN: 00125331) as an Additional Director with effect from 29<sup>th</sup> June, 2020. Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (the "Act") Mr. Gagan Goyal holds office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing under Section 160(1) of the Act, from a member proposing the candidature of Mr. Gagan Goyal, for the office of Director of the Company.

Brief Profile of Mr. Gagan Goyal and information in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standards on General Meetings is mentioned in the annexure which forms part of this notice.

Mr. Gagan Goyal would bring with him vast experience to the Company in the field of Finance and Marketing (Export and Import). Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors considered that his rich experience would be of immense benefit to the company and recommends the resolution as set out in item no. 3 of the Notice for the approval of members who would be liable to retire by rotation.

Except Mr. Abhey Goyal, Mr. Sushil Goyal and Mr. Gagan Goyal and their relatives, none of the Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are in any way, whether financially or otherwise, concerned or interested, in the said resolution.

**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.G. Goyal & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ended 31<sup>st</sup> March, 2021. 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, the members are requested to ratify the remuneration payable to the Cost Auditors for audit of cost records of the Company for the financial year 2020-21 as set out in the resolution for the aforesaid services to be rendered by them.

The Board of Directors recommend the Ordinary Resolution as set out at Item No. 4 of the Notice for approval by the members.

None of the Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are in any way, whether financially or otherwise, concerned or interested, in the said resolution.

**Item No. 5**

Mr. Abhey Goyal was the Whole Time Director of the Company till 31<sup>st</sup> December, 2019. Due to his pre-occupation he has resigned as Whole Time Director w.e.f. 31<sup>st</sup> December, 2019. He was acting as ordinary director since 1<sup>st</sup> January, 2020. Mr. Abhey Goyal was actively participating in the business and management of the Company. Considering his active participation, the management requested Mr. Abhey Goyal to be appointed again as Whole Time Director and he has given consent to the same.

Accordingly, on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on 29<sup>th</sup> June, 2020 again appointed Mr. Abhey Goyal (DIN: 02321262) as Whole time Director for a period of three years subject to the approval of shareholders in their General Meeting, on such terms and conditions including remuneration as recommended by the NRC.

**I. GENERAL INFORMATION**

|  |   |   |                   |
|--|---|---|-------------------|
| (1)  | Nature of Industry  | Ajanta Soya Limited is engaged in the business of manufacturing of Vanaspati Oil and Refined Oil. |                   |
| (2)  | Date or expected date of commencement of commercial production  | The Company is already in existence and is in operation since February, 1992                      |                   |
| (3)  | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable  |                   |
| (4)  | Financial Performance of the Company for last 2 years is given below:   |   |                   |
| <b>Particulars</b>                                   |   | <b>Financial Year ended</b>   |                   |
|  |   | <b>31.03.2020</b>   | <b>31.03.2019</b> |
|  |   | <b>(Amount in Rs. lakhs)</b>  |                   |
| Total Income   |   | 76168.65  | 69566.86          |
| Total Expenditure                                    |   | 74883.51  | 69848.11          |
| Profit before tax                                    |   | 1285.14   | 160.66            |
| Provision for tax                                    |   | 305.30  | 200.97            |
| Profit / (Loss) after tax                            |   | 979.84  | (40.31)           |
| Paid-up Share Capital                                |   | 1609.66   | 1609.66           |
| Reserves and Surplus (excluding revaluation reserve) |   | 3663.33   | 2683.48           |
| (5)  | Export performance and net foreign exchange collaborations  | The Company is not in exports business.   |                   |
| (6)  | Foreign investments or collaborators, if any  | Nil   |                   |

**II. INFORMATION ABOUT THE APPOINTEE**

|     |                    |   |
|-----|--------------------|---|
| (1) | Background details | <p>Mr. Abhey Goyal was the Whole Time Director of the Company till 31<sup>st</sup> December, 2019. Due to his pre-occupation he has resigned as Whole Time Director w.e.f. 31<sup>st</sup> December, 2019. He was acting as ordinary director since 1<sup>st</sup> January, 2020. Mr. Abhey Goyal was actively participating in the business and management of the Company. Considering his active participation, the management requested Mr. Abhey Goyal to be appointed again as Whole Time Director and he has given consent to the same.</p> <p>He is having more than 11 years of experience in trading of oil, real estate and administration.</p> |
|-----|--------------------|---|

|     |  |   |
|-----|--|---|
| (2) | Past remuneration  | <p>Monthly Salary: Rs. 2,00,000/- (Rupees Two Lakhs Only) whether paid as Salary, allowance(s) perquisites or a combination thereof.</p> <p>Provided that the following perquisites will not be included in the aforesaid remuneration:</p> <ol style="list-style-type: none"> <li>a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;</li> <li>b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and</li> <li>c. Encashment of leave at the end of tenure.</li> </ol> <p>Provided further that payment/ re-imburement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.</p> <p>In the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.</p> <p><i>However, he resigned as Whole Time Director w.e.f. 31<sup>st</sup> December, 2019.</i></p> |
| (3) | Recognition or awards  | <p>Mr. Abhey Goyal is a man of rich experience in trading of oil, real estate and administration.</p>   |
| (4) | Job profile and his suitability  | <p>Mr. Abhey Goyal, being the whole time Director of the Company is entrusted with substantial powers in relation to normal business matters. He is having rich experience of over 11 years of experience in trading of oil, real estate and administration. Motivated by business and technology, he takes everyday as a new challenge and he directs all his energies towards winning.</p> <p><i>However, he resigned as Whole Time Director w.e.f. 31<sup>st</sup> December, 2019.</i></p>   |
| (5) | Remuneration proposed  | <p>Gross monthly remuneration not exceeding Rs. 2,50,000/- (Rupees Two Lakhs Fifty Thousand only) whether paid as salary, allowance(s), perquisites or a combination thereof.</p> <p>Provided that the following perquisites will not be included in the aforesaid remuneration:</p> <ol style="list-style-type: none"> <li>a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;</li> <li>b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and</li> <li>c. Encashment of leave at the end of tenure.</li> </ol> <p>Provided further that payment/re-imburement of telephone and/or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.</p> <p>In the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.</p>   |
| (6) | Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) | <p>The exact figures are not readily available. However, the proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top-level managerial persons having comparative qualifications and experience.</p>  |
| (7) | Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any  | <p>The appointee is the promoter of the Company. Save as the managerial remuneration he does not have any other material pecuniary relationship with the Company.</p>   |

**III. OTHER INFORMATION**

|     |   |  |
|-----|---|--|
| (1) | Reasons for loss or inadequate profits                            | The Company is in profit. However fixed remuneration is proposed to be paid as minimum remuneration in the event of loss/absence/inadequacy of profits due to unavoidable circumstances. |
| (2) | Steps taken or proposed to be taken for improvement               | The Company is taking cost cutting measures and exploring new avenues of business to improve profitability.  |
| (3) | Expected increase in productivity and profits in measurable terms | The company is expected to have improved sales and profitability figures in the next financial years.  |

The members' approval is required by way of a Special resolution for Appointment of Mr. Abhey Goyal as Whole time Director and fixing his remuneration. The Board recommends the proposed resolution for adoption in the larger interest of the Company.

The aforesaid explanatory statement for item no. 5 should also be deemed to be notice of the abstract for terms of appointment and payment of remuneration to Mr. Abhey Goyal as Whole time Director.

In term of the provision of Schedule V of the Companies Act, 2013, additional disclosure is also given under appropriate head(s) in the Corporate Governance report annexed to the Director's Report.

Except Mr. Abhey Goyal, Mr. Sushil Goyal and Mr. Gagan Goyal and their relatives, none of the Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are in any way, whether financially or otherwise, concerned or interested, in the said resolution.

**Item No. 6**

Mr. Sushil Goyal is the Promoter Director of the Company. He was the Managing Director of the Company from last more than 21 years. He was last re-appointed as Managing Director w.e.f. 26<sup>th</sup> July, 2017 for a tenure of 3 years till 25<sup>th</sup> July, 2020.

For the efficient management of the Company's affairs, the Nomination & Remuneration Committee of the Board and the Board of Directors of the Company, at their meetings held on 24<sup>th</sup> July, 2020 respectively, subject to the approval of the members, have approved the re-appointment of Mr. Sushil Goyal as Managing Director of Ajanta Soya Limited on the remuneration as given in proposed resolution for a period of 3 (three) years i.e. from 26<sup>th</sup> July, 2020 to 25<sup>th</sup> July, 2023.

**I. GENERAL INFORMATION**

|  |   |   |                                    |
|--|---|---|------------------------------------|
| (1)  | Nature of Industry  | Ajanta Soya Limited is engaged in the business of manufacturing of Vanaspati Oil and Refined Oil. |                                    |
| (2)  | Date or expected date of commencement of commercial production  | The Company is already in existence and is in operation since February, 1992                      |                                    |
| (3)  | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable  |                                    |
| (4)  | Financial Performance of the Company for last 2 years is given below:   |   |                                    |
| <b>Particulars</b>                                   |   | <b>Financial Year ended</b>   |                                    |
|  |   | <b>31<sup>st</sup> March, 2020</b>  | <b>31<sup>st</sup> March, 2019</b> |
|  |   | <b>(Amount in Rs. Lakhs)</b>  |                                    |
| Total Income   |   | 76168.65  | 69566.86                           |
| Total Expenditure                                    |   | 74883.51  | 69848.11                           |
| Profit before tax                                    |   | 1285.14   | 160.66                             |
| Provision for tax                                    |   | 305.30  | 200.97                             |
| Profit / (Loss) after tax                            |   | 979.84  | (40.31)                            |
| Paid-up Share Capital                                |   | 1609.66   | 1609.66                            |
| Reserves and Surplus (excluding revaluation reserve) |   | 3663.33   | 2683.48                            |
| (5)  | Export performance and net foreign exchange collaborations  | The Company is not in exports business.   |                                    |
| (6)  | Foreign investments or collaborators, if any  | Nil   |                                    |

**II. INFORMATION ABOUT THE APPOINTEE**

|     |                                 |   |
|-----|---------------------------------|---|
| (1) | Background details              | <p>Mr Sushil Goyal has been the Managing Director of the Company for more than Twenty One years. He is instrumental in the growth of our Company over the years.</p> <p>He is having more than 26 years of experience in Edible Oil Industry.</p>   |
| (2) | Past remuneration               | <p>Monthly Salary: Rs. 2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) whether paid as Salary, allowance(s) etc.</p> <p>Perquisites: Car to the Managing Director with driver at the cost of the company. However, Managing Director will reimburse the company for any personal use of the car.</p> <p>Provided that the following perquisites will not be included in the aforesaid remuneration:</p> <ol style="list-style-type: none"> <li>a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;</li> <li>b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and</li> <li>c. Encashment of leave at the end of tenure.</li> </ol> <p>Provided further that payment/ re-imbusement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.</p> <p>In the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.</p>  |
| (3) | Recognition or awards           | <p>Mr. Sushil Goyal is a man of rich experience in Edible oil Industry.</p> <p>He is the member of Indian Vegetable Oil Producers' Association and is actively involved in the Producers guild.</p>   |
| (4) | Job profile and his suitability | <p>Mr. Sushil Goyal, being the Managing Director of the Company is entrusted with substantial powers in relation to normal business matters. He is having rich experience of over 26 years in edible oil industry.</p>  |
| (5) | Remuneration proposed           | <p>Gross monthly remuneration not exceeding Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousand Only) whether paid as salary, allowance(s), perquisites or a combination thereof.</p> <p>Perquisites: Car to the Managing Director with driver at the cost of the company. However, Managing Director will reimburse the company for any personal use of the car.</p> <p>Provided that the following perquisites will not be included in the aforesaid remuneration:</p> <ol style="list-style-type: none"> <li>a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;</li> <li>b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and</li> <li>c. Encashment of leave at the end of tenure.</li> </ol> <p>Resolved further that payment/ re-imbusement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.</p> <p>In the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.</p> |

|     |  |   |
|-----|--|---|
| (6) | Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) | The exact figures are not readily available. However, the proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top-level managerial persons having comparative qualifications and experience. |
| (7) | Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any  | The appointee is the main promoter of the Company. Save as the managerial remuneration he does not have any other material pecuniary relationship with the Company.   |

**III. OTHER INFORMATION**

|     |   |  |
|-----|---|--|
| (1) | Reasons for loss or inadequate profits                            | The Company is in profit. However fixed remuneration is proposed to be paid as minimum remuneration in the event of loss/absence/inadequacy of profits due to unavoidable circumstances. |
| (2) | Steps taken or proposed to be taken for improvement               | The Company is taking cost cutting measures and exploring new avenues of business to improve profitability.  |
| (3) | Expected increase in productivity and profits in measurable terms | The company is expected to have improved sales and profitability figures in the next financial years.  |

The members' approval is required by way of a Special resolution for re-appointment of Mr. Sushil Goyal as Managing Director and fixing his remuneration. The Board recommends the proposed resolution for adoption in the larger interest of the Company.

The aforesaid explanatory statement for item no. 6 should also be deemed to be notice of the abstract for terms of appointment and payment of remuneration to Mr. Sushil Goyal as Managing Director.

In term of the provision of Schedule V of the Companies Act, 2013, additional disclosure is also given under appropriate head(s) in the Corporate Governance report annexed to the director's report.

Except Mr. Abhey Goyal, Mr. Sushil Goyal and Mr. Gagan Goyal and their relatives, None of the Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are in any way, whether financially or otherwise, concerned or interested, in the said resolution.

**Regd. Office:**  
 SP-916, Phase III, Industrial Area,  
 Bhiwadi, 301019, Distt. Alwar, Rajasthan  
**CIN:** L15494RJ1992PLC016617  
**E-mail:** cs@ajantasoya.com  
**Website:** www.ajantasoya.com  
**Phone:** 911-6176727, 911-6128880

**Date:** 28<sup>th</sup> August, 2020  
**Place:** New Delhi

By order of the board  
**For Ajanta Soya Limited**

**Sushil Goyal**  
**Managing Director**  
**DIN:** 00125275  
**Address:** House No. 42-A, Road No. 78,  
 West Punjabi Bagh, New Delhi - 110 026

**DISCLOSURE REGARDING APPOINTMENT & RE-APPOINTMENT OF DIRCETORS IN THE ENSUING AGM**

[Pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standards - 2 on General Meetings]

Brief particulars of Directors who are appointed/re-appointed in this AGM are as follows:

| Particulars  | Mr. Gagan Goyal  | Mr. Abhey Goyal   | Mr. Sushil Goyal   |
|--|--|---|--|
| DIN  | 00125331   | 02321262  | 00125275   |
| Father's Name  | Mr. Sushil Goyal   | Mr. Sushil Goyal  | Mr. Sohan Lal Goyal  |
| Date of Birth  | 03.01.1985   | 31.03.1987  | 18.05.1961   |
| Nationality  | Indian   | Indian  | Indian   |
| Date of first appointment on the Board of Directors of the Company   | 29.06.2020   | 15.12.2008  | 06.03.1992   |
| Address  | House No 42A, Road No. 78, West Punjabi Bagh, New Delhi 110026   | House No 42A, Road No. 78, West Punjabi Bagh, New Delhi 110026  | House No 42A, Road No. 78, West Punjabi Bagh, New Delhi 110026   |
| Designation  | Director   | Whole time Director   | Managing Director  |
| Education/Qualification  | B.Sc. (Hons) & Business Management   | Postgraduate in Management & Finance  | Graduate   |
| Nature of Expertise / Experience (including nature of expertise in specific functional areas)/Brief Resume | Mr. Gagan Goyal is having more than 15 (Fifteen) years of experience in Finance and Marketing (Export and Import).   | Mr. Abhey Goyal is having more than 11 years of experience in trading of oil, real estate and administration.   | Mr. Sushil Goyal being the Managing Director of the Company is entrusted with substantial powers in relation to normal business matters. He is having rich experience of over 26 years in Edible Oil Industry. |
| Relationships between the Directors inter-se   | Mr. Gagan Goyal is the son of Mr. Sushil Goyal, Managing Director of the Company and Brother of Mr. Abhey Goyal, Whole time Director of the Company.   | Mr. Abhey Goyal is the son of Mr. Sushil Goyal, Managing Director of the Company and Brother of Mr. Gagan Goyal, Director of the Company.   | Mr. Sushil Goyal is the father of Mr. Abhey Goyal, Whole time Director and Mr. Gagan Goyal, Director of the Company.   |
| No. of Board Meetings attended during the FY 2019-20   | Nil  | 7   | 8  |
| Terms and conditions of Appointment/ Reappointment   | Mr. Gagan Goyal Appointed as Director and liable to retire by rotation.  | Mr. Abhey Goyal Appointed as Whole time Director w.e.f. 01.07.2020.   | Mr. Sushil Goyal Appointed as Managing Director w.e.f. 26.07.2020.   |
| Companies in which holds Directorship*   | <ul style="list-style-type: none"> <li>• Polo Textiles Private Limited</li> <li>• R.M.S. Traders Private Limited</li> <li>• DG Estates Private Limited</li> <li>• Goyal Infratech Private Limited</li> <li>• Poysha Power Transmission Private Limited</li> <li>• G D Ferro Alloys Private Limited</li> <li>• GDF Exports Private Limited</li> </ul> | <ul style="list-style-type: none"> <li>• Polo Textiles Private Limited</li> <li>• R.M.S. Traders Private Limited</li> <li>• DG Estates Private Limited</li> <li>• Goyal Infratech Private Limited</li> <li>• Savoiv Innovations Private Limited</li> <li>• Cosmic Alloys and Metal Works Private Limited</li> </ul> | <ul style="list-style-type: none"> <li>• Ameri Estates Private Limited</li> <li>• Poysha Power Transmission Private Limited</li> <li>• Cosmic Alloys and Metal Works Private Limited</li> </ul>                |

|   |                  |   |   |
|---|------------------|---|---|
| Companies in which holds membership of committees**<br>** Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies. | Nil              | 1                                       | Nil                                     |
| Shareholding in the Company (No. & %)   | 3,77,008 (2.34%) | 6,13,288 (3.81%)                        | 5,13,464 (3.19%)                        |
| Details of Remuneration sought to be paid   | Nil              | As set out in the explanatory statement | As set out in the explanatory statement |
| Remuneration last drawn (including sitting fees, If any) (Per Annum)  | Nil              | 18.00 Lakhs***                          | 30.00 Lakhs                             |

\*excludes Directorships in Associations, Foreign and Section 25/8 Companies.

\*\*\*Mr. Abhey Goyal was Whole Time Director till 31<sup>st</sup> December, 2019. He was again appointed as Whole Time Director w.e.f. 1<sup>st</sup> July, 2020. He was acting as ordinary Director during 1<sup>st</sup> January, 2020 till 30<sup>th</sup> June, 2020.

## DIRECTORS' REPORT

### TO THE MEMBERS OF AJANTA SOYA LIMITED

The Directors hereby present their 29<sup>th</sup> Annual Report on the business and operations of the Company and the financial accounts for the year ended 31<sup>st</sup> March, 2020.

#### Financial Highlights

(Amount in Lakhs)

| Particulars                                    | Current Year (2020) | Previous Year (2019) |
|--|---------------------|----------------------|
| Revenue from operations                        | 76013.18            | 69465.36             |
| Other Income                                   | 155.47              | 101.50               |
| Profit/(Loss) before exceptional items and tax | 1285.14             | (281.25)             |
| Exceptional Items (Net)                        | 0.00                | 441.91               |
| Profit/(Loss) before Tax                       | 1285.14             | 160.66               |
| Tax Expense                                    | 305.30              | 200.97               |
| Profit/(Loss) after Tax                        | 979.84              | (40.31)              |
| Other Comprehensive Income (Net of Tax)        | (6.26)              | 12.21                |
| Total Comprehensive Income                     | 973.58              | (28.10)              |
| Transfer to Reserve                            | Nil                 | Nil                  |
| Reserves and surpluses                         | 3663.33             | 2683.48              |
| Earning per share                              | 6.09                | (0.25)               |

#### Company Performance

During the year under review total income of the Company was Rs. 76168.65 Lakhs as against Rs. 69566.86 Lakhs in the previous year. The total expenses of the Company was Rs. 74883.51 Lakhs during the year as compared to Rs. 69848.11 during the previous year. During the year the Company had earned a profit after tax of the year of Rs. 979.84 Lakhs against a loss after tax of Rs. 40.31 Lakhs in the previous year.

Your Directors are putting in their best efforts to improve the performance of the Company by increasing the throughput of the plant.

#### Statement of Company's Affair

The Company is engaged in the business of manufacturing of Vanaspati and Refined Oil with shortening products (bakery & biscuit). During the year company has produced 1,06,022.866 MT of Vanaspati/Refined Oil as against 93,636.543 MT in the previous year.

The most popular brands of Vanaspati/refined oil and bakery shortening are "Dhruv", "Anchal" and "Parv" all are which enjoy a considerable market share.

Detailed information on the operations of the Company and details on the state of affairs of the Company are covered in the Management Discussion and Analysis Report attached to this report.

#### Change in nature of Business of the Company

There has been no change in the nature of business of the Company.

#### Material Changes etc.

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company-31<sup>st</sup> March, 2020 and the date of this Report except for the impact arising out of COVID-19.

#### COVID-19

In the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees and on minimizing disruption to services for all our customers.

Our factories were shut down in the last week of March, 2020 due to lockdown. However, the Factory operations were resumed in a same week of March, 2020 post approvals from local authorities, with limited manpower.

The Company was also restarted administrative office from 5<sup>th</sup> May, 2020, adhering to the safety norms prescribed by Government of India and State Government policies.

Manufacturing units of the company are in production to manufacture essential commodities like edible oils with the guidelines from the Central and State Governments.

Further the Company has been taking utmost care of its staff and work force like sanitization of premises, social distancing, mandatory mask wearing, maintaining proper hygiene etc. at factories and offices. Sanitization and thermal screening of employees, truck drivers and loading vehicles at the entry gate of factory.

We have taken cash flow, capital expenditure and overhead control measures to smoothly manage our operations.

Since the company is engaged in supplying to essential sector i.e. manufacturing of edible oil, the products of Company are in good demand which remain intact.

#### Dividend

The Board of Directors of your Company has decided to retain and plough back the profits into the business of the Company, thus no dividend is being recommended for this year.

#### Share Capital

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2020 was Rs. 1609.66 Lakhs. During the year under review, the Company has not issued any Shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

#### Utilization of Issue Proceeds

During the period under review, Company has not raised any funds through preferential allotment or qualified institutions placement.

#### Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

Pursuant to Section 134(3)(g) of the Companies Act, 2013 details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are as under below.

##### Detail of Investment as on 31<sup>st</sup> March, 2020

| Name of Company   | (Rs. In Lakhs)* |
|---|-----------------|
| - DG Estates Private Limited (2,94,500 equity shares of Rs. 10/- each)    | 139.27          |
| - Dhruv Globals Limited (3,86,050 equity shares of Rs. 10/- each)         | 202.10          |
| - Ajanta Realtech Private Limited (95,000 equity shares of Rs. 10/- each) | 128.96          |

\* Fair Value of Investments as per Ind AS.

##### Detail of Guarantee as on 31<sup>st</sup> March, 2020

| Name of Company  | (Rs. In Lakhs) |
|--|----------------|
| Guarantee issued in favour of bank on behalf of Dhruv Globals Limited. | 6810.00        |

During the financial year ended 31<sup>st</sup> March, 2020, no Loan u/s 186 of the Companies Act, 2013 was made by the Company.

#### Disclosure on Deposit under Chapter V

The Company has neither accepted nor renewed any deposits during the Financial Year 2019-20 in terms of Chapter V of the Companies Act, 2013.

#### Report on Subsidiaries, Associates and Joint Venture companies

The Company has no subsidiaries, associates and joint ventures companies.

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

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts)

Rules, 2014 the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are attached as ‘Annexure 1’ which forms part of this report.

### Listing

At present, the equity shares of the Company are listed at Bombay Stock Exchange Limited. (BSE). The annual listing fees for the financial year 2020-21 to BSE has been paid.

### Corporate Governance

Corporate Governance is all about ethical conduct, openness, integrity and accountability of an enterprise. Good Corporate Governance involves a commitment of the Company to run the business in a legal, ethical and transparent manner and runs from the top and permeates throughout the organization. It involves a set of relationships between a Company’s management, its Board, shareholders and Stakeholders. It is a key element in improving the economic efficiency of the enterprise. Credibility offered by Corporate Governance helps in improving the confidence of the investors – both domestic and foreign, and establishing productive and lasting business relationship with all stakeholders.

At ASL Corporate Governance is more a way of business life than a mere legal obligation. Strong governance practices of the Company have been rewarded in the Company.

A Certificate from Auditors of the Company regarding compliance of the conditions of Corporate Governance, as stipulated under Schedule V of the Listing Regulations is attached in the Corporate Governance Report and forms part of this report.

Certificate of the CEO/CFO, *inter-alia*, confirming the correctness of the financial statements, compliance with Company’s Code of Conduct, adequacy of the internal control measures and reporting of matters to the auditors and the Audit committee in terms of Regulation 17 of the Listing Regulations is attached in the Corporate Governance report, and forms part of this report.

### Credit Rating

During the year CRISIL has assigned the Bank Loan External Ratings of the Company as mentioned below:

|   |  |
|---|--|
| <b>Total Bank Loan Facilities Rated</b> | Rs. 130 Crore  |
| <b>Long-Term Rating</b>                 | CRISIL BB+/Stable (Downgraded from CRISIL BBB-/Negative) |
| <b>Short-Term Rating</b>                | CRISIL A4+ (Downgrading from CRISIL A3)                  |

### Board of Directors

#### a. Retirement by Rotation:

During the financial year under review, Mr. Sushil Goyal who retires by rotation on the AGM held on 30<sup>th</sup> September, 2019 were re-appointed as Director in pursuant to the provisions of Section 152 of the Companies Act, 2013.

In Pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting (AGM). Consequently, Mr. Abhey Goyal (DIN:02321262), Director will retire by rotation at the ensuing AGM, and being eligible, offer himself for re-appointment in accordance with the provisions of the Companies Act, 2013.

#### b. Appointment of Directors:

Your Directors co-opted Mr. Gagan Goyal (DIN:00125331) as an Additional Director with effect from 29<sup>th</sup> June, 2020 whose term will end at the ensuing Annual General Meeting and being eligible offers himself for appointment. In terms of provisions of the Companies Act 2013 he hold office until the date of ensuring Annual General Meeting. His appointment as an ordinary Director of the Company is placed before the members consideration. The Board recommends the Resolutions for adoption by Members.

A brief resume of the Directors proposed to be appointed/re-appointed, the nature of his expertise in specific functional areas, disclosure of relationships between Directors inter-se, names of companies in which he has held directorships, committee memberships/chairmanships, his shareholding etc., is annexed to the Corporate Governance Report and Notice of the ensuing AGM and forming part of the Annual Report. The Board recommends the Resolutions for adoption by Members.

#### c. Appointment of Whole time Director

On the recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company had

in its meeting held on 29<sup>th</sup> June, 2020, appointed Mr. Abhey Goyal (DIN: 02321262) as a Whole time Director for a period of 3 years with effect from 1<sup>st</sup> July, 2020, subject to the approval of shareholders in their General Meeting. The terms and conditions for his Appointment are contained in the explanatory statement forming part of the notice of the ensuing Annual General Meeting.

A brief resume of the Directors proposed to be appointed/re-appointed in the ensuing Annual General Meeting, the nature of his expertise in specific functional areas, disclosure of relationships between Directors inter-se, names of companies in which he has held directorships, committee memberships/chairmanships, his shareholding etc., is annexed to the Corporate Governance Report and Notice of the ensuing AGM and forming part of the Annual Report.

**d. Reappointment of Managing Director**

The term of appointment of Mr. Sushil Goyal as Managing Director was expired on 25<sup>th</sup> July, 2020. Further, on the recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company had in its meeting held on 24<sup>th</sup> July, 2020, re-appointed Mr. Sushil Goyal (DIN:00125275) as a Managing Director for a period of 3 years with effect from 26<sup>th</sup> July, 2020, subject to the approval of members. The terms and conditions for his re-appointment are contained in the explanatory statement forming part of the notice of the ensuing Annual General Meeting.

A brief resume of the Directors proposed to be appointed/re-appointed in the ensuing Annual General Meeting, the nature of his expertise in specific functional areas, disclosure of relationships between Directors inter-se, names of companies in which he has held directorships, committee memberships/chairmanships, his shareholding etc., is annexed to the Corporate Governance Report and Notice of the ensuing AGM and forming part of the Annual Report.

**e. Declaration by Independent Directors**

Pursuant to provisions of Section 134(3)(d) of the Companies Act, 2013, with respect to statement on declaration given by Independent Directors under Section 149(6) of the Act, the Board hereby confirms that all the Independent Directors of the Company have given a declaration and have confirmed that they meet the criteria of independence as provided in the said Section 149(6).

After undertaking a due assessment of their disclosures, in the opinion of the Board of Directors, all the Independent Directors fulfilled the requirements of the Companies Act, 2013 and the Listing Regulations and were Independent of the management of the Company.

**Key Managerial Personnel**

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

| Name                 | Designation             |
|----------------------|-------------------------|
| Mr. Sushil Goyal     | Managing Director       |
| Mr. Abhey Goyal*     | Whole Time Director     |
| Mr. Jai Gopal Sharma | Chief Financial Officer |
| Mr. Kapil            | Company Secretary       |

*\*Mr. Abhey Goyal was Whole Time Director till 31<sup>st</sup> December, 2019. He was again appointed as Whole Time Director w.e.f. 1<sup>st</sup> July, 2020. He was acting as ordinary Director during 1<sup>st</sup> January, 2020 till 30<sup>th</sup> June, 2020.*

**Policy on Directors appointment and Policy on remuneration**

Pursuant to the requirement under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board members including criteria for determining qualifications, positive attributes, Independence of a Director and the policy on remuneration of Directors, KMP and other employees is attached as ‘Annexure 2’ respectively, which forms part of this report.

**Particulars of remuneration of Directors/ KMP/Employees**

There are no employees who are in receipt of remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

| SI No.  | Particulars   |   |                               |                               |                                      |                                      |                             |         |                             |        |                               |        |
|---|---|---|-------------------------------|-------------------------------|--------------------------------------|--------------------------------------|-----------------------------|---------|-----------------------------|--------|-------------------------------|--------|
| (i)   | The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.   | <table border="1"> <thead> <tr> <th>Name of the Director</th> <th>Total Remuneration (In Lakhs)</th> <th>Ratio to the Median</th> </tr> </thead> <tbody> <tr> <td>Mr. Sushil Goyal (Managing Director)</td> <td>30.00</td> <td>13.44:1</td> </tr> <tr> <td>Mr. Abhey Goyal (Director)*</td> <td>18.00</td> <td>10.75:1</td> </tr> </tbody> </table>                               | Name of the Director          | Total Remuneration (In Lakhs) | Ratio to the Median                  | Mr. Sushil Goyal (Managing Director) | 30.00                       | 13.44:1 | Mr. Abhey Goyal (Director)* | 18.00  | 10.75:1                       |        |
|   |   | Name of the Director  | Total Remuneration (In Lakhs) | Ratio to the Median           |                                      |                                      |                             |         |                             |        |                               |        |
|   |   | Mr. Sushil Goyal (Managing Director)  | 30.00                         | 13.44:1                       |                                      |                                      |                             |         |                             |        |                               |        |
|   |   | Mr. Abhey Goyal (Director)*   | 18.00                         | 10.75:1                       |                                      |                                      |                             |         |                             |        |                               |        |
| *Mr. Abhey Goyal was Whole Time Director till 31 <sup>st</sup> December, 2019. He was again appointed as Whole Time Director w.e.f. 1 <sup>st</sup> July, 2020. He was acting as ordinary Director during 1 <sup>st</sup> January, 2020 till 30 <sup>th</sup> June, 2020. |   |   |                               |                               |                                      |                                      |                             |         |                             |        |                               |        |
|   |   |   |                               |                               |                                      |                                      |                             |         |                             |        |                               |        |
| (ii)  | The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.  | <table border="1"> <thead> <tr> <th>Name</th> <th>% of Increase</th> </tr> </thead> <tbody> <tr> <td>Mr. Sushil Goyal (Managing Director)</td> <td>Nil</td> </tr> <tr> <td>Mr. Abhey Goyal (Director)*</td> <td>Nil</td> </tr> <tr> <td>Mr. Jai Gopal Sharma (CFO)</td> <td>13.49%</td> </tr> <tr> <td>Mr. Kapil (Company Secretary)</td> <td>20.84%</td> </tr> </tbody> </table> | Name                          | % of Increase                 | Mr. Sushil Goyal (Managing Director) | Nil                                  | Mr. Abhey Goyal (Director)* | Nil     | Mr. Jai Gopal Sharma (CFO)  | 13.49% | Mr. Kapil (Company Secretary) | 20.84% |
|   |   | Name  | % of Increase                 |                               |                                      |                                      |                             |         |                             |        |                               |        |
|   |   | Mr. Sushil Goyal (Managing Director)  | Nil                           |                               |                                      |                                      |                             |         |                             |        |                               |        |
|   |   | Mr. Abhey Goyal (Director)*   | Nil                           |                               |                                      |                                      |                             |         |                             |        |                               |        |
|   |   | Mr. Jai Gopal Sharma (CFO)  | 13.49%                        |                               |                                      |                                      |                             |         |                             |        |                               |        |
| Mr. Kapil (Company Secretary)   | 20.84%  |   |                               |                               |                                      |                                      |                             |         |                             |        |                               |        |
| *Mr. Abhey Goyal was Whole Time Director till 31 <sup>st</sup> December, 2019. He was again appointed as Whole Time Director w.e.f. 1 <sup>st</sup> July, 2020. He was acting as ordinary Director during 1 <sup>st</sup> January, 2020 till 30 <sup>th</sup> June, 2020. |   |   |                               |                               |                                      |                                      |                             |         |                             |        |                               |        |
|   |   |   |                               |                               |                                      |                                      |                             |         |                             |        |                               |        |
|   |   |   |                               |                               |                                      |                                      |                             |         |                             |        |                               |        |
|   |   |   |                               |                               |                                      |                                      |                             |         |                             |        |                               |        |
| (iii)   | The percentage increase in the median remuneration of employees in the financial year.  | The percentage increase in the Median Remuneration during the financial year is 1.45%. This has been arrived at by comparing the median remuneration as on 31 <sup>st</sup> March, 2019 and the median remuneration as on 31 <sup>st</sup> March, 2020.   |                               |                               |                                      |                                      |                             |         |                             |        |                               |        |
| (iv)  | The number of permanent employees on the rolls of the company.  | The total number of permanent employee of Ajanta Soya Limited as on 31 <sup>st</sup> March, 2020 was 96 (Ninety Six).   |                               |                               |                                      |                                      |                             |         |                             |        |                               |        |
| (v)   | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | The average % increase in salary was 8.31% for all employees other than the managerial personnel who went through the compensation review cycle in the year.<br>During the financial year there was no increase in the Managerial remuneration.   |                               |                               |                                      |                                      |                             |         |                             |        |                               |        |
| (vi)  | It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.   | Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior Management is as per the Remuneration Policy of the Company.  |                               |                               |                                      |                                      |                             |         |                             |        |                               |        |

Further, Details as required under the provisions of section 197(12) of the Companies Act, 2013, read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is attached as 'Annexure 3' to this Report.

#### Number of Meetings of the Board

During the Financial Year 2019-20, 8 (Eight) number of Board meetings were held. For details there of kindly refer to the section Board of Directors in the *Corporate Governance Report*.

### **Performance Evaluation of the Board, its Committees and Individual Directors**

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Agreement with Stock Exchanges, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

A structured questionnaire has been prepared, covering various aspects of the functioning of the Board and its Committee, such as, adequacy of the constitution and composition of the Board and its Committees, matters addressed in the Board and Committee meetings, processes followed at the meeting, Board's focus, regulatory compliances and Corporate Governance, etc. Similarly, for evaluation of Individual Director's performance, the questionnaire covers various aspects like his/her profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc.

Board members had submitted their response on a scale of 5 (excellent) – 1 (poor) for evaluating the entire Board, respective Committees of which they are members and of their peer Board members, including Chairman of the Board.

The Independent Directors had met separately without the presence of Non-Independent Directors and the members of management and discussed, inter-alia, the performance of non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of executive and Non-Executive Directors.

As part of the evaluation process, the performance of Non-Independent Directors, the Chairman and the Board was conducted by the Independent Directors. The performance evaluation of the respective Committees and that of Independent and Non-Independent Directors was done by the Board excluding the Director being evaluated.

The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires. The Directors expressed their satisfaction with the evaluation process.

### **Composition of Audit Committee**

As on 31<sup>st</sup> March, 2020, the Audit Committee of the Company comprises the following Directors:

Mr. Harsh Chander Kansal-Chairman (Non-Executive & Independent Director)

Mr. Hemant Bansal-Member (Non-Executive & Independent Director)

Mr. Abhey Goyal-Member (Non-Executive and Promoter Director)

Further, all recommendations of Audit Committee were accepted by the Board of Directors.

### **Statutory Auditors and their Report**

As per provisions of Section 139(1) of the Act, the Company has appointed M/s. Pawan Shubham & Co., Chartered Accountants (Firm Registration No. 011573C) as Statutory Auditors for a period of 5 (Five) years in the AGM of the Company held on 26<sup>th</sup> September, 2017.

The Ministry of Corporate Affairs vide its Notification dated May 7, 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, approval of the Shareholders for the ratification of Auditor's appointment is not being sought at the ensuing AGM.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory.

### **Cost Auditors and their Report**

During the Financial Year 2019-20 as per Section 148 of the Companies Act, 2013 read with Rules framed thereunder, M/s K.G. Goyal & Associates, Cost Accountants, (Firm's Registration No. 000024) were re-appointed as Cost Auditors to conduct cost audit of the accounts maintained by the Company in respect of the various products prescribed under the applicable Cost Audit Rules. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee. Subsequent to the end of financial year M/s K.G. Goyal & Associates, Cost Accountants, (Firm's Registration No. 000024) have also been appointed as Cost Auditors for the Financial Year 2020-21 by the Board of Directors, upon recommendation of Audit Committee. The requisite resolution for ratification of remuneration of Cost Auditors by members of the Company has been set out in the Notice of ensuing annual general meeting. The Cost Auditors have certified that their appointment is within the limits of Section 141(3)(g) of the Act and that they are not disqualified from appointment within the meaning of the said Act.

### **Maintenance of cost records**

Pursuant to the provisions under Section 148 of the Companies Act, 2013 read with Rules framed thereunder, the Directors confirm that the proper Cost accounts and records are maintained by the Company in terms of the Act.

### **Secretarial Auditors and their Report**

Your Board, during the year, appointed M/s R & D Company Secretaries, to conduct secretarial audit of the Company for the financial year ended 31<sup>st</sup> March, 2020. The Report of M/s R & D Company Secretaries in terms of Section 204 of the Act is provided in the 'Annexure 4' forming part of this Report. The said reports are self-explanatory and do not contain any qualification, reservation and adverse remarks or disclaimer.

### **Annual Secretarial Compliance Report**

A Secretarial Compliance Report for the financial year ended 31<sup>st</sup> March, 2020 on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, was obtained from M/s R & D Company Secretaries Secretarial Auditors, and submitted to Bombay stock exchange.

### **Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government**

The Statutory Auditors, Cost Auditors and Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

### **Directors' Responsibility Statement**

Pursuant to the provisions under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm:

- a) That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) That they had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That they had prepared the annual accounts on a going concern basis;
- e) That they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Corporate Social Responsibility(CSR)**

Your Company has always been undertaking CSR activities on a significant scale, upholding the belief that Corporates have a special and continuing responsibility towards social development.

The vision of ASL CSR activities to make sustainable impact on the human development of underserved communities through initiatives in Education, Health and Livelihoods has been formally codified with the constitution of a dedicated Corporate Social Responsibility Committee of the Board as per of section 135 of the Companies Act, 2013 and Rules framed thereunder. The CSR Committee of the Company helps the Company to frame, monitor and execute the CSR activities of the Company. The Committee defines the parameters and observes them for effective discharge of the social responsibility of your Company. The CSR Policy of your Company outlines the Company's philosophy & the mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large as part of its duties as a responsible corporate citizen. Details regarding the constitution, roles and functions of the Corporate Social Responsibility Committee are given in the Report on *Corporate Governance*.

Further, the Board of Directors of your Company has also adopted the CSR Policy of the Company as approved by the Corporate Social Responsibility Committee which is also available on the website of the Company at [www.ajantasoya.com](http://www.ajantasoya.com).

As per Section 135 of the Companies Act, 2013, the Company has a Corporate Social Responsibility (CSR) Committee of its Board of Directors. The Committee comprises:

Mr. Harsh Chander Kansal-Chairman (Non-Executive & Independent Director)  
Mr. Sushil Goyal-Member (Executive & Promoter Director)  
Mr. Abhey Goyal-Member (Non-Executive & Promoter Director)

During the year, the Committee monitored the implementation and adherence to the CSR policy. The CSR policy provides a constructive framework to review and organize our social outreach programs in the areas of education, health and livelihood. The policy enables a deeper understanding of outcome-focused social development through diverse collaborations.

In view of the loss during the immediately preceding financial years, the Company was not required to spend towards CSR activities during FY 2019-20 as per Section 135 of the Companies Act, 2013 read with rules thereunder. However, the Company has suo-moto spent Rs. 5.15 Lakhs during the financial year 2019-20.

Details about the CSR policy and initiatives taken by the Company during the year are available on Company's website [www.ajantasoya.com](http://www.ajantasoya.com). The report on CSR activities of the Company is attached as 'Annexure 5'.

### **Internal Financial Controls System**

According to Section 134(5)(e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Company has a well-placed, proper and adequate IFC system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's IFC system also comprises due compliances with Company's policies and Standard Operating Procedures (SOP's) and audit and compliance by in-house Internal Audit Division, The Company has appointed an external professional firm as Internal Auditor. 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 and compliance is ensured by direct reporting of Internal Audit Division and Internal Auditors to the Audit Committee of the Board.

Details of internal financial control and its adequacy in compliance with the provisions of Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 are included in the *Management Discussion and Analysis Report*, which forms part of this Report.

The Company has appointed an external professional firm as Internal Auditor. The Internal Audit of the Company is regularly carried out to review the internal control systems and processes. The internal Audit Reports along with implementation and recommendations contained therein are periodically reviewed by Audit Committee of the Board.

### **Risk Management Policy**

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk.

The Internal Audit Department facilitates the execution of Risk Management Practices in the Company, in the areas of risk identification, assessment, monitoring, mitigation and reporting. Through this programme, each Function and Unit addresses opportunities and risks through a comprehensive approach aligned to the Company's objectives. The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status.

This risk management process, which is facilitated by internal audit, covers risk identification, assessment, analysis and mitigation. Incorporating sustainability in the process also helps to align potential exposures with the risk appetite and highlights risks associated with chosen strategies. The current risk slate and the comprehensive risk policy have been further redefined during the year. The major risks forming part of the Enterprise Risk Management process are linked to the audit universe and are covered as part of the annual risk based audit plan.

### **Vigil Mechanism and Whistle Blower Policy**

The Company has adopted a Vigil Mechanism and Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee.

It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

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

Pursuant to the legislation The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has a Policy on Prevention of Sexual Harassment at Workplace. Your Company has constituted an Internal Complaints Committee (ICC) to investigate and resolve sexual harassment complaints.

The Company in its endeavour for zero tolerance towards any kind of harassment, including sexual harassment, or discrimination at the workplace has in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, the Company has not received any complaint under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

| No. of complaints filed during the year | No. of complaints disposed off during the year | No. of complaints pending |
|---|--|---------------------------|
| Nil                                     | Nil  | Nil                       |

**Extract of Annual Return**

As required by Section 92(3) read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Extract of Annual Return in Form MGT-9 is annexed herewith as ‘Annexure 6’ to this Report.

**Contracts or arrangements with Related Parties under Section 188(1) of the Companies Act, 2013**

With reference to Section 134(3)(h) of the Companies Act, 2013, during the year, the Company had not entered into any contract or arrangement with related parties which could be considered ‘material’ according to the policy of the Company on Materiality of Related Party Transactions. Accordingly, there are no transactions that are required to be reported in form AOC-2. All related party transactions are mentioned in **Note No. 42** of the notes to the Accounts.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which are of a foreseen and repetitive nature. The statement of transactions entered into pursuant to the omnibus approval so granted is placed before the Audit Committee for approval.

**Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concerns status and company`s operations in future**

The Company has not received any significant or material orders passed by any regulatory Authority, Court or Tribunal which shall impact the going concern status and Company`s operations in future.

**Secretarial Standards**

The Company is in compliance with the relevant provisions of Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government and all other Secretarial Standards from time to time.

**Acknowledgements**

Your Directors place on record their gratitude to the Central Government, State Governments and Company’s Bankers for the assistance, co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.

By order of the board  
For Ajanta Soya Limited

**Sushil Goyal**  
Managing Director  
DIN: 00125275  
Address: House No. 42-A,  
Road No. 78, West Punjabi Bagh,  
New Delhi - 110 026

**Abhey Goyal**  
Director  
DIN: 02321262  
Address: House No. 42-A,  
Road No. 78, West Punjabi Bagh,  
New Delhi - 110 026

Date: 28<sup>th</sup> August, 2020  
Place: New Delhi

Encl:-

| Sl No. | Particular   | Annexure   |
|--------|--|------------|
| 1.     | Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo   | Annexure-1 |
| 2.     | Company's Policy on Directors' appointment and remuneration  | Annexure-2 |
| 3.     | Details as required under the provisions of section 197(12) of the Companies Act, 2013, read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 | Annexure-3 |
| 4.     | Secretarial Audit Report   | Annexure-4 |
| 5.     | The report on CSR activities   | Annexure-5 |
| 6.     | Extract of Annual Return in MGT-9  | Annexure-6 |

**Annexure 1**

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

| <b>Conservation of Energy</b> |  |  |
|-------------------------------|--|--|
| (i)                           | Steps taken or impact on conservation of energy                      | <p>The Plant is having state-of-the art technology with full automation having all motors speed controlled for flow variations with VFD, resulting in minimum energy consumption for required fluid flow in process, most of the lights now are either CFL or LED.</p> <p>VFDs are being put on big motors having load variations in utility sections.</p> <p>Thermosyphons in place of Thermic fluid heaters have been used for high temperature heating, using PNG as fuel in place of solid fuels coal/petcoke used earlier. This has resulted in energy saving with reduction in air pollution.</p> <p>Condensate recovery and use has been improved by installation of complete system procured based on audit and recommendation, from Forbes Marshall.</p> <p>PNG fired steam boiler of 8 TPH having maximum thermal efficiency with full automation w.r.t. electronic regulation and continuous monitoring system, has been ordered to Thermax Global on turn key basis. This will result into reduction of objectionable environmental emissions to substantial extent with substantial efficiency improvement.</p> <p>Company is in the continuous process of investing in sustainable solutions with latest technologies in its core area of operations. Replacement of fossil fuels in our heaters and boilers in phased manner is part of the management strategy towards sustainable growth.</p> |
| (ii)                          | Steps taken by the Company for utilizing alternate sources of energy | Possible steps are being explored, studied and being taken forward for action. Solar power project is in process of selection and negotiation stage.   |
| (iii)                         | Capital investment on Energy Conservation equipment                  | A substantial amount is included in the plant cost in the selection of the energy efficient equipments and automation.   |
| <b>Technology Absorption</b>  |  |  |
| (i)                           | The efforts made towards technology absorption                       | Best available technology globally available in refining of edible vegetable oils from Desmet Ballestra, Belgium has been employed in the new plant installed. Silica adsorption technology provided by Mueze-hest India and Westfalia German is being used in chemical refining of vegetable oils other than palm oil, reducing waste water generation in washing step to Nil.  |

|  |  |   |                    |
|--|--|---|--------------------|
| (ii)   | The benefits derived like product improvement, cost reduction, product development or import substitution  | The benefits of the newer technology in the new plant are general and include better yield of final product, lesser specific energy consumption and better product quality with lesser specific chemical consumption and utilities. |                    |
| (iii)  | In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-                           | Equipments Imported from Germany during 2017-18.  |                    |
|  | • the details of technology imported;  | Self Cleaning Centrifugal Separator Imported from Westfalia/GEA Germany.  |                    |
|  | • the year of import;  | 2017-18   |                    |
|  | • whether the technology been fully absorbed;  | Yes   |                    |
|  | • if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and  | N.A.  |                    |
| (iv)   | the expenditure incurred on Research and Development.  | The product and process development is a continuous process, which is being practiced without significant expenditure.  |                    |
| <b>Foreign Exchange Earnings &amp; Outgo</b> |  |   |                    |
| (i)  | The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows. | Earning   | Nil                |
|  |  | Outgo   | Rs. 30170.13 Lakhs |

## Annexure 2

### Company's Policy on Directors' appointment and remuneration

Our policy on the appointment and remuneration of directors and key managerial personnel provides a framework based on which our human resources management aligns their recruitment plans for the strategic growth of the Company. The nomination and remuneration policy is provided herewith pursuant to Section 178(4) of the Companies Act and Clause 49(VI)(B)4 of the Listing Agreement. The policy is also available on our website [www.ajantasoya.com](http://www.ajantasoya.com).

### NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

#### Definitions:

**"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;

**"Key Managerial Personnel"** means:

- (i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- (ii) Chief Financial Officer;
- (iii) Company Secretary; and
- (iv) Such other officer as may be prescribed.

**"Senior Managerial Personnel"** mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

**Objective:**

The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

**Role of the Committee:**

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- 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.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

**APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director 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.

**TERM/ TENURE**

**a) Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Whole Time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**b) Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

## EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

## REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

## RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

### 1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director/ Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

### 2) Remuneration to Non-Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non-Executive/Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i. The Services are rendered by such Director in his capacity as the professional; and
  - ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

### 3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

## IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

**Annexure 3**
**Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

| Name                       | Age      | Designation                         | Remuneration (Amount in Lakhs) | Qualification                           | Total Experience (Years) | Date of Commencement of Employment | Previous employment/ position held      | Relative of Director or not                       |
|----------------------------|----------|-------------------------------------|--------------------------------|---|--------------------------|------------------------------------|---|---|
| Mr. S. K. Solanki          | 58 Years | General Manager (works)             | 12.92                          | B.Tech, Chem. Tech (oils)               | 34 Years                 | 07.03.2007                         | Madhusudan Industries Limited           | No  |
| Mrs. Prachi Goyal          | 31 Years | Senior Manager                      | 12.00                          | MBA Finance and B.E. (Computer Science) | 5.5 Years                | 01.02.2017                         | None                                    | Yes (Wife of Whole time Director Mr. Abhey Goyal) |
| Mr. Ashok Agarwal*         | 49 Years | Purchase Manager (Oil)              | 11.60                          | B. Com                                  | 29 Years                 | 16.11.1993                         | Ashiana Housing & Finance India Limited | No  |
| Mr. Aseem Kumar Verma      | 54 Years | Plant Maintenance Head              | 8.77                           | B.E. Electrical                         | 31 Years                 | 24.08.2017                         | Designco / G.M. Maintenance             | No  |
| Mr. Ashish Kumar Ganguly   | 52 Years | General Manager (Admin)             | 8.43                           | PGDBM ( HR) Ex-Defense Officer          | 30 years                 | 03.02.2018                         | Orissa Power Generation Corporation     | No  |
| Mr. Tajinder Singh Bhatia  | 48 Years | Senior Manager (Admin & Liaison)    | 8.15                           | B. Com                                  | 28 Years                 | 01.05.2002                         | Kasturi Finlease & Investment Limited   | No  |
| Mr. Lalit Chander Pandey** | 53 Years | Regional Sales Manager              | 7.47                           | Graduate                                | 25 Years                 | 21.12.2009                         | Foods Fats and Fertilizer Limited       | No  |
| Mr. Jai Gopal Sharma       | 67 Years | Chief Financial Officer             | 7.15                           | M. Com                                  | 43 Years                 | 01.11.1994                         | Maharashtra Steel Limited               | No  |
| Mr. Arun Kumar Tyagi       | 54 Years | Senior Manager (Purchase & Liaison) | 6.40                           | B.SC                                    | 31 Years                 | 01.05.1992                         | HCL Limited                             | No  |
| Mr. Rakesh Sharma          | 56 Years | Production Manager                  | 5.79                           | B.Sc.                                   | 35 Years                 | 16.03.2005                         | Grainntech India Limited                | No  |
| Mr. Himanshu Sharma        | 34 Years | Commercial Manager                  | 5.74                           | MBA (Marketing and IT)                  | 12 Years                 | 14.06.2019                         | Ruchi Soya Limited                      | No  |

\*Resigned w.e.f. 11.11.2019

\*\* Resigned w.e.f. 31.12.2019

**Note:**

1. Remuneration includes basic salary & allowances.
2. The nature of employment is regular in all the above cases.
3. None of the employee has drawn in excess of remuneration drawn by MD / WTD and holds not less than 2% of the Equity Shares of the Company as on March 31, 2020.
4. All the employees have adequate experience to discharge the responsibility assigned to them.

**Annexure 4**

**Secretarial Audit Report**  
For the financial year ended 31<sup>st</sup> March, 2020

To

The Members

**Ajanta Soya Limited**

Regd. SP-916, Phase -III, Industrial Area

Bhiwadi-301019, Rajasthan

In terms of the provisions of section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014, and other applicable provisions, if any, we have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Ajanta Soya Limited, a Company incorporated under the provisions of the Companies Act, 1956, vide CIN L 15494 RJ 1992 PLC 016617 and having its registered office at SP-916, Phase -III, Industrial Area Bhiwadi-301019, Rajasthan (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2020, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable as the Company has not issued/ proposed to issue any Employee Stock Option Scheme and Employee Stock Purchase Scheme during the financial year under review.
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (De-listing of Equity Shares) Regulations, 2009; Not applicable as the Company has not delisted/ proposed to delist its equity shares from any stock exchange during the financial year under review.
  - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998;
- vi. The Company has identified the following laws as specifically applicable to the Company.
  - Legal Metrology Act, 2009 and the rules thereunder;
  - Food Safety and Standards Act, 2006;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India notified by Central Government;
- ii. The Listing Agreements entered into by the Company with Stock Exchanges alongwith SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015;

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

**We further report that**

During the period under review, the Board of Directors of the Company was 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 notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately 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 members' views are captured and recorded as part of the minutes, wherever applicable.

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

**We further report that** during the audit period, the Company has not entered into/carried out any specific events/actions which may have a major bearing on the Company's affairs.

**For R&D  
Company Secretaries**

**Debabrata Deb Nath  
Partner**

**FCS No.: 7775; CP No. : 8612  
UDIN:F007775B000585396**

**Place: Delhi  
Date: 17.08.2020**

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

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**'Annexure A'**

To

The Members

**Ajanta Soya Limited**

**Regd.** SP-916, Phase -III, Industrial Area

Bhiwadi-301019, Rajasthan

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For R&D  
Company Secretaries**

**Debabrata Deb Nath  
Partner**

**FCS No.: 7775; CP No. : 8612**

**Place: Delhi  
Date: 17.08.2020**

**Annexure 5**
**ANNUAL REPORT ON CSR PURSUANT TO RULES 8 & 9 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014**
**1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or program.**

In adherence to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors upon the recommendation of CSR Committee has approved a CSR Policy of the Company. In accordance with the primary CSR philosophy of the group and the specified activities under Schedule VII to the Companies Act, 2013, the CSR activities of the Company cover certain thrust areas such as supporting education and healthcare.

The Corporate Social Responsibility Policy of the Company is available on the website of the Company [www.ajantasoya.com](http://www.ajantasoya.com) in the 'Investor Section' under 'Disclosures'.

**2. The composition of CSR committee as at 31<sup>st</sup> March, 2020, the Corporate Social Responsibility Committee comprises of 3 (Three) members of the Board, 1 (One) of which is Non-Executive & Independent Director, 1 (One) is Executive & Promoter Director and 1 (one) Non-Executive & Promoter Director. The Chairman of the Committee is an Independent Director.**

| SI No. | Name                     | Category                             | Designation |
|--------|--------------------------|--------------------------------------|-------------|
| 1.     | Mr. Harsh Chander Kansal | Non-executive & Independent Director | Chairman    |
| 2.     | Mr. Sushil Goyal         | Executive & Promoter Director        | Member      |
| 3.     | Mr. Abhey Goyal          | Non-Executive & Promoter Director    | Member      |

**3. Average net profit of the Company for last 3 Financial Year.**

Section 135 of the Companies Act, 2013 and the Rules made there under prescribe that every Company having a net worth of Rs. 500 crores or more, or turnover of Rs. 1,000 crores or more or a net profit of Rs. 5 crores or more during immediately preceding financial year shall ensure that the Company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility policy.

During the financial year 2018-19, the Company has suffered Loss after tax of Rs. 40.31 Lakhs Accordingly, the provisions pertaining to CSR as prescribed under the Companies Act, 2013 are not applicable to your Company. However, the Company has suo-moto spent Rs. 5.15 Lakhs during the financial year 2019-20.

**4. Prescribed CSR Expenditure (2% of the amount as in item 3 above)**

In view of the loss during the immediately preceding financial year, the Company was not required to spend towards CSR activities during FY 2019-20 as per Section 135 of the Companies Act, 2013 read with rules thereunder. However, the Company has suo-moto spent Rs. 5.15 Lakhs during the financial year 2019-20.

**5. Details of CSR spent during the Financial Year**

a. Total amount to be spent for the Financial Year = Nil

b. Amount unspent, if any = NA

c. Manner in which the amount spent during the Financial Year is detailed below:

(Amount in Lakhs)

| SI No. | CSR project or activity defined  | Sector in which the project is covered*         | Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken | Amount outlay (budget) project or program wise | Amount spent on the projects or program Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads | Cumulative expenditure upto the reporting period (Financial year 2019-20 onwards) | Amount spent: Direct or through implementing agency                         |
|--------|--|---|---|--|---|---|---|
| 1.     | Financial Support to school going poor children for pursuing their studies.                                    | Promoting Education including Special Education | Panipat, (Haryana)  | 2.00   | Direct Expenditure  | 2.00  | Through Agency (Shri Ram Shamam Sabha, Regd.)                               |
| 2.     | Providing fund for setting up of Dialysis Centre under Promoting health care including preventive health care. | Promoting Preventive Healthcare                 | Gurugram, Haryana   | 3.15   | Direct Expenditure  | 5.15  | Through Agency (Rotary Foundation India/Rotary Club of Delhi South Central) |

\* Sector refers to the Entries specified in Schedule VII to the Companies Act, 2013.

**6. In case the company has failed to spend the 2% of the average net profit of the last 3 FYs or any part thereof, the company shall provide the reason for not spending the amount in its board report.**

In view of the loss during the immediately preceding financial year, the Company was not required to spend towards CSR activities during FY 2019-20 as per Section 135 of the Companies Act, 2013 read with rules thereunder. However, the Company has suo-moto spent Rs. 5.15 Lakhs during the financial year 2019-20.

**7. Responsibility Statement**

We hereby confirmed that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For and on behalf of Ajanta Soya Limited  
**Sushil Goyal**  
 Managing Director  
 DIN: 00125275

**Harsh Chander Kansal**  
 Director  
 DIN: 00125411

Annexure-6

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31<sup>st</sup> March, 2020  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

|      |  |  |
|------|--|--|
| i.   | <b>CIN</b>   | L15494RJ1992PLC016617  |
| ii.  | <b>Registration Date</b>   | 13.01.1992   |
| iii. | <b>Name of the Company</b>   | Ajanta Soya Limited  |
| iv.  | <b>Category/Sub-Category of the Company</b>                                      | Public Company<br>Company having Share Capital   |
| v.   | <b>Address of the Registered office and contact details</b>                      | SP-916, Phase -III, Industrial Area, Bhiwadi– 301 019, Rajasthan.<br><b>Tel:</b> 911-6176727, 911-6128880<br><b>E-Mail:</b> cs@ajantasoya.com, info@ajantasoya.com<br><b>Website:</b> www.ajantasoya.com   |
| vi.  | <b>Whether listed company</b>  | Yes, BSE   |
| vii. | <b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b> | <b>Skyline Financial Services Private Limited</b><br>D-153 A, 1 <sup>st</sup> Floor, Okhla Industrial Area,<br>Phase - I, New Delhi - 110 020<br><b>Contact person:-</b> Mr. VK Rana, <b>Tel:-</b> 011-40450193-97<br><b>E-mail:</b> viren@skylinerta.com,<br><b>Website:</b> www.skylinerta.com |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

| Sr. No. | Name and Description of main products/ services | NIC Code of the Product/ service | % to total turnover of the Company |
|---------|---|----------------------------------|------------------------------------|
| 1.      | Manufacturing of Vanaspati and Refined Oil.     | 10401 and 10402                  | 97.20%                             |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

| Sr. No.   | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary /Associate | % of shares held | Applicable Section |
|---|---------------------------------|---------|--------------------------------|------------------|--------------------|
| <i>Company does not have any Holding, Subsidiary and Associate Company.</i> |                                 |         |                                |                  |                    |

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i. Category-wise Share Holding**

| Category of Shareholders   | No. of Shares held at the beginning of the year 31 <sup>st</sup> March, 2019 |                                 |   |                                     | No. of Shares held at the end of the year 31 <sup>st</sup> March, 2020 |                                 |  |                                     | % Change during The year                |
|--|--|---------------------------------|---|-------------------------------------|--|---------------------------------|--|-------------------------------------|---|
|  | Demat  | Physical                        | Total                                   | % of Total Shares                   | Demat  | Physical                        | Total                                  | % of Total Shares                   |   |
| <b>A. Promoter</b>   |  |                                 |   |                                     |  |                                 |  |                                     |   |
| <b>1. Indian</b>   |  |                                 |   |                                     |  |                                 |  |                                     |   |
| a) Individual/ HUF   | 5742048  | Nil                             | 5742048                                 | 35.67                               | 5742048  | 0                               | 5742048                                | 35.67                               | 0.00                                    |
| b) Central Govt  | Nil  | Nil                             | Nil                                     | Nil                                 | 0  | 0                               | 0                                      | 0.00                                | 0.00                                    |
| c) State Govt(s)   | Nil  | Nil                             | Nil                                     | Nil                                 | 0  | 0                               | 0                                      | 0.00                                | 0.00                                    |
| d) Bodies Corp   | 1800000  | Nil                             | 1800000                                 | 11.18                               | 1800000  | 0                               | 1800000                                | 11.18                               | 0.00                                    |
| e) Banks / FI  | Nil  | Nil                             | Nil                                     | Nil                                 | 0  | 0                               | 0                                      | 0.00                                | 0.00                                    |
| f) Any Other   | Nil  | Nil                             | Nil                                     | Nil                                 | 0  | 0                               | 0                                      | 0.00                                | 0.00                                    |
| <b>Sub-total(A)(1):-</b>   | <b>7542048</b>   | <b>Nil</b>                      | <b>7542048</b>                          | <b>46.85</b>                        | <b>7542048</b>   | <b>0</b>                        | <b>7542048</b>                         | <b>46.85</b>                        | <b>0.00</b>                             |
| <b>2. Foreign</b>  |  |                                 |   |                                     |  |                                 |  |                                     |   |
| a) NRIs-Individuals  | Nil  | Nil                             | Nil                                     | Nil                                 | Nil  | Nil                             | Nil                                    | Nil                                 | Nil                                     |
| b) Other-Individuals   | Nil  | Nil                             | Nil                                     | Nil                                 | Nil  | Nil                             | Nil                                    | Nil                                 | Nil                                     |
| c) Bodies Corp.  | Nil  | Nil                             | Nil                                     | Nil                                 | Nil  | Nil                             | Nil                                    | Nil                                 | Nil                                     |
| d) Banks / FI  | Nil  | Nil                             | Nil                                     | Nil                                 | Nil  | Nil                             | Nil                                    | Nil                                 | Nil                                     |
| e) Any Other....   | Nil  | Nil                             | Nil                                     | Nil                                 | Nil  | Nil                             | Nil                                    | Nil                                 | Nil                                     |
| <b>Sub-total(A)(2):-</b>   | <b>Nil</b>   | <b>Nil</b>                      | <b>Nil</b>                              | <b>Nil</b>                          | <b>Nil</b>   | <b>Nil</b>                      | <b>Nil</b>                             | <b>Nil</b>                          | <b>Nil</b>                              |
| <b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>  | <b>7542048</b>   | <b>Nil</b>                      | <b>7542048</b>                          | <b>46.85</b>                        | <b>7542048</b>   | <b>0</b>                        | <b>7542048</b>                         | <b>46.85</b>                        | <b>0.00</b>                             |
| <b>B. Public Shareholding</b>  |  |                                 |   |                                     |  |                                 |  |                                     |   |
| <b>1. Institutions</b>   |  |                                 |   |                                     |  |                                 |  |                                     |   |
| a) Mutual Funds  | Nil  | Nil                             | Nil                                     | Nil                                 | Nil  | Nil                             | Nil                                    | Nil                                 | Nil                                     |
| b) Banks / FI  | Nil  | Nil                             | Nil                                     | Nil                                 | Nil  | Nil                             | Nil                                    | Nil                                 | Nil                                     |
| c) Central Govt  | Nil  | Nil                             | Nil                                     | Nil                                 | Nil  | Nil                             | Nil                                    | Nil                                 | Nil                                     |
| d) State Govt(s)   | Nil  | Nil                             | Nil                                     | Nil                                 | Nil  | Nil                             | Nil                                    | Nil                                 | Nil                                     |
| e) Venture Capital Funds   | Nil  | Nil                             | Nil                                     | Nil                                 | Nil  | Nil                             | Nil                                    | Nil                                 | Nil                                     |
| f) Insurance Companies   | Nil  | Nil                             | Nil                                     | Nil                                 | Nil  | Nil                             | Nil                                    | Nil                                 | Nil                                     |
| g) FIs   | Nil  | Nil                             | Nil                                     | Nil                                 | Nil  | Nil                             | Nil                                    | Nil                                 | Nil                                     |
| h) Foreign Venture Capital Funds   | Nil  | Nil                             | Nil                                     | Nil                                 | Nil  | Nil                             | Nil                                    | Nil                                 | Nil                                     |
| i) Others (specify)  | Nil  | Nil                             | Nil                                     | Nil                                 | Nil  | Nil                             | Nil                                    | Nil                                 | Nil                                     |
| <b>Sub-total(B)(1)</b>   | <b>Nil</b>   | <b>Nil</b>                      | <b>Nil</b>                              | <b>Nil</b>                          | <b>Nil</b>   | <b>Nil</b>                      | <b>Nil</b>                             | <b>Nil</b>                          | <b>Nil</b>                              |
| <b>2. Non Institutions</b>   |  |                                 |   |                                     |  |                                 |  |                                     |   |
| a) Bodies Corp.<br>(i) Indian<br>(ii) Overseas   | 1850631  | 53422                           | 1904053                                 | 11.83                               | 1139147  | 53422                           | 1192569                                | 7.41                                | (4.42)                                  |
| b) Individuals<br>(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh<br>(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 1368266<br>3691032   | 1378405<br>Nil                  | 2746671<br>3691032                      | 17.06<br>22.93                      | 1278041<br>4550202   | 1357560<br>0                    | 2635601<br>4550202                     | 16.37<br>28.27                      | (0.69)<br>5.34                          |
| c) Others(Specify)<br>NBFCs Registered with RBI (NRI)<br>Hindu Undivided Family<br>Trust<br>Clearing Members   | 39312<br>68148<br>103458<br>200<br>1676                                      | Nil<br>Nil<br>Nil<br>Nil<br>Nil | 39312<br>68148<br>103458<br>200<br>1676 | 0.24<br>0.42<br>0.64<br>Nil<br>0.01 | 39312<br>43811<br>91741<br>200<br>1114                                 | Nil<br>Nil<br>Nil<br>Nil<br>Nil | 39312<br>43811<br>91741<br>200<br>1114 | 0.24<br>0.27<br>0.57<br>Nil<br>0.01 | 0.00<br>(0.15)<br>(0.07)<br>Nil<br>0.00 |
| <b>Sub-total(B)(2)</b>   | <b>7122723</b>   | <b>1431827</b>                  | <b>8554550</b>                          | <b>53.15</b>                        | <b>7143568</b>   | <b>1410982</b>                  | <b>8554550</b>                         | <b>53.15</b>                        | <b>0.00</b>                             |
| <b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>   | <b>7122723</b>   | <b>1431827</b>                  | <b>8554550</b>                          | <b>53.15</b>                        | <b>7143568</b>   | <b>1410982</b>                  | <b>8554550</b>                         | <b>53.15</b>                        | <b>0.00</b>                             |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>   | Nil  | Nil                             | Nil                                     | Nil                                 | Nil  | Nil                             | Nil                                    | Nil                                 | Nil                                     |
| <b>Grand Total (A+B+C)</b>   | <b>14664771</b>  | <b>1431827</b>                  | <b>16096598</b>                         | <b>100.00</b>                       | <b>14685616</b>  | <b>1410982</b>                  | <b>16096598</b>                        | <b>100.00</b>                       | <b>0.00</b>                             |

**ii. Shareholding of Promoters**

| Sr. No | Shareholder's Name                            | Shareholding at the beginning of the year 01 <sup>st</sup> April, 2019 |                                  |  | Shareholding at the end of the year 31 <sup>st</sup> March, 2020 |                                  |  | % 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.     | Cosmic Alloys And Metal Works Private Limited | 1800000  | 11.18                            | Nil  | 1800000  | 11.18                            | Nil  | Nil                                       |
| 2.     | Sri Ram Goyal                                 | 697700   | 4.33                             | Nil  | 697700   | 4.33                             | Nil  | Nil                                       |
| 3.     | Abhey Goyal                                   | 595821   | 3.70                             | Nil  | 613288   | 3.81                             | Nil  | 0.11                                      |
| 4.     | Ameeta Goyal                                  | 525329   | 3.26                             | Nil  | 525329   | 3.26                             | Nil  | Nil                                       |
| 5.     | Bishan Goyal                                  | 524643   | 3.26                             | Nil  | 524643   | 3.26                             | Nil  | Nil                                       |
| 6.     | Sushil Goyal                                  | 513464   | 3.19                             | Nil  | 513464   | 3.19                             | Nil  | Nil                                       |
| 7.     | Uma Goyal                                     | 478919   | 2.98                             | Nil  | 478918   | 2.98                             | Nil  | Nil                                       |
| 8.     | Shri Ram Goyal (HUF)                          | 426373   | 2.65                             | Nil  | 426373   | 2.65                             | Nil  | Nil                                       |
| 9.     | Chander Kala Goyal                            | 407576   | 2.53                             | Nil  | 407576   | 2.53                             | Nil  | Nil                                       |
| 10.    | Gagan Goyal                                   | 377008   | 2.34                             | Nil  | 377008   | 2.34                             | Nil  | Nil                                       |
| 11.    | Sushil Kumar Goyal (HUF)                      | 346817   | 2.15                             | Nil  | 346817   | 2.15                             | Nil  | Nil                                       |
| 12.    | Sangita Goyal                                 | 167031   | 1.04                             | Nil  | 167031   | 1.04                             | Nil  | Nil                                       |
| 13.    | Sohan Lal Goyal                               | 153314   | 0.95                             | Nil  | 153314   | 0.95                             | Nil  | Nil                                       |
| 14.    | Sohan Lal Goyal (HUF)                         | 129822   | 0.81                             | Nil  | 129822   | 0.81                             | Nil  | Nil                                       |
| 15.    | Bishan Dass Goyal (HUF)                       | 108359   | 0.67                             | Nil  | 108359   | 0.67                             | Nil  | Nil                                       |
| 16.    | Dhruv Goyal                                   | 93005  | 0.58                             | Nil  | 93005  | 0.58                             | Nil  | Nil                                       |
| 17.    | Surjee Devi                                   | 75800  | 0.47                             | Nil  | 75800  | 0.47                             | Nil  | Nil                                       |
| 18.    | Arvind Goyal                                  | 73000  | 0.45                             | Nil  | 73000  | 0.45                             | Nil  | Nil                                       |
| 19.    | Renu Goyal                                    | 22600  | 0.14                             | Nil  | 22600  | 0.14                             | Nil  | Nil                                       |
| 20.    | Chandni Goyal                                 | 8000   | 0.05                             | Nil  | 8000   | 0.05                             | Nil  | Nil                                       |
| 21.    | Prachi Goyal                                  | 17467  | 0.11                             | Nil  | 1  | 0.00                             | Nil  | (0.11)                                    |
|        | <b>Total</b>                                  | <b>7542048</b>   | <b>46.85</b>                     | <b>Nil</b>                                       | <b>7542048</b>   | <b>46.85</b>                     | <b>Nil</b>                                       | <b>Nil</b>                                |

**iii. Shareholding of Directors and key managerial Personal**

| Sr. no | Name of Share holder |   | Shareholding at the beginning of the year 01.04.2019 |                                  | Cumulative Shareholding during the year |                                  |
|--------|----------------------|---|--|----------------------------------|---|----------------------------------|
|        |                      |   | No. of shares  | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1.     | Sushil Goyal         | At the beginning of the year (01.04.2019)   | 513464   | 3.19                             | -                                       | -                                |
|        |                      | Date wise Increase / (Decrease) in Promoters Share holding during the year              | -  | -                                | -                                       | -                                |
|        |                      | At the End of the year (31.03.2020)   | 513464   | 3.19                             | -                                       | -                                |
| 2.     | Abhey Goyal          | At the beginning of the year (01.04.2019)   | 595821   | 3.70                             | -                                       | -                                |
|        |                      | Date wise Increase / (Decrease) in Promoters Share holding during the year (07.02.2020) | 17467  | 0.11                             | 613288                                  | 3.81                             |
|        |                      | At the End of the year (31.03.2020)   | 613288   | 3.81                             | -                                       | -                                |
| 3.     | Harsh Chander Kansal | At the beginning of the year (01.04.2019)   | -  | -                                | -                                       | -                                |
|        |                      | Date wise Increase / (Decrease) in Promoters Share holding during the year              | -  | -                                | -                                       | -                                |
|        |                      | At the End of the year (31.03.2020)   | -  | -                                | -                                       | -                                |

| Sr. no | Name of Share holder      |  | Shareholding at the beginning of the year 01.04.2019 |                                  | Cumulative Shareholding during the year |                                  |
|--------|---------------------------|--|--|----------------------------------|---|----------------------------------|
|        |                           |  | No. of shares  | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 4.     | Hemant Bansal             | At the beginning of the year (01.04.2019)                                  | -  | -                                | -                                       | -                                |
|        |                           | Date wise Increase / (Decrease) in Promoters Share holding during the year | -  | -                                | -                                       | -                                |
|        |                           | At the End of the year (31.03.2020)  | -  | -                                | -                                       | -                                |
| 5.     | Sushila Jain              | At the beginning of the year (01.04.2019)                                  | -  | -                                | -                                       | -                                |
|        |                           | Date wise Increase / (Decrease) in Promoters Share holding during the year | -  | -                                | -                                       | -                                |
|        |                           | At the End of the year (31.03.2020)  | -  | -                                | -                                       | -                                |
| 6.     | Kapil (Company Secretary) | At the beginning of the year (01.04.2019)                                  | -  | -                                | -                                       | -                                |
|        |                           | Date wise Increase / (Decrease) in Promoters Share holding during the year | -  | -                                | -                                       | -                                |
|        |                           | At the End of the year (31.03.2020)  | -  | -                                | -                                       | -                                |
| 7.     | Jai Gopal Sharma (CFO)    | At the beginning of the year (01.04.2019)                                  | -  | -                                | -                                       | -                                |
|        |                           | Date wise Increase / (Decrease) in Promoters Share holding during the year | -  | -                                | -                                       | -                                |
|        |                           | At the End of the year (31.03.2020)  | -  | -                                | -                                       | -                                |

iv. Change in Promoters' Shareholding (please specify, if there is no change) for the financial year 01.04.2019 to 31.03.2020

| Sr. no | Name of Share holder | Shareholding at the beginning of the year 01.04.2019/end of the year 31.03.2020 |                                  | Date       | Increase/ (Decrease) in Shareholding | Reason   | Cumulative Shareholding during the year |                                  |
|--------|----------------------|---|----------------------------------|------------|--------------------------------------|----------|---|----------------------------------|
|        |                      | No. of shares   | % of total shares of the company |            |                                      |          | No. of shares                           | % of total shares of the company |
| 1.     | Abhey Goyal          | 595821  | 3.70                             | 07.02.2020 | 17467                                | Purchase | 613288                                  | 3.81                             |
|        |                      | 613288  | 3.81                             | -          | -                                    | -        | -                                       | -                                |
| 2.     | Prachi Goyal         | 17467   | 0.11                             | 07.02.2020 | (17466)                              | Sale     | 1                                       | 0.00                             |
|        |                      | 1   | 0.00                             | -          | -                                    | -        | -                                       | -                                |
| 3.     | Uma Goyal            | 478919  | 2.98                             | 25.10.2019 | (1)                                  | Sale     | 478918                                  | 2.98                             |
|        |                      | 478918  | 2.98                             | -          | -                                    | -        | -                                       | -                                |

v. Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

| Sr. no     | Name of Share holder            | Shareholding at the beginning of the year (01.04.2019)/end of the year (31.03.2020) |                                  | Date       | Increase/ (Decrease) in Shareholding | Reason   | Cumulative Shareholding during the year |                                  |
|------------|---------------------------------|---|----------------------------------|------------|--------------------------------------|----------|---|----------------------------------|
|            |                                 | No. of shares   | % of total shares of the company |            |                                      |          | No. of shares                           | % of total shares of the company |
| 1.         | Sangeetha S                     | 0.00  | 0.00                             | 08-11-2019 | 1644550                              | Purchase | 1644550                                 | 10.22                            |
|            |                                 | 1644550   | 10.22                            |            |                                      |          |   |                                  |
| 2.         | Harshit Finvest Private Limited | 1800000   | 11.18                            | 17-01-2020 | (121815)                             | Sale     | 1678185                                 | 10.43                            |
|            |                                 |   |                                  | 24-01-2020 | (220610)                             | Sale     | 1457575                                 | 9.06                             |
|            |                                 |   |                                  | 31-01-2020 | 22000                                | Purchase | 1479575                                 | 9.19                             |
|            |                                 |   |                                  | 14-02-2020 | (69550)                              | Sale     | 1410025                                 | 8.76                             |
|            |                                 |   |                                  | 21-02-2020 | (115514)                             | Sale     | 1294511                                 | 8.04                             |
|            |                                 |   |                                  | 28-02-2020 | (95844)                              | Sale     | 1198667                                 | 7.45                             |
|            |                                 |   |                                  | 06-03-2020 | (87689)                              | Sale     | 1110978                                 | 6.90                             |
|            |                                 | 1110978   | 6.90                             |            |                                      |          |   |                                  |
| 3.         | Arun Kumar Jain                 | 200000  | 1.24                             | 17-01-2020 | 87704                                | Purchase | 287704                                  | 1.79                             |
|            |                                 |   |                                  | 24-01-2020 | 199854                               | Purchase | 487558                                  | 3.03                             |
|            |                                 |   |                                  | 31-01-2020 | 32716                                | Purchase | 520274                                  | 3.23                             |
|            |                                 |   |                                  | 21-02-2020 | 96571                                | Purchase | 616845                                  | 3.83                             |
|            |                                 |   |                                  | 28-02-2020 | 144970                               | Purchase | 761815                                  | 4.73                             |
|            |                                 |   |                                  | 06-03-2020 | 126651                               | Purchase | 888466                                  | 5.52                             |
|            |                                 | 888466  | 5.52                             |            |                                      |          |   |                                  |
| 4.         | Liladhar Sharma                 | 363574  | 2.26                             | -          | -                                    | -        | -                                       | -                                |
|            |                                 | 363574  | 2.26                             |            |                                      |          |   |                                  |
| 5.         | Nand Lal Sharma                 | 271717  | 1.69                             | -          | -                                    | -        | -                                       | -                                |
|            |                                 | 271717  | 1.69                             |            |                                      |          |   |                                  |
| 6.         | Vinod Sharma                    | 243188  | 1.51                             | -          | -                                    | -        | -                                       | -                                |
|            |                                 | 243188  | 1.51                             |            |                                      |          |   |                                  |
| 7.         | Smita Jain                      | 200000  | 1.24                             | -          | -                                    | -        | -                                       | -                                |
|            |                                 | 200000  | 1.24                             |            |                                      |          |   |                                  |
| 8.         | Harshit Jain                    | 200000  | 1.24                             | -          | -                                    | -        | -                                       | -                                |
|            |                                 | 200000  | 1.24                             |            |                                      |          |   |                                  |
| 9.         | Annareddy Venkata Subba Reddy   | 90000   | 0.56                             | 26-04-2019 | 1436                                 | Purchase | 91436                                   | 0.57                             |
|            |                                 |   |                                  | 03-05-2019 | 1614                                 | Purchase | 93050                                   | 0.58                             |
|            |                                 |   |                                  | 10-05-2019 | 1950                                 | Purchase | 95000                                   | 0.59                             |
|            |                                 |   |                                  | 24-05-2019 | 1000                                 | Purchase | 96000                                   | 0.60                             |
|            |                                 |   |                                  | 31-05-2019 | 4000                                 | Purchase | 100000                                  | 0.62                             |
|            |                                 |   |                                  | 21-06-2019 | (1000)                               | Sale     | 99000                                   | 0.62                             |
|            |                                 |   |                                  | 19-07-2019 | 2789                                 | Purchase | 101789                                  | 0.63                             |
|            |                                 |   |                                  | 26-07-2019 | 340                                  | Purchase | 102129                                  | 0.63                             |
|            |                                 |   |                                  | 02-08-2019 | 1969                                 | Purchase | 104098                                  | 0.65                             |
|            |                                 |   |                                  | 09-08-2019 | 1902                                 | Purchase | 106000                                  | 0.66                             |
|            |                                 |   |                                  | 16-08-2019 | 2947                                 | Purchase | 108947                                  | 0.68                             |
|            |                                 |   |                                  | 23-08-2019 | 844                                  | Purchase | 109791                                  | 0.68                             |
|            |                                 |   |                                  | 30-08-2019 | 208                                  | Purchase | 109999                                  | 0.68                             |
| 18-10-2019 | (8099)                          | Sale  | 101900                           | 0.63       |                                      |          |   |                                  |
| 29-11-2019 | (1900)                          | Sale  | 100000                           | 0.62       |                                      |          |   |                                  |
|            |                                 | 100000  | 0.62                             |            |                                      |          |   |                                  |
| 10.        | Sharda Sharma                   | 59222   | 0.37                             | -          | -                                    | -        | -                                       | -                                |
|            |                                 | 59222   | 0.37                             |            |                                      |          |   |                                  |

**V. INDEBTEDNESS**

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

(Amount in Rs. Lakhs)

|  | Secured Loans<br>excluding<br>deposits | Unsecured<br>Loans | Deposits   | Total<br>Indebtedness |
|--|--|--------------------|------------|-----------------------|
| Indebtedness at the beginning of the financial year 01.04.2019 |  |                    |            |                       |
| i) Principal Amount  | 1561.13                                | 795.00             | Nil        | 2356.13               |
| ii) Interest due but not paid                                  | Nil                                    | Nil                | Nil        | Nil                   |
| iii) Interest accrued but not due                              | Nil                                    | Nil                | Nil        | Nil                   |
| <b>Total(i+ii+iii)</b>   | <b>1561.13</b>                         | <b>795.00</b>      | <b>Nil</b> | <b>2356.13</b>        |
| Change in Indebtedness during the financial year               |  |                    |            |                       |
| - Addition   | Nil                                    | Nil                | Nil        | Nil                   |
| - Reduction  | 1561.13                                | 515.5              | Nil        | Nil                   |
| <b>Net Change</b>  | <b>(1561.13)</b>                       | <b>(515.5)</b>     | <b>Nil</b> | <b>(2076.63)</b>      |
| Indebtedness at the end of the financial year 31.03.2020       |  |                    |            |                       |
| i) Principal Amount  | Nil                                    | 279.50             | Nil        | 279.50                |
| ii) Interest due but not paid                                  | Nil                                    | Nil                | Nil        | Nil                   |
| iii) Interest accrued but not due                              | Nil                                    | Nil                | Nil        | Nil                   |
| <b>Total (i+ii+iii)</b>  | <b>Nil</b>                             | <b>279.50</b>      | <b>Nil</b> | <b>279.50</b>         |

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

| Sl. No. | Particulars of Remuneration   | Name of MD/WTD/ Manager (Amount in Lakhs)   |                  | Total Amount |
|---------|---|---|------------------|--------------|
|         |   | Mr. Sushil Goyal  | Mr. Abhey Goyal* |              |
| 1.      | Gross salary<br>(a)Salary as per provisions contained in section17(1) of the Income-tax Act,1961<br>(b)Value of perquisites u/s17(2) Income-tax Act,1961<br>(c)Profits in lieu of salary under section 17(3) Income tax Act, 1961 | 30.00   | 18.00            | 48.00        |
| 2.      | Stock Option  | -   | -                | -            |
| 3.      | Sweat Equity  | -   | -                | -            |
| 4.      | Commission<br>- as % of profit<br>- others, specify...  | -   | -                | -            |
| 5.      | Others, please specify  | -   | -                | -            |
| 6.      | Total(A)  | 30.00   | 18.00            | 48.00        |
|         | Ceiling as per the Act  | Rs. 84 Lac per annum by Ordinary Resolution for 5 years and complied with other condition.<br>Rs.168 Lac per annum by Special Resolution for 3 years and complied with other condition.<br>As per Schedule V of the Companies Act, 2013 |                  |              |

\*Mr. Abhey Goyal was Whole Time Director till 31<sup>st</sup> December, 2019. He was again appointed as Whole Time Director w.e.f. 1<sup>st</sup> July, 2020. He was acting as ordinary Director during 1<sup>st</sup> January, 2020 till 30<sup>th</sup> June, 2020.

**B. Remuneration to other Directors:**

| Particulars of Remuneration                  | Name of Directors                        |   |   |   | Total Amount |
|--|--|---|---|---|--------------|
|  |  |   |   |   |              |
| <b>Independent Directors</b>                 |  |   |   |   |              |
| · Fee for attending board committee meetings | -  | - | - | - | -            |
| · Commission                                 | -  | - | - | - | -            |
| · Others, please specify                     | -  | - | - | - | -            |
| <b>Total(1)</b>                              | -  | - | - | - | -            |
| <b>Other Non-Executive Directors</b>         |  |   |   |   |              |
| · Fee for attending board committee meetings | -  | - | - | - | -            |
| · Commission                                 | -  | - | - | - | -            |
| · Others, please specify                     | -  | - | - | - | -            |
| <b>Total(2)</b>                              | -  | - | - | - | -            |
| <b>Total(B)=(1+2)</b>                        | -  | - | - | - | -            |
| <b>Total Managerial Remuneration</b>         | -  | - | - | - | -            |
| <b>Overall Ceiling as per the Act</b>        | Not applicable as only sitting fees paid |   |   |   |              |

**C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD**

| Sl. no. | Particulars of Remuneration  | Key Managerial Personnel (Amount in Lakhs) |                   |             |              |
|---------|--|--|-------------------|-------------|--------------|
|         |  | CEO  | Company Secretary | CFO         | Total        |
|         | Gross salary   |  |                   |             |              |
| a)      | Salary as per provisions contained in section17(1) of the Income-tax Act, 1961 | -  | 4.87              | 7.15        | 12.02        |
| b)      | Value of perquisites u/s17(2)Income-taxAct, 1961                               | -  | -                 | -           | -            |
| c)      | Profits in lieu of salary under section17(3) Income-taxAct, 1961               | -  | -                 | -           | -            |
|         | Stock Option   | -  | -                 | -           | -            |
|         | Sweat Equity   | -  | -                 | -           | -            |
|         | Commission   |  |                   |             |              |
|         | - as % of profit   | -  | -                 | -           | -            |
|         | - others, specify...   | -  | -                 | -           | -            |
|         | Others, please specify   | -  | -                 | -           | -            |
|         | <b>Total</b>   | -  | <b>4.87</b>       | <b>7.15</b> | <b>12.02</b> |

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

| Type                                | Section of the companies Act | Brief description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority[RD/ NCLT/Court] | Appeal made. If any(give details) |
|-------------------------------------|------------------------------|-------------------|--|---------------------------|-----------------------------------|
| <b>A. Company</b>                   |                              |                   |  |                           |                                   |
| Penalty                             | NIL                          | NIL               | NIL  | NIL                       | NIL                               |
| Punishment                          | NIL                          | NIL               | NIL  | NIL                       | NIL                               |
| Compounding                         | NIL                          | NIL               | NIL  | NIL                       | NIL                               |
| <b>B. Directors</b>                 |                              |                   |  |                           |                                   |
| Penalty                             | NIL                          | NIL               | NIL  | NIL                       | NIL                               |
| Punishment                          | NIL                          | NIL               | NIL  | NIL                       | NIL                               |
| Compounding                         | NIL                          | NIL               | NIL  | NIL                       | NIL                               |
| <b>C. Other Officers in Default</b> |                              |                   |  |                           |                                   |
| Penalty                             | NIL                          | NIL               | NIL  | NIL                       | NIL                               |
| Punishment                          | NIL                          | NIL               | NIL  | NIL                       | NIL                               |
| Compounding                         | NIL                          | NIL               | NIL  | NIL                       | NIL                               |

## Management Discussion and Analysis Report

### Cautionary Statement

This Management Discussion and Analysis statements of Annual Report has been included in adherence to the spirit enunciated in the code of corporate Governance approved by the Securities and Exchange Board of India, Statement in the Management Discussion and Analysis describing the Company's objectives, projections estimates expectation may be "Forward-Looking Statement" within the meaning of applicable securities laws and regulation. These statements are subject to certain risks and uncertainties. Actual result may differ materially from those either expressed or implied in the statement depending on circumstances. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the Government policies, economic development, political factors and such other factors beyond the control of the Company.

### Overview

The Company is engaged in the primary business of manufacturing of Vanaspati and various kinds of refined oil with shortening products for bakery like biscuits, puffs, pastries and other applications.

ASL is a leading manufacturer and marketer of Vanaspati, Edible Oils and Bakery Application since two decades. The company has focused on continuous expansion, across business verticals to consolidate, and its industry leadership over the years. The company is promoted by well established group having and proven track record in the fields of edible oils.

By way of periodical expansion, ASL has increased its production capacity from time & again to cater to changing business environment & varied customer needs. The company's turnover has increased manifold over the decades and is expected to grow substantially in subsequent years. ASL also focuses on in-house research and innovation to be a low-cost manufacturer with high-quality products and innovative customer offerings.

ASL is now a Company with a strong portfolio of brands viz. Dhruv, Anchal and Parv and enjoys reputed market share. ASL also offers its quality products as food ingredients to serve food manufacturers and food service industry.

ASL has strived for its commitment and promises to all the stakeholders and have valued their effort for making it a renowned brand, thereby increasing shareholder value. ASL has always been a front runner in taking all the developmental and social initiatives for its stakeholders including employees, customers, society, investors, promoters, vendors and government bodies.

Advanced technology has been the forte of AJANTA. Its state-of-the-art manufacturing plant has been following the highest standards of quality with an emphasis on sustainability. The Company after successful expansion in its refining capacity is now focusing on increasing the capacity utilization by market expansion for its different products and their variants for growing market demands.

Superior procurement and trading skills, continuous innovation, an endeavor to meet consumer needs and stringent quality control standards have enabled AJANTA to emerge as a highly-respected and admired Edible Oil Company.

Company is also investing continuously towards energy saving by adopting appropriate technologies as a measure to contribute to reduction in Industrial Pollution.

The management of the unit is very progressive by nature and the company's affairs are being managed by highly qualified/experienced professionals and the Company is promoted by well-established group having a proven track record in the field of edible oil.

### INDUSTRY STRUCTURE, DEVELOPMENTS AND INDUSTRIAL OUTLOOK

The COVID-19 pandemic is likely to have a major negative impact across the world. It has led to quarantines, regional lockdowns and social distancing—which are essential to contain the virus—with particularly acute effects on sectors that rely on social interactions such as travel, hospitality, entertainment, and tourism. Workplace closures are disrupting supply chains and reducing productivity. Layoffs, lower incomes, fear of contagion, and heightened uncertainty make people spend less, leading to consumption squeeze and triggering further business closures and job losses. Health care expenditure, support to vulnerable sections of society and reduced tax revenue is likely to put severe pressure on fiscal balances of the government. In such a scenario, as per IMF the Indian economy is expected to decline by 4.5% for 2020 as compared to growth outlook of 5.8% given by IMF in January 2020. Some of the developed economies are expected to decline even more significantly – USA is expected to decline by 8.0% and Europe by 10.2% during 2020.

The Indian economy is forecast to de-grow in 2020-21, while nearly all major G20 economies are forecast to shrink, according to the Economist Intelligence Unit (EIU). From a longer term perspective, the outlook is cautiously optimistic as India is the second most populous country marked by under-consumption across a number of sectors on the one hand and secular income cum aspiration growth on the other.

The Fast-moving Consumer Goods (FMCG) sector is the 4<sup>th</sup> largest sector of the Indian economy. During FY2019-20, the sector witnessed growth of 7.2% as per AC Nielsen, which is almost half of the 14% growth reported in FY2018-

19. The FMCG sector saw a sharp slowdown during the year on account of moderation in economic activity, low farm incomes and weak rural wage growth, liquidity crunch in the system, high unemployment levels and downtrading across categories. By March 2020, the sectoral growth dropped to 3.3% in value terms and 0.5% in volume terms.

The Corona virus pandemic has further impacted the sector since March 2020 due to restrictions on movement of goods, supply side bottlenecks and impact on consumption. During this phase, demand has also surged for health and hygiene products as these aspects came into sharp focus. There was a surge in demand for hygiene products like sanitizers and disinfectants in addition to immunity building OTC and healthcare products. However, discretionary and nonessential items have seen weak demand as the focus during the lockdown has been on food and hygiene.

India is a USD 2 trillion economy with GDP growing at more than 7% and a population of over 1.2 billion. It is the world's largest edible oil importer, with oil and oil seed turnover of USD 25 billion and import export turnover of around USD 13 billion.

Considering the growing population and the food habits across India, edible oils form an essential part of the modern diet. The total consumption of edible oil in India is around 23 million metric ton out of which domestic supply is approx. 8 million metric ton due to stagnant production of edible oil seeds, leaving demand-supply gap of 15 million metric ton to be bridged by imports.

The edible oil industry worldwide is in good health as the rising population, disposable income and increasing demand has made sure that edible and cooking oil industry continue to perform efficiently and operate for a long time in the future. The global edible oil industry produces, imports and exports throughout the year and the major consumer countries rely heavily on their domestic production and imports. India is one of the largest producers and exporters of the edible oil across the continent and the world. The climatic conditions in India favor growing a variety of seeds from which oil can be extracted, they are called oil seeds. The growing population and the varied dietary habits of different and diverse demographics have ensured a thriving market for edible oil industry in the country and in Asia.

Edible oil constitutes an important component of food expenditure in Indian households. The edible oil industry is one of the most important within the agriculture sector in India, the world's largest importer from Indonesia and Malaysia and the third largest consumer. India is also the fourth largest oil seed-producing country in the world after USA, China and Brazil.

The growth of edible oil consumption and increasing population coupled with limited availability of oil seeds and shifting of acreage to other crops have resulted in continuous demand-supply gaps for edible oil, which is being met by imports.

Because of current stagnant domestic vegetable oil supplies, vegetable oil import volumes will continue to fill the majority of the supply-and demand gap over the next decade. However, vegetable oil consumption growth has been putting a lot of pressure on India's trade balance and budget due to the high dependence on imports. The Indian government might need to step up its efforts to increase domestic oilseed production or pursue other options in order to cater to the country's rising vegetable oil demand. The favourable consumer dynamics of Indian market like rising disposable incomes, escalating population, urbanization and fast growing health consciousness among Indian population has kept the industry at high pedestrian. All these factors will be the growth benefactors of edible oils in the near future. Also, although Indian per capita consumption of edible oils is on the rise, yet we still lag behind the developed nations of the world which construes as a massive opportunity for edible oil players

Your Company's performance for the year 2019-20 may be viewed in the context of the above mentioned economic/market environment.

### **Opportunities and Threats**

The continued growth of the Indian Foods marketer presents an enormous opportunity for a steady growth in Revenues and Profits for companies like us. Also, with the rural India being revisited by marketers through the modern retail (haat) philosophy, the opportunity is huge.

Increasing income, urbanisation, changing food habits and deeper penetration of processed foods will be key drivers of future consumption growth of edible oil in the country.

India is also seeing a great increase in life style led diseases like heart ailments and cardio vascular illness which is said to rise much higher than other nations; this creates a potential for healthy edible oil. Competition from Indian and global players remain a matter of concern and probable threat; while the company is well prepared to tackle such issues on an ongoing basis.

Demand for edible oils in the domestic market is great and one of the trends emerging in the market that will have a positive impact on the growth of the market up to pre-Covid -19 pandemic. But the Covid-19 Pandemic have influenced negatively on the consumption of Edible oils. Fluctuating price of raw material, restrictions on exports and imports imposed due to Covid-19 restrictions and guidelines imposed by WTO are the major challenges in the market. The fluctuation in the price is also due to various reasons such as environmental factors, crop diseases, and others. A fluctuation in the price of raw materials may have an adverse impact on the growth of the market during the forecast period.

The continuing digitization of today's world presents both an opportunity and a threat. An opportunity because it enables the Company to communicate with and deliver to consumers in a far more focused manner than was possible in the pre-digital age. However, it is also a threat because it enables smaller competitors to reach out to consumers in a manner not possible in the pre-digital age because of the high costs of legacy distribution systems.

The consistent rise in import of edible oil to bridge the demand–supply gap impacts the trade imbalance and results in significant outflow of foreign exchange. There is strong need to improve the production and productivity of domestic oil seed sector and promote domestic supply of edible oil to address the growing the demand –supply gap imbalance.

The Direct risks are from the monsoon outlook, domestic and international production figures of mustered seeds, soyabean crop, palm oil and the government policies affecting rate of interest and duties applicable on the traded commodities.

Fluctuating price of raw material is one of the major challenges in the market. The fluctuation in the price is due to various reasons such as environmental factors, crop diseases, and others. A fluctuation in the price of raw materials may have an adverse impact on the growth of the market during the forecast period. However, the deficit between production and consumption of edible oils is increasing rapidly, even after importing millions of tons of oil creating more demand for the edible oil.

### **Risks and Concerns**

COVID-19 emerged as an unexpected and unprecedented risk during the last month of FY 2019-20.

Your Company is exposed to commodity price fluctuations in its business the edible oil prices in India are directly correlated to international oil price movements and currency movements that make profitability vulnerable to unexpected fluctuations.

Key risks for the edible oils sector include risks from change in import-export regulations; change in the minimum support price (MSP) on oilseeds offered by the government; high dependence on monsoons and finally, the risk arising out of exchange rate fluctuations. Procurement of oilseeds at the right price and quantity, optimum utilization of processing units, their strategic location, a strong brand name and diversification of product offerings are likely to be the key success determinants for players.

Increase in the number of competing brands in the marketplace, counter campaigning and aggressive pricing by competitors have the potential to create a disruption.

The key determinants of business risk profile of the company are their ability to overcome the regulatory risk and agro-climatic conditions. Other operational factors include operating efficiency, product diversity, market position, and ability to secure raw material as well as the commodity price.

The profitability of edible oil companies is significantly influenced by regulatory changes and remains highly susceptible to the changes in the duty differential between import duties on crude and refined oil by the Government of India (GOI). Also, the profitability of these companies depends on the changes in the export tax levied by exporting countries, mainly Indonesia and Malaysia (that account for most of palm oil imports).

Risk is an integral part of any business environment and it is essential that we create structures and processes that are capable of identifying and effectively mitigating the same. Your Company continues to place a strong emphasis on the risk management and has successfully introduced and adopted various measures for hedging the price fluctuations in order to minimize its impact on profitability. Also, your Company has initiated setting-up of a framework to upgrade itself to a robust risk management system. Further Your Company is well geared with multi-processing capabilities to cater to the variances and changing consumer preferences.

Thus, your Directors are optimistic in utilizing the production capacities and to overcome the post COVID-19 pandemic, to ensure better working results in the ensuing years.

### **Human resource / Industrial relations**

The Company recognizes the importance and contribution of its human resources for its growth and development and is committed to the development of its people.

At Ajanta Soya Limited., equal importance is given to the development of the Company's human resource. ASL has always recruited the best talent available in the industry – people with years of expertise and experience behind them. The Company considers its employees to be the most valuable asset and is committed to provide a conducive work environment to enable each individual to fully realize his or her potential. The human resource programmes focus on strengthening key areas of Enhancing individual and organization readiness for future challenges. Management is investing in enhancing technical and managerial skills of employees for building competencies needed for growth plans. Our business review & performance improvement process continues to put focus on performance and periodic review of each of our businesses and individuals.

The Company has cordial relations with employees and staff. There are no industrial relations problems during the year and the Company does not anticipate any material problems on this count in the current year.

The total number of permanent employee of Ajanta Soya Limited as on 31<sup>st</sup> March, 2020 was 96 (Ninety Six).

### Internal Control Systems and Adequacy

The Company has established internal control systems for ensuring optimum use of resources and safeguarding the assets. The Internal Control Systems and procedure are adequate and commensurate with the size of the Company. These are routinely tested and certified and which covered all offices, factories and key business areas. The Internal audit team reviews the quality of planning and execution of all ongoing projects and activities involving significant expenditure to ensure that management controls are adequate to yield "value for money". Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimise the impact of such risks on the operations of the Company. The Internal Control Systems and procedure are adequate and commensurate with the size of the Company. These business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and status.

### Product wise Performance

Presently the Company has been dealing in Vanaspati & Refined Oil. The details of the Vanaspati & Refined Oil business segment is as follows:

| Product                 | Sales                  |                      |                         |                      |
|-------------------------|------------------------|----------------------|-------------------------|----------------------|
|                         | Current Year (2019-20) |                      | Previous Year (2018-19) |                      |
|                         | Quantity (MT)          | Value (Rs. in Lakhs) | Quantity (MT)           | Value (Rs. in Lakhs) |
| Vanaspati/ Refined Oils | 106209.661             | 76013.18             | 93579.527               | 69465.36             |

### Company Performance

During the year under review total income of the Company was Rs. 76168.65 Lakhs as against Rs. 69566.86 Lakhs in the previous year. The total expenses of the Company was Rs. 74883.51 Lakhs during the year as compared to Rs. 69848.11 during the previous year. During the year the Company had earned a profit after tax of the year of Rs. 979.84 Lakhs against a loss after tax of Rs. 40.31 Lakhs in the previous year.

### Key Financial Ratios:

| Particular              | FY 2019-20 | FY 2018-19 | Changes (%) | Reason   |
|-------------------------|------------|------------|-------------|--|
| Debtor Turnover         | 34.64      | 32.14      | 7.77%       | Not Applicable   |
| Inventory Turnover      | 16.36      | 14.64      | 11.75%      | Not Applicable   |
| Interest Coverage Ratio | 5.33       | 1.36       | 291.92%     | Interest Coverage Ratio has been increased Due to reduction in Debt consequently in reduction in Finance Cost. |
| Current Ratio           | 1.34       | 1.09       | 22.94%      | Not Applicable   |
| Debt Equity Ratio       | 1.06       | 2.37       | -55.27%     | Due to reduction in Debt, Debt equity ratio has been improved.   |
| Operating Profit Margin | 2.09       | 0.30       | 596.66%     | Due to reduction in Debt and freight Cost the Operating Profit has been Increased.                             |
| Net Profit Margin       | 1.29       | (0.06)     | 2250.00%    | From Net Loss in 2018-19, the Company has turned profitable once again in 2019-20.                             |
| Return on Net worth     | 0.18       | (0.01)     | 1900.00%    | From Net Loss in 2018-19, the Company has turned profitable once again in 2019-20.                             |

## REPORT ON CORPORATE GOVERNANCE

Corporate Governance refers to the set of systems, principles and processes by which a company is governed. They provide the guidelines as to how the Company can be directed or controlled so as to fulfill its goal and objectives in a manner that adds to the value of the Company and benefit to all stakeholders in the long term. Stakeholders in this case would include everyone ranging from the Board of Directors, management, shareholders to customers, suppliers, financiers, employees and society at large. Strong and improved Corporate Governance practices are indispensable in today's competitive world and complex economy.

Ajanta Soya Limited looks at Corporate Governance requirements as an integral part of business strategy which contributes to business growth in ethical perspective. Besides complying with the prescribed Corporate Governance Practices as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (hereinafter referred to as "Listing Regulations"), the Company has voluntarily adopted various practices of governance in terms of highest ethical and responsible standard of business, globally bench marked.

This chapter, along with the chapters on Management Discussion and Analysis and Additional Shareholders Information, reports, inter-alia Ajanta Soya Limited compliance of Listing Regulations highlighting the additional initiatives taken in line with international best practices.

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Our Company's philosophy on Corporate Governance envisages attainment of highest levels of accountability, transparency, responsibility and fairness in all aspects of its operations. Our business culture and practices are founded upon a common set of values that govern our relationships with customers, employees, shareholders, suppliers and the communities in which we operate. The Company believes that all its actions must serve the underlying goal of enhancing overall shareholder value on a sustained basis.

The Company is conscious of its responsibility as a good corporate citizen. The Company values transparency, professionalism and accountability.

### 2. BOARD OF DIRECTORS

The Company maintains an optimum combination of Executive, Non-Executive and Independent Directors. The Board consists of total 5 (Five) Directors on 31<sup>st</sup> March 2020. Mr. Sushil Goyal is the Managing Director, Mr. Abhey Goyal is the Non-Executive Director of the Company and three (3) Non-Executive & Independent Directors including One (1) Woman Director.

None of the Directors on the Company's Board is a Member of more than ten Committees and Chairman of more than five Committees (Committees being, Audit Committee and Stakeholder Relationship Committee) across all the companies in which he is a Director.

Following is the list of Directors and other details as on 31<sup>st</sup> March, 2020:

| Name of the Director & Designation                | Category                    | Name of other listed entities in which Director holds directorship and category of directorship | No. of positions held in other Public Companies <sup>1</sup> |            |              |
|---|-----------------------------|---|--|------------|--------------|
|   |                             |   | Board  | Committee  |              |
|   |                             |   |  | Membership | Chairmanship |
| Mr. Sushil Goyal-<br>Managing Director            | Promoter & Executive        | Nil   | Nil  | Nil        | Nil          |
| Mr. Abhey Goyal-<br>Director <sup>2</sup>         | Promoter & Non-Executive    | Nil   | Nil  | Nil        | Nil          |
| Mr. Harsh Chander Kansal-<br>Independent Director | Non-Executive & Independent | Nil   | Nil  | Nil        | Nil          |
| Mr. Hemant Bansal-<br>Independent Director        | Non-Executive & Independent | Nil   | Nil  | Nil        | Nil          |
| Mrs. Sushila Jain-<br>Independent Director        | Non-Executive & Independent | Nil   | Nil  | Nil        | Nil          |

<sup>1</sup>Excludes Directorships in Associations, Private, Foreign and Section 25/8 Companies.

<sup>2</sup>Mr. Abhey Goyal was Whole Time Director till 31<sup>st</sup> December, 2019. He was again appointed as Whole Time Director w.e.f. 1<sup>st</sup> July, 2020. He was acting as ordinary Director during 1<sup>st</sup> January, 2020 till 30<sup>th</sup> June, 2020.

Further, as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (hereinafter referred to as "Listing Regulations"), Chairman/membership of audit committees and Stakeholders' Relationship Committees are only considered for the purpose of committee positions.

#### **Directors' Attendance Record**

During the Financial Year 2019-20, 8 (Eight) meetings of the Board of Directors were held on 06<sup>th</sup> May, 2019, 30<sup>th</sup> May, 2019, 13<sup>th</sup> August, 2019, 30<sup>th</sup> September, 2019, 14<sup>th</sup> November, 2019, 20<sup>th</sup> January, 2020, 13<sup>th</sup> February, 2020 and 11<sup>th</sup> March, 2020. The Board was duly supplied with the agenda of the meetings incorporating all material information for facilitating meaningful and focused discussions at the meeting. The intervening period between the Board Meetings was well within the maximum time gap of one hundred and twenty days as stipulated under Regulation 17 of the Listing Regulations and Secretarial Standard.

The necessary quorum was present for all the meetings.

Details of attendance of Directors in the Board meeting during the financial year 2019-20 are as under:

| <b>Name of the Director</b>                    | <b>Category</b>             | <b>No. of Board Meeting</b> | <b>Attendance at the Board Meeting</b> | <b>Whether attended Last AGM</b> |
|--|-----------------------------|-----------------------------|--|----------------------------------|
| Mr. Sushil Goyal-Managing Director             | Promoter & Executive        | 8                           | 8                                      | Yes                              |
| Mr. Abhey Goyal- Director*                     | Promoter & Non-Executive    | 8                           | 7                                      | Yes                              |
| Mr. Harsh Chander Kansal- Independent Director | Non-Executive & Independent | 8                           | 8                                      | Yes                              |
| Mr. Hemant Bansal-Independent Director         | Non-Executive & Independent | 8                           | 8                                      | No                               |
| Mrs. Sushila Jain- Independent Director        | Non-Executive & Independent | 8                           | 8                                      | No                               |

\*Mr. Abhey Goyal was Whole Time Director till 31<sup>st</sup> December, 2019. He was again appointed as Whole Time Director w.e.f. 1<sup>st</sup> July, 2020. He was acting as ordinary Director during 1<sup>st</sup> January, 2020 till 30<sup>th</sup> June, 2020.

#### **Disclosure of relationships between Directors inter-se:**

Mr. Abhey Goyal, Director on the Board of Directors is the son of Mr. Sushil Goyal, Managing Director of the Company.

#### **Number of shares and convertible instruments held by Non-Executive Directors:**

None of the Non-Executive Directors holds any share/convertible instruments in the Company.

#### **Terms and conditions of appointment of Independent Directors**

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company i.e. [www.ajantasoya.com](http://www.ajantasoya.com).

The Board confirms that all the Independent Directors fulfilled the requirements of the Companies Act, 2013 and the Listing Regulations and were Independent of the management of the Company.

#### **Information Placed Before the Board**

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the respective Meetings.

#### **Separate Meeting of Independent Directors**

During the year, one meeting of the Independent Directors was held on 14<sup>th</sup> November, 2019 without the presence of Non-Independent Directors and members of management. In accordance with the Listing Regulations, following matters were, inter alia, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company taking into consideration the views of executive and Non-Executive Directors.
- 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.

The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.

### Familiarization Program for Independent Directors

The Company conducts Familiarization Programme for the Independent Directors to enable them to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles, rights and responsibilities for the purpose of contributing significantly towards the growth of the Company. They are given full opportunity to interact with senior management personnel and are provided with all the documents required and/or sought by them to have a good understanding of the Company, its business model and various operations and the industry, it is a part.

The details of the familiarization programme of the Independent Directors are available on the website of the Company ([www.ajantasoya.com](http://www.ajantasoya.com)). Web link for the same is:-

<http://ajantasoya.com/wp-content/forms/FAMILIARISATION%20PROGRAMME%20FOR%20IND.%20DIRECTORS.pdf>

### Matrix setting out skills/expertise/competence as identified by the Board

The Company is engaged in the business of manufacturing of Vanaspati and Refined Oil with shortening products (bakery & biscuit). To manage the operations and to formulate long term strategies for its growth, different skill sets are required. The Board of the Company consists of individuals who have experience and expertise in the following areas:

|  |   |
|--|---|
| <b>Governance</b>                              | The governance skills broadly includes financial and audit review, compliance and risk management, developing good governance practices, assessing strategic opportunities and threats, crisis management, business and policies development etc.   |
| <b>Personal Leadership Skills</b>              | This category mainly includes skills set of Board members to provide both strategic and innovative thought leadership, analysing issues and making decisions that support the organisation's overarching mission, creating new ideas and providing possible solutions, commitment, ethics and integrity, relationship building etc. |
| <b>Industry specific</b>                       | This category broadly includes skills relevant to the industry or section in which the Company operates such as understanding of consumer behaviour and customer insights, consumption pattern analysis, introduction of new products, marketing, supplier management, communication with customers etc.                            |
| <b>Strategy Development and Implementation</b> | Experience in developing and implementing business strategies or ability to give strategic insights to key business objectives.   |

|  | Mr. Sushil Goyal | Mr. Abhey Goyal | Mr. Harsh Chander Kansal | Mr. Hemant Bansal | Mrs. Sushila Jain |
|--|------------------|-----------------|--------------------------|-------------------|-------------------|
| <b>Governance</b>                              | ✓                | ✓               | ✓                        | ✓                 | ✓                 |
| <b>Personal Leadership Skills</b>              | ✓                | ✓               | ✓                        | ✓                 | ✓                 |
| <b>Industry specific</b>                       | ✓                | ✓               | ✓                        | ✓                 | -                 |
| <b>Strategy Development and Implementation</b> | ✓                | ✓               | ✓                        | ✓                 | ✓                 |

#### Note:

Each Director may possess varied combinations of skills/expertise within the described set of parameters and it is not necessary that all Directors possess all skills/expertise listed therein.

### DISCLOSURE REGARDING APPOINTMENT & RE-APPOINTMENT OF DIRECTORS IN THE ENSUING AGM

[Pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standards - 2 on General Meetings]

Brief particulars of Directors who are appointed/re-appointed in this AGM are as follows:

| Particulars  | Mr. Gagan Goyal  | Mr. Abhey Goyal  | Mr. Sushil Goyal    |
|--|------------------|------------------|---------------------|
| DIN  | 00125331         | 02321262         | 00125275            |
| Father's Name  | Mr. Sushil Goyal | Mr. Sushil Goyal | Mr. Sohan Lal Goyal |
| Date of Birth  | 03.01.1985       | 31.03.1987       | 18.05.1961          |
| Nationality  | Indian           | Indian           | Indian              |
| Date of first appointment on the Board of Directors of the Company | 29.06.2020       | 15.12.2008       | 06.03.1992          |

|  |  |   |  |
|--|--|---|--|
| Address  | House No 42A, Road No. 78, West Punjabi Bagh, New Delhi 110026   | House No 42A, Road No. 78, West Punjabi Bagh, New Delhi 110026  | House No 42A, Road No. 78, West Punjabi Bagh, New Delhi 110026   |
| Designation  | Director   | Whole time Director   | Managing Director  |
| Education/Qualification  | B.Sc. (Hons) & Business Management   | Postgraduate in Management & Finance  | Graduate   |
| Nature of Expertise /Experience (including nature of expertise in specific functional areas)/Brief Resume  | Mr. Gagan Goyal is having more than 15 (Fifteen) years of experience in Finance and Marketing (Export and Import).   | Mr. Abhey Goyal is having more than 11 years of experience in trading of oil, real estate and administration.   | Mr. Sushil Goyal being the Managing Director of the Company is entrusted with substantial powers in relation to normal business matters. He is having rich experience of over 26 years in Edible Oil Industry. |
| Relationships between the Directors inter-se   | Mr. Gagan Goyal is the son of Mr. Sushil Goyal, Managing Director of the Company and Brother of Mr. Abhey Goyal, Whole time Director of the Company.   | Mr. Abhey Goyal is the son of Mr. Sushil Goyal, Managing Director of the Company and Brother of Mr. Gagan Goyal, Director of the Company.   | Mr. Sushil Goyal is the father of Mr. Abhey Goyal, Whole time Director and Mr. Gagan Goyal, Director of the Company.   |
| No. of Board Meetings attended during the FY 2019-20   | Nil  | 7   | 8  |
| Terms and conditions of Appointment/Reappointment  | Mr. Gagan Goyal Appointed as Director and liable to retire by rotation.  | Mr. Abhey Goyal Appointed as Whole time Director w.e.f. 01.07.2020.   | Mr. Sushil Goyal Appointed as Managing Director w.e.f. 26.07.2020.   |
| Companies in which holds Directorship*   | <ul style="list-style-type: none"> <li>• Polo Textiles Private Limited</li> <li>• R.M.S. Traders Private Limited</li> <li>• DG Estates Private Limited</li> <li>• Goyal Infratech Private Limited</li> <li>• Poysha Power Transmission Private Limited</li> <li>• G D Ferro Alloys Private Limited</li> <li>• GDF Exports Private Limited</li> </ul> | <ul style="list-style-type: none"> <li>• Polo Textiles Private Limited</li> <li>• R.M.S. Traders Private Limited</li> <li>• DG Estates Private Limited</li> <li>• Goyal Infratech Private Limited</li> <li>• Savoir Innovations Private Limited</li> <li>• Cosmic Alloys and Metal Works Private Limited</li> </ul> | <ul style="list-style-type: none"> <li>• Ameri Estates Private Limited</li> <li>• Poysha Power Transmission Private Limited</li> <li>• Cosmic Alloys and Metal Works Private Limited</li> </ul>                |
| Companies in which holds membership of committees**<br>**Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies. | Nil  | 1   | Nil  |
| Shareholding in the Company (No. & %)  | 3,77,008 (2.34%)   | 6,13,288 (3.81%)  | 5,13,464 (3.19%)   |

| Details of Remuneration sought to be paid                            | Nil | As set out in the explanatory statement | As set out in the explanatory statement |
|--|-----|---|---|
| Remuneration last drawn (including sitting fees, If any) (Per Annum) | Nil | 18.00 Lakhs***                          | 30.00 Lakhs                             |

\*excludes Directorships in Associations, Foreign and Section 25/8 Companies.

\*\*\*Mr. Abhey Goyal was Whole Time Director till 31<sup>st</sup> December, 2019. He was again appointed as Whole Time Director w.e.f. 1<sup>st</sup> July, 2020. He was acting as ordinary Director during 1<sup>st</sup> January, 2020 till 30<sup>th</sup> June, 2020.

### 3. COMMITTEES OF BOARD OF DIRECTORS

**Ajanta Soya Ltd has Four Board level Committees as on 31<sup>st</sup> March, 2020:**

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders Relationship Committee
- d) Corporate Social Responsibility Committee

The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for members of various Committees. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.

#### A. AUDIT COMMITTEE

##### Terms of Reference

The terms of reference of the Audit Committee are as per the governing provisions of the Companies Act, 2013 (section 177) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part C of Schedule II).

##### The Role of the Audit Committee includes the following:

1. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by Management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
5. reviewing, with the Management, the quarterly financial statements before submission to the Board for approval;
6. reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

8. approval or any subsequent modification of transactions of the listed entity with related parties and any subsequent modification of such transaction in accordance with the Act read with Rules made thereunder and the SEBI Regulations;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing mandatorily the following information:
  - a. management discussion and analysis of financial condition and results of operations;
  - b. statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - c. management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. internal audit reports relating to internal control weaknesses; and
  - e. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  - f. statement of deviations:
    - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
21. considering such other matters the Board may specify;
22. Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 cr. or 10% of the asset size of the subsidiary, whichever is lower.
23. reviewing other areas that may be brought under the purview of role of Audit Committee as specified in SEBI Regulations and the Companies Act, as and when amended.

Further, the Audit Committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

#### **Composition**

As on 31<sup>st</sup> March, 2020 the Audit Committee comprises of 2 (two) Non-Executive & Independent Directors and 1 (one) Non-Executive & Promoter Director namely: Mr. Harsh Chander Kansal as Chairman; Mr. Hemant Bansal and Mr. Abhey Goyal as the Members of the Committee.

Mr. Kapil, Company Secretary is the Secretary of the Committee.

**Meetings & Attendance**

The Committee met 8 (Eight) times during the Financial Year 2019-20 on the following dates: 06<sup>th</sup> May, 2019, 30<sup>th</sup> May, 2019, 13<sup>th</sup> August, 2019, 30<sup>th</sup> September, 2019, 14<sup>th</sup> November, 2019, 20<sup>th</sup> January, 2020, 13<sup>th</sup> February, 2020 and 11<sup>th</sup> March, 2020 Details of attendance of Directors in the Audit Committee meeting are as under:

| Name of the Director              | Category                             | Attendance at the Audit Committee Meeting |
|-----------------------------------|--------------------------------------|---|
| Mr. Harsh Chander Kansal-Chairman | Non-Executive & Independent Director | 8   |
| Mr. Hemant Bansal-Member          | Non-Executive & Independent Director | 8   |
| Mr. Abhey Goyal-Member*           | Non-Executive & Promoter Director    | 7   |

*\*Mr. Abhey Goyal was Whole Time Director till 31<sup>st</sup> December, 2019. He was again appointed as Whole Time Director w.e.f. 1<sup>st</sup> July, 2020. He was acting as ordinary Director during 1<sup>st</sup> January, 2020 till 30<sup>th</sup> June, 2020.*

**B. NOMINATION AND REMUNERATION COMMITTEE**
**Terms of Reference**

The terms of reference of the Nomination and Remuneration Committee are as per the governing provisions of the Companies Act, 2013 (section 178) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II).

The Remuneration Committee has been constituted to recommend/ review and approve the remuneration payable to Managing Director, Whole Time Director or other directors, Key Managerial Personnel and Senior Management of the Company based on their performance.

**The roles and responsibilities of the Committee include the following:**

1. To formulate criteria for determining qualifications, positive attributes and Independence of a Director;
2. To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and other employees;
3. To formulate criteria for evaluation of performance of Independent Directors and the Board of directors;
4. To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy;
5. To recommend to the Board the appointment and removal of Directors and Senior Management.
6. To carry out evaluation of Director's performance.
7. To devise a policy on Board diversity, composition, size. Succession planning for replacing Key Executives and overseeing.
8. 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.
9. To perform such other functions as may be necessary or appropriate for the performance of its duties.

**Composition**

As on 31<sup>st</sup> March, 2020 the Nomination and Remuneration Committee comprises of 3 (three) Non-Executive & Independent Directors namely Mr. Harsh Chander Kansal as Chairman, Mr. Hemant Bansal and Mrs. Sushila Jain as Members of the Committee.

Mr. Kapil, Company Secretary is the Secretary of the Committee.

**Meetings & Attendance**

The Committee met 2 (Two) times during the Financial Year 2019-20 on the following dates: 13<sup>th</sup> August, 2019 and 30<sup>th</sup> September, 2019 Details of attendance of Directors in the Nomination and Remuneration Committee meeting are as under:

| Name of the Director               | Category                             | Attendance at the Nomination and Remuneration Committee |
|------------------------------------|--------------------------------------|---|
| Mr. Harsh Chander Kansal- Chairman | Non-Executive & Independent Director | 2   |
| Mr. Hemant Bansal-Member           | Non-Executive & Independent Director | 2   |
| Mrs. Sushila Jain-Member           | Non-Executive & Independent Director | 2   |

### Performance evaluation criteria for Independent Directors

The performance evaluation of Independent Directors is done by the entire Board of Directors (excluding the Director being evaluated). On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Directors. The Board is evaluated on the basis of the various attributes such as Raising of concerns to the Board and constructive contribution to resolution of issues at meetings, Initiative in terms of new ideas and planning for the Company etc. The Directors expressed their satisfaction with the evaluation process.

### Remuneration Policy of the Company

The remuneration policy of the Company is directed towards rewarding performance. The Managing Director and the Whole Time Director of the Company are entitled for payment of Remuneration as decided by the Board and approved by the members as per the provisions of the Companies Act, 2013.

Directors are also entitled for the sitting fee for attending Board/Committee Meeting except the Managing Director and Whole Time Director.

However, all the Non-executive Directors of the Company have waived the sitting fee payable to them for attending Board/ Committee Meeting of the Company.

The Remuneration Policy and the evaluation criteria have been disclosed in the Director's Report which forms part of the Annual Report.

### Details of the Directors' Remuneration for the financial year ended 31<sup>st</sup> March, 2020

| Name of Director         | Sitting fees | Salaries & Perquisites (In Lakhs) | Commission, Bonus Ex-gratia | Total Amount (In Lakhs) | No. of Shares held & % |
|--------------------------|--------------|-----------------------------------|-----------------------------|-------------------------|------------------------|
| Mr. Sushil Goyal         | Nil          | 30.00                             | Nil                         | 30.00                   | 513464 & 3.19%         |
| Mr. Abhey Goyal*         | Nil          | 18.00                             | Nil                         | 18.00                   | 613288 & 3.81%         |
| Mr. Harsh Chander Kansal | Nil          | Nil                               | Nil                         | Nil                     | Nil                    |
| Mr. Hemant Bansal        | Nil          | Nil                               | Nil                         | Nil                     | Nil                    |
| Mrs. Sushila Jain        | Nil          | Nil                               | Nil                         | Nil                     | Nil                    |

\*Mr. Abhey Goyal was Whole Time Director till 31<sup>st</sup> December, 2019. He was again appointed as Whole Time Director w.e.f. 1<sup>st</sup> July, 2020. He was acting as ordinary Director during 1<sup>st</sup> January, 2020 till 30<sup>th</sup> June, 2020.

## C. STAKEHOLDERS RELATIONSHIP COMMITTEE

### Terms of Reference

The terms of reference and the ambit of powers of Stakeholders Relationship Committee are as per the governing provisions of the Companies Act, 2013 (section 178) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II).

### The roles and responsibilities of the Committee include the following:

1. Resolving the grievances of the security holders of the entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
2. Review of measures taken for effective exercise of voting rights by shareholders of the Company;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
5. Reviewing other areas that may be brought under the purview of role of Stakeholders Relationship Committee as specified in SEBI Regulations and the Companies Act, as and when amended.

**Composition**

As on 31<sup>st</sup> March, 2020 the Stakeholders Relationship Committee comprises of 2 (Two) Non-Executive & Independent Directors and 1 (One) Non-Executive & Promoter Director namely: Mr. Harsh Chander Kansal as Chairman, Mr. Hemant Bansal and Mr. Abhey Goyal as Members of the Committee.

Mr. Kapil, Company Secretary is the Secretary of the Committee.

The committee met 12 (Twelve) times during the Financial Year 2019-20 on 10<sup>th</sup> April, 2019, 10<sup>th</sup> May, 2019, 10<sup>th</sup> June, 2019, 10<sup>th</sup> July, 2019, 10<sup>th</sup> August, 2019, 10<sup>th</sup> September, 2019, 10<sup>th</sup> October, 2019, 11<sup>th</sup> November, 2019, 10<sup>th</sup> December, 2019, 10<sup>th</sup> January, 2020, 10<sup>th</sup> February, 2020 and 11<sup>th</sup> March, 2020.

| Name of the Director              | Category                             | Attendance at the Stakeholders Relationship Committee |
|-----------------------------------|--------------------------------------|---|
| Mr. Harsh Chander Kansal-Chairman | Non-executive & Independent Director | 12  |
| Mr. Hemant Bansal-Member          | Non-executive & Independent Director | 12  |
| Mr. Abhey Goyal-Member*           | Non-executive & Promoter Director    | 11  |

*\*Mr. Abhey Goyal was Whole Time Director till 31<sup>st</sup> December, 2019. He was again appointed as Whole Time Director w.e.f. 1<sup>st</sup> July, 2020. He was acting as ordinary Director during 1<sup>st</sup> January, 2020 till 30<sup>th</sup> June, 2020.*

**Investor Grievance Redressal**

During the year, the Company received Nil complaints from the shareholders. All the complaints were resolved. There were no pending complaints from any shareholder as on 31<sup>st</sup> March 2020.

**D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**
**Terms of Reference**

The Corporate Social Responsibility Committee has been formed pursuant to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act, to recommend the amount of expenditure to be incurred on such activities and to monitor the Corporate Social Responsibility Policy of the Company from time to time.

**The role of CSR Committee is as under:-**

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in compliance with the Companies Act, 2013 and rules thereunder.
- Recommend the amount of expenditure to be incurred on the activities as above, and
- Monitor the CSR Policy of the Company from time to time.
- To carry out any other function as delegated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for the performance of its duties.

The Company has formulated the CSR Policy in line with Schedule VII of the Companies Act, 2013.

**CSR Policy of the Company**

To formulate and recommend to the Board the CSR Policy indicating the activities to be undertaken by the Company pursuant to the provisions of Companies Act, 2013 and the rules made thereunder;

To review the CSR Policy and associated frameworks, processes and practices.

The formal CSR policy of the Company is available on the website of the Company [www.ajantasoya.com](http://www.ajantasoya.com) at the link <http://ajantasoya.com/wp-content/uploads/2017/05/CSR-POLICY.pdf>

**Composition**

As on 31<sup>st</sup> March, 2020, the Corporate Social Responsibility Committee comprises of 1 (One) Non-Executive & Independent Director, 1 (One) Executive & Promoter Director and 1 (One) Non-Executive & Promoter Director namely: Mr. Harsh Chander Kansal as Chairman, Mr. Sushil Goyal and Mr. Abhey Goyal as Members.

Mr. Kapil, Company Secretary is the Secretary of the Committee.

The committee met 2 (Two) times during the year Financial Year 2019-20 on 30<sup>th</sup> May 2019 and 13<sup>th</sup> August, 2019.

| Name of the Director              | Category                             | Attendance at the Corporate Social Responsibility Committee |
|-----------------------------------|--------------------------------------|---|
| Mr. Harsh Chander Kansal-Chairman | Non-Executive & Independent Director | 2   |
| Mr. Sushil Goyal-Member           | Executive & Promoter Director        | 2   |
| Mr. Abhey Goyal-Member*           | Non-Executive & Promoter Director    | 2   |

\*Mr. Abhey Goyal was Whole Time Director till 31<sup>st</sup> December, 2019. He was again appointed as Whole Time Director w.e.f. 1<sup>st</sup> July, 2020. He was acting as ordinary Director during 1<sup>st</sup> January, 2020 till 30<sup>th</sup> June, 2020.

#### 4. GENERAL BODY MEETINGS

a) **Annual General Meetings:** Particulars of past three Annual General Meetings of the Company:

| Year | Date       | Venue  | Time       | No of Special Resolution passed   |
|------|------------|--|------------|---|
| 2017 | 26.09.2017 | SP-916, RIICO Industrial Area Phase – III Bhiwadi-301 019, Distt. Alwar, Rajasthan | 12.30 P.M. | <ol style="list-style-type: none"> <li>Alteration in Article of Association of the Company.</li> <li>Increase in Authorized Share Capital from Rs. 15.50 Cr to Rs. 16.10 Cr.</li> <li>Issue of 6 Lakhs Equity Shares on Preferential Basis.</li> <li>Revision in remuneration structure of Mr. Abhey Goyal Whole time Director.</li> <li>Re-appoint Mr. Sushil Goyal as Managing Director.</li> </ol> |
| 2018 | 22.09.2018 | SP-916, RIICO Industrial Area Phase – III Bhiwadi-301 019, Distt. Alwar, Rajasthan | 12.30 P.M. | <ol style="list-style-type: none"> <li>Re-appointment of Mr. Harsh Chander Kansal as an Independent Director.</li> <li>Re-appointment of Mr. Hemant Kumar Bansal as an Independent Director.</li> <li>Authorising the Board of Directors under section 186 of the Companies Act, 2013.</li> </ol>   |
| 2019 | 30.09.2019 | SP-916, RIICO Industrial Area Phase – III Bhiwadi-301 019, Distt. Alwar, Rajasthan | 11.30 A.M. | <ol style="list-style-type: none"> <li>Re-appointment of Mrs. Sushila Jain (DIN: 03432157) as an Independent Director for a term of five consecutive years from 28<sup>th</sup> March, 2020 to 27<sup>th</sup> March, 2025.</li> </ol>  |

b) During the year under review, no special resolution has been passed through the exercise of postal ballot.

c) No special resolutions are proposed to be conducted through postal ballot.

#### 5. MEANS OF COMMUNICATION

a) At present quarterly/ half-yearly reports are not being sent to each household of shareholders.

b) **The Quarterly / half-yearly / Annual Accounts results:** The Company's quarterly results are published in Financial Express (English) (Mumbai), Financial Express (English)(Delhi) & Jansatta (Hindi)(Delhi) and are displayed on its website ([www.ajantasoya.com](http://www.ajantasoya.com)).

c) **Website:** The Company's website ([www.ajantasoya.com](http://www.ajantasoya.com)) contains a separate dedicated section 'Investor Relations' where shareholders' information is available.

d) **Annual Report:** In view of the General Circular No. 20/2020 issued by Ministry of Corporate Affairs dated 5<sup>th</sup> May 2020, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Board's report, Auditor's report or other documents required to be attached therewith), Annual Report will be sent only by email to the members and to all other persons so entitled. Further, the 29<sup>th</sup> Annual General Meeting scheduled to be held on 30<sup>th</sup> September, 2020 will be conducted through video conference

or other audio visual means and the requirements as stated in the above said circular will be fulfilled. Details of the procedure of conduct of the 29<sup>th</sup> AGM is provided in the Notice of the Meeting. The Annual Report and the Notice of the AGM is also available on the Company's website at [www.ajantasoya.com](http://www.ajantasoya.com).

- e) **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a Centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

## 6. GENERAL SHAREHOLDERS INFORMATION

### (i) Annual General Meeting

| Day & Date                                  | Time       | Venue   |
|---|------------|---|
| Wednesday, 30 <sup>th</sup> September, 2020 | 12.30 P.M. | No physical meeting is required to be held, as per the general circular no. 20/2020, 17/2020 and 14/2020 issued by MCA, the meeting will be held through Video Conferencing/Other Audio Visual Means. |

### (ii) Financial Calendar

| Events   | Tentative time frame                                |
|--|---|
| Financial Reporting for the first quarter ended 30 <sup>th</sup> June, 2020        | On 14 <sup>th</sup> August, 2020 (actual)           |
| Financial Reporting for the second quarter ending 30 <sup>th</sup> September, 2020 | On or before by 14 <sup>th</sup> November 2020      |
| Financial Reporting for the third quarter ending 31 <sup>st</sup> December, 2020   | On or before by 14 <sup>th</sup> February 2021      |
| Financial Reporting for the fourth quarter ending 31 <sup>st</sup> March, 2021     | On or before by 30 <sup>th</sup> May 2021 (Audited) |

- (iii) **Dates of Book Closure** Wednesday, 23<sup>rd</sup> September 2020 to Wednesday, 30<sup>th</sup> September 2020 (both days inclusive)
- (iv) **Dividend Payment Date** Not applicable
- (v) **Listing on Stock Exchanges:** The Shares of the Company is listed on the **BSE Ltd**  
**Address:-**Phiroze Jeejeebhoy  
Towers, Dalal Street  
Mumbai 400 001

The Annual Listing fees for the Financial Year 2020-21 to BSE have been paid by the Company within the stipulated time.

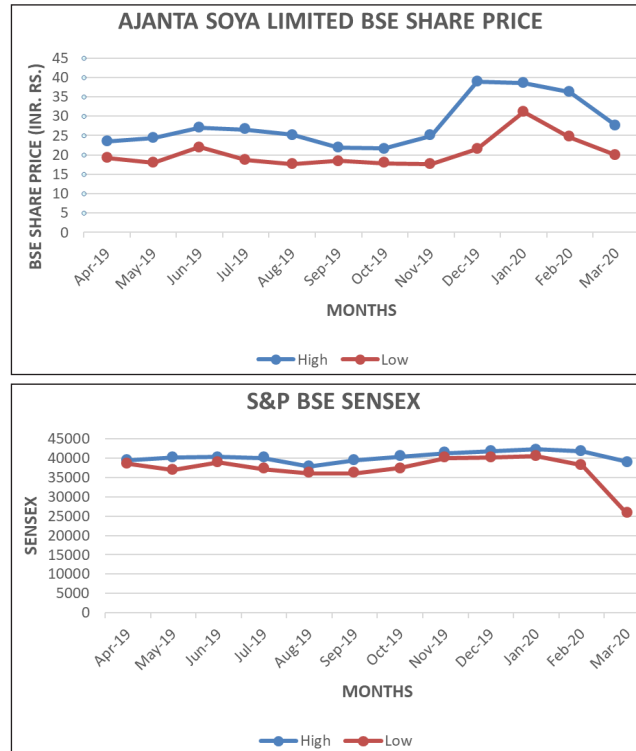
- (vi) **Stock Code/ Symbol:** 519216 at the Bombay Stock Exchange.

- (vii) **CIN number:**L15494RJ1992PLC016617

- (viii) **Market Price Data:** High/ low of market price of the Company's equity shares traded on BSE during the last financial year were as follows:

| Month  | High Price | Low Price | No. of Shares | Month  | High Price | Low Price | No. of Shares |
|--------|------------|-----------|---------------|--------|------------|-----------|---------------|
| Apr 19 | 23.45      | 19.15     | 55512         | Oct 19 | 21.70      | 17.85     | 49281         |
| May 19 | 24.45      | 18.00     | 46209         | Nov 19 | 24.95      | 17.70     | 69790         |
| Jun 19 | 27.00      | 22.10     | 53789         | Dec 19 | 38.85      | 21.50     | 135160        |
| Jul 19 | 26.50      | 18.70     | 25345         | Jan 20 | 38.50      | 31.20     | 450131        |
| Aug 19 | 25.30      | 17.65     | 29786         | Feb 20 | 36.25      | 24.60     | 474835        |
| Sep 19 | 21.90      | 18.45     | 42393         | Mar 20 | 27.65      | 20.00     | 87185         |

Source: [www.bseindia.com](http://www.bseindia.com)



(ix) In case the securities are suspended from trading, the directors report shall explain there as on thereof:-Not Applicable.

(x) **Registrar and Share Transfer Agent & Share Transfer System**

The company has appointed **M/s Skyline Financial Services Pvt Ltd**, as its Registrar and Share Transfer Agent to carry out the process of share transfer in physical form and also Demat work of the Company. The Company has authorised the Registrar and Transfer Agent to approve and execute transfer and transmission of shares subject to a maximum holding of any one person together with the existing holding not exceeding 1% of total paid up equity share capital of the Company at the time of such transfer. Any transfer, transmission in excess of aforesaid limit of 1% is given effect by the Stakeholders Relationship Committee of the Company. All correspondence with regard to share transfers and matters related therewith may directly be addressed to the Registrar and Share Transfer Agents at the address given below:

| Particulars    | Skyline Financial Services Pvt Ltd  |
|----------------|---|
| Contact Person | Mr V K Rana   |
| Address        | D-153 A, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase – I, New Delhi-110 020 |
| Telephone No.  | 011-40450193-97   |
| E-mail         | admin@skylinerta.com  |

(xi) Distribution of Shareholding as on 31<sup>st</sup> March 2020:

| Shareholding of Nominal Value of |        | Shareholders |            | Share Amount     |            |
|----------------------------------|--------|--------------|------------|------------------|------------|
| Rs.                              | Rs.    | Number       | % to Total | In Rs.           | % to Total |
| (1)                              | (2)    | (3)          | (4)        | (5)              | (6)        |
| Up to 5,000                      |        | 13586        | 95.49      | 17790400         | 11.05      |
| 5,001                            | 10000  | 326          | 2.29       | 2533990          | 1.57       |
| 10,001                           | 20000  | 133          | 0.93       | 2055390          | 1.28       |
| 20,001                           | 30000  | 54           | 0.38       | 1346120          | 0.84       |
| 30,001                           | 40000  | 28           | 0.20       | 1006950          | 0.63       |
| 40,001                           | 50000  | 17           | 0.12       | 808040           | 0.50       |
| 50,001                           | 100000 | 31           | 0.22       | 2229480          | 1.39       |
| 100001 and Above                 |        | 53           | 0.37       | 133195610        | 82.75      |
| <b>Total</b>                     |        | <b>14228</b> | <b>100</b> | <b>160965980</b> | <b>100</b> |

Category of shareholders as at March 31, 2020

| SI No. | Category                    | No of Shares    | Percentage of shareholding |
|--------|-----------------------------|-----------------|----------------------------|
| 1.     | Promoter and Promoter Group | 75,42,048       | 46.85                      |
| 2.     | Public Shareholding         | 85,54,550       | 53.15                      |
|        | <b>Total</b>                | <b>16096598</b> | <b>100%</b>                |

(xii) **Dematerialization of shares and liquidity:** As on 31<sup>st</sup> March 2020 about 91.23% of the Company's equity paid-up capital had been dematerialized. Trading in equity shares of the Company at the Stock Exchange is permitted compulsorily in Demat mode.

Further, effective 1<sup>st</sup> April 2019, SEBI has amended Regulation 40 of the SEBI LODR, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in Dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in Demat form.

(xiii) There are no outstanding GDRs/ ADRs/ Warrants or any Convertible other Instruments as on the date.

(xiv) **Plant Locations:** The Company has Vanaspati Plant and refinery located at:

SP 916, RIICO Industrial Area  
Phase III, Bhiwadi 301 019  
Distt. Alwar, Rajasthan.

(xv) **Address for Correspondence:** The shareholders may send their communication grievances/queries to the Registrar and Share Transfer Agents at their Address mentioned above or to the Company at:

**Investor Relation Centre**  
Ajanta Soya Limited  
12<sup>th</sup> Floor, Bigjo's Tower, A-8, Netaji Subhash Place  
Wazirpur Distt. Center, Delhi 110034  
Phone: 011- 42515151  
Fax: 011- 42515100  
**E-mail: cs@ajantasoya.com**

7. **Certificate from Practicing Company Secretary**

Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Listing Regulations, M/s. R&D Company Secretaries, Company Secretary in practice, Delhi, has certified that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority and the certificate is annexed with this Report and forms an integral part of the Annual Report.

**8. Web link for various Policies**

The details of various other policies applicable on the Company are available on Investor Information under the Investor Relations and Financial Reports Tab on the website of the Company:-  
<http://ajantasoya.com/investor-information-2/>

**9. DISCLOSURES**

**a) Related Party Transactions**

There are no materially significant related party transactions with its Promoters, the Directors or the Management, their Subsidiaries or Relatives etc., which may have potential conflict with the interest of the company at large. The other related party transactions are given in **Point no. 42 of Notes on Accounts** annexed to and forming the part of Balance Sheet and Profit and Loss Account of the Company.

The policy has been disclosed on the website of the Company at [www.ajantasoya.com](http://www.ajantasoya.com) Web link for the same is <http://ajantasoya.com/wp-content/forms/POLICY%20ON%20RELATED%20PARTY%20TRANSACTIONS.pdf>

**b) Non-compliance by the Company, Penalties, Structures**

There were no instances of non-compliance by the Company, penalties, structures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

**c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:**

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behaviour.

Further no person has been denied access to the Chairman of the audit committee. The said policy has been also put up on the website of the Company.

**d) 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) Commodity Price Risk / Foreign Exchange Risk and Hedging Activities**

Your Company has a robust framework and governance mechanism in place to ensure that the organization is adequately protected from the market volatility in terms of price and availability based on procurement team's monitoring and intelligence, forecasts of commodity prices and movements. A robust planning and strategy ensure the Company's interests are protected despite volatility in commodity prices. Your Company has managed the foreign exchange risk with appropriate hedging activities in accordance with the policies of the Company. The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitment. The Company does not enter into any derivative instruments for trading or speculative purposes.

**f) Code of Conduct for Prevention of Insider Trading**

On December 31, 2018, Securities and Exchange Board of India amended the Prohibition of Insider Trading Regulations, 2015, prescribing various new requirements with effect from April 1, 2019. In line with the amendments, your Company has adopted an amended Code of Conduct to regulate, monitor and report trading by Designated Persons under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the same can be accessed on the website of the Company –

<http://ajantasoya.com/wp-content/uploads/2019/12/Code-of-Conduct-for-Regulating-Reporting-Trading-by-Designated-Persons.pdf>

Your Board of Directors has also approved the Code for Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) and the same can be accessed on the website of the Company - <http://ajantasoya.com/wp-content/forms/CODE%20OF%20FAIR%20DISCLOSURES.pdf>

**g) Fees to Statutory Auditors**

(Rs. in Lakhs)

| Sl No.                       | Particular                    | Amount      |
|------------------------------|-------------------------------|-------------|
| 1.                           | Audit fees                    | 5.50        |
| 2.                           | For Taxation Matter           | 0.00        |
| 3.                           | Other matters – certification | 0.11        |
| <b>Total (Net of GST/ST)</b> |                               | <b>5.61</b> |

**h) Disclosure of Accounting Treatment**

During the year under review, the Company followed the applicable Accounting Standards as specified under Section 133 of the Act, in the preparation of its financial statements.

**i) Disclosure of the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.**

**i. Maintenance of the Chairman's Office**

The Company has not appointed any Chairman of the Company. The present board appoint Chairman for conducting board meeting and general meeting.

**ii. Shareholders Rights**

The quarterly and annual financial results of the Company are published in newspapers on an all India basis and are also posted on the Company's website [www.ajantasoya.com](http://www.ajantasoya.com) Significant events if any are also posted on this website under the 'Investor relations' section. The complete Annual Report is sent to every Shareholder of the Company.

**iii. Modified opinion(s) in Audit Report**

The Auditors have raised no qualifications on the financial statements of the Company.

**iv. Separate posts of Chairman and CEO**

The Company had not appointed any Chairman and CEO of the Company. Mr. Sushil Goyal is Managing Director of the Company.

**v. Reporting of Internal Auditors**

The Internal Auditor reports directly to the Audit Committee based on the inputs provided by the Management on their observations if any on a quarterly basis.

**j) 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.

**10. CODE OF CONDUCT**

The Board has formulated a code of conduct for the Board members and senior management of the Company. The same has also been posted on the website of the Company. All Board members and senior management personnel have affirmed their compliance with the code.

**Declaration on compliance with code of conduct by the Managing Director:**

The Board has formulated a code of conduct for the Board members and senior management of the Company, which has been posted on the website of the Company – [www.ajantasoya.com](http://www.ajantasoya.com).

It is hereby affirmed that all the Directors and senior management personnel have complied with the code of conduct framed by the Company and a confirmation to that effect has been obtained from the directors and senior management.

**Sushil Goyal**  
**Managing Director**

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

The Certificate from the Statutory Auditors of the Company regarding compliance of conditions of corporate governance is annexed with this Report and forms an integral part of the Annual Report.

## CEO/CFO CERTIFICATION

We, Sushil Goyal, Managing Director and Jai Gopal Sharma, Chief Financial Officer, responsible for the finance function certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March 2020 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) To the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Ajanta Soya Limited

Date : 28<sup>th</sup> August, 2020  
Place: New Delhi

Jai Gopal Sharma  
Chief Financial Officer

Sushil Goyal  
Managing Director

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### COMPLIANCE CERTIFICATE BY STATUTORY AUDITOR'S PURSUANT TO CLAUSE E OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015

To  
The Members of  
Ajanta Soya Limited

1. The Corporate Governance Report prepared by Ajanta Soya Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2020. This report is required by the Company for annual submission to the stock exchange and to be sent to the Shareholders of the Company.

#### Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

#### Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both

issued by the Institute of Chartered Accountants of India (“ICAI”). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor’s judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

#### **Opinion**

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 1 above.

#### **Other Matters and Restriction on Use**

10. This Certificate 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.
11. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

**For PAWAN SHUBHAM & CO.**  
**Chartered Accountants**  
**Firm Registration Number: 011573C**

**CA Pawan Kumar Agarwal**  
**Partner**  
**Membership Number:092345**  
**UDIN: 20092345AAAACT7109**

**Date : August 26, 2020**  
**Place: New Delhi**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,  
The Members of  
**M/s Ajanta Soya Limited**  
SP 916, Phase-III, Industrial Area,  
Bhiwadi – 301 019, Rajasthan

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Ajanta Soya Limited having CIN L15494RJ1992PLC016617 and having registered office at SP 916, Phase-III, Industrial Area, Bhiwadi – 301 019, Rajasthan (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31<sup>st</sup> March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| S. No. | DIN      | Name of Director     | Date of Appointment in Company |
|--------|----------|----------------------|--------------------------------|
| 1.     | 00125275 | Sushil Goyal         | 06/03/1992                     |
| 2.     | 02321262 | Abhey Goyal          | 15/12/2008                     |
| 3.     | 00125411 | Harsh Chander Kansal | 27/04/2002                     |
| 4.     | 00526206 | Hemant Bansal        | 14/08/2013                     |
| 5.     | 03432157 | Sushila Jain         | 28/03/2015                     |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For R& D  
Company Secretaries**

**Debabrata Deb Nath**  
Partner  
FCS No.: 7775; CP No. : 8612  
UDIN: F007775B000615657

**Date: 25.08.2020  
Place: Delhi**

## INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF AJANTA SOYA LIMITED  
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**

1. We have audited the accompanying Ind AS financial statements of Ajanta Soya Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2020, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

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

| Sr. No. | Key Audit Matter   | Auditor's Response  |
|---------|--|---|
| 1.      | <p><b>Revenue Recognition</b></p> <p>Revenue is recognised when the significant risk and rewards of the ownership have been transferred to the buyer recovery of consideration is probable, the associated cost and possible return of goods can be measured reliably, there is no continuing effective control/managerial involvement in respect of the goods, and the amount of revenue can be measured reliably. The timing of the transfer of control varies depending on the individual terms of the sale.</p> <p>Revenue from sale of goods in the course of ordinary activities is measured at the Fair Value of the consideration received or receivables net of returns, trade discount, and taxes and duties on behalf of government. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.</p> <p>There is a risk of revenue being overstated due to fraud, including through manipulation of rebates and discounts, resulting from pressure the management may feel to achieve performance targets at the reporting period end.</p> | <p><b>Principal Audit Procedure</b></p> <ul style="list-style-type: none"> <li>• We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards.</li> <li>• We tested the design, implementation and operating effectiveness of the managements system of IT Controls and key application controls and interfaces between the system control and key manual internal controls over the revenue recognition to assess the completeness of the revenue entries being recorded in the general accounting system.</li> <li>• We performed substantive testing by selecting the samples, Key parties were taken care of while selecting the sample, by verifying the underlying documents, which included purchase order/bargain, management's control over dispatch of goods, delivery challan and the recovery of consideration within the credit limit as per the terms of the contract.</li> <li>• We performed substantive testing by selecting samples of rebate and discount transactions recorded during the year and comparing with the terms and conditions defined in the customer contract.</li> <li>• We performed cut-off testing for samples of revenue transactions recorded before and after the financial year end date by comparing with relevant underlying documentation, which included goods dispatch notes to assess whether the revenue is recognized as per policy.</li> <li>• Reviewed the disclosures included in the notes to the accompanying financial statements.</li> </ul> |

| Sr. No. | Key Audit Matter   | Auditor's Response  |
|---------|--|---|
| 2.      | <p><b>Physical Verification of Inventory</b></p> <p>The COVID-19 outbreak created several potential challenges for management to conduct physical inventory counting as on reporting date and for the auditors to attend these counts. Due to various scenarios like lockdown, travel restrictions etc. as imposed by Government of India, physical inventory counting was a challenging and, in some cases, impracticable exercise.</p> <p>The Company has inventory of the carrying value Rs. 4003.05 Lacs constituting 52% of Current Assets of the Company.</p> <p>The inventory is lying at various locations, including depots. The Physical inventory counting was carried out at the close of the financial year at all storages/depots by management.</p> <p>We considered the physical verification of inventory as a key audit matter given the number of individual items constituting inventory and relative size of the balance in the financial statements.</p> | <p><b>Principal Audit Procedure</b></p> <p>Our audit included but was not limited to the following procedures:</p> <ul style="list-style-type: none"> <li>• Review of company's inventory records and internal controls over inventory movements.</li> <li>• Review the policy of the management for physical verification and the documents related to management's physical count procedure actually followed at different locations.</li> <li>• Identifying obsolete inventory, if any.</li> <li>• Assess the appropriateness and completeness of the related disclosure in the company's Ind AS Financial Statements.</li> </ul>  |
| 3.      | <p><b>Provision for taxation, litigation and other significant provisions &amp; contingencies</b></p> <p>Accrual for tax and other contingencies requires the management to make judgements and estimates in relation to the issues and exposures arising from a range of matters relating to direct / indirect tax, claims, general legal proceedings and other eventualities arising in the regular course of business.</p> <p>The key judgement lies in the estimation of provisions where they may differ from the future obligations. By nature, provision is difficult to estimate and includes many variables. Additionally, depending on timing, there is a risk that costs could be provided inappropriately that are not yet committed.</p> <p>Refer Note No. 33(I) to the financial statement.</p>  | <p><b>Principal Audit Procedure</b></p> <ul style="list-style-type: none"> <li>• We tested the effectiveness of controls around recording and re-assessment/ review of the contingent liabilities.</li> <li>• We used our professional judgement and experience to assess the value of material contingent liabilities in light of the nature of exposures, applicable regulations and related correspondence with the authorities.</li> <li>• We discussed the status and potential exposures in respect of significant litigation and claims with the company's management including their views on the likely outcome of each litigation and claim and the magnitude of potential exposure. and sighted any relevant opinions given by the advisors.</li> <li>• We assessed the adequacy of disclosures made. We performed retrospective review of management judgements relating to accounting estimate included in the financial statement of prior year and compared with the outcome.</li> </ul> |

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

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

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 are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

As of date, no such other information has yet been provided to us and thus, we have nothing to report in this regard.

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

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

#### **Auditors' Responsibility**

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

10. 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.
11. 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.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

13. 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), the Cash Flow Statement and the Statement of Changes in equity dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of the written representations received from the directors of the Company as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;h)
  - i) 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 has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements—Refer Note No. 33;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31<sup>st</sup> March 2020;
    - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended on 31<sup>st</sup> March 2020.
14. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure "B"**, a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **PAWAN SHUBHAM & CO**  
Chartered Accountants  
Firm Registration Number: 011573C

**CA Pawan Kumar Agarwal**  
Partner  
Membership Number:092345  
UDIN: 20092345AAAACE4629

Place of signature : New Delhi  
Date : 29<sup>th</sup> June, 2020

**ANNEXURE “A”**

TO THE INDEPENDENT AUDITOR'S REPORT

**REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT**

*[Referred to in paragraph 13(f) of the Independent Auditors' Report of even date to the members of Ajanta Soya Limited on the Ind AS financial statements for the year ended 31<sup>st</sup> March, 2020]*

1. We have audited the internal financial controls over financial reporting of Ajanta Soya Limited (“the Company”) as of 31<sup>st</sup> March, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

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

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

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

**Opinion**

8. In our opinion, 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 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **PAWAN SHUBHAM & CO**  
Chartered Accountants  
Firm Registration Number: 011573C

**CA Pawan Kumar Agarwal**  
Partner  
Membership Number:092345  
UDIN: 20092345AAAACE4629

Place of signature : New Delhi  
Date : 29<sup>th</sup> June, 2020

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**ANNEXURE "B"**  
**TO THE INDEPENDENT AUDITOR'S REPORT**

**REPORT UNDER THE COMPANIES (AUDITORS REPORT) ORDER 2016 (CARO)**

*[Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Ajanta Soya Limited on the Ind AS financial statements for the year ended 31st March, 2020]*

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with that plan, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its fixed assets.
- (c) The title deeds of immovable properties, as disclosed in Note 2 property plant & equipments to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory (excluding stocks in transit) has been conducted at year end by the Management. In respect of stock in transit, these have substantially been confirmed and reconciled by the company. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from public.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the records of the Company and information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income tax, Investor education and protection fund, goods and service tax, sales tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it with the appropriate authorities. There was no outstanding of Statutory dues more than six months as at end of the year.

- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of Income Tax, goods and service tax, service tax, value added tax/ sales tax, entry tax, customs duty and excise duty as at 31<sup>st</sup> March, 2020 which have not been deposited on account of a dispute are as follows:

| Name of the Statute     | Nature of the Dues | Amount (₹ In lacs) | Amount deposited under protest (₹ In lacs) | Period to which the amount relates | Forum where dispute is pending |
|-------------------------|--------------------|--------------------|--|------------------------------------|--------------------------------|
| Central/State Sales Tax | Entry Tax          | 28.95              | 20.90                                      | AY 2014-15                         | Rajasthan Tax Board, Ajmer     |
| Income Tax Act          | Income Tax Demand  | 1.01               | -  | AY 2016-17                         | CIT (Appeals)                  |
| FSSAI                   | Penalty            | 4.00               | 2.00                                       | FY 2018-19                         | Food Safety appellate tribunal |
| Custom Duty Act         | Custom Duty        | 215.62             | -  | AY 2017-18                         | Refer note below.*             |

*\*The appeal before CESTAT Delhi could not be filed within limitation due to nationwide lockdown in last week of March 2020. The time limit for compliance has been extended up to 30.09.2020 by the Central Government.*

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). Term loans have been applied for the purposes for which they were obtained.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. During the period under review 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) is not applicable to the company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **PAWAN SHUBHAM & CO**  
Chartered Accountants  
Firm Registration Number: 011573C

**CA Pawan Kumar Agarwal**  
Partner  
Membership Number: 092345  
UDIN: 20092345AAAACE4629

Place of signature : New Delhi  
Date : 29<sup>th</sup> June, 2020

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2020**

(₹ In lakh)

| Particulars   | Note No. | As at 31 <sup>st</sup> March 2020 | As at 31 <sup>st</sup> March 2019 |
|---|----------|-----------------------------------|-----------------------------------|
| <b>I. ASSETS</b>  |          |                                   |                                   |
| (1) <b>Non-current assets</b>   |          |                                   |                                   |
| (a) Property, plant and equipment   | 2        | 3,103.33                          | 3,196.51                          |
| (b) Capital work-in-progress  |          | 56.49                             | -                                 |
| (c) Intangible assets   | 3        | 1.63                              | 1.63                              |
| (d) Financial assets  |          |                                   |                                   |
| (i) Investments   | 4        | 470.33                            | 452.17                            |
| (ii) Loans  | 5        | 211.78                            | 205.97                            |
| (iii) Trade Receivables   | 9        | -                                 | -                                 |
| (e) Other non-current assets  | 7        | 122.91                            | 133.54                            |
| (2) <b>Current assets</b>   |          |                                   |                                   |
| (a) Inventories   | 8        | 4,003.06                          | 5,291.78                          |
| (b) Financial assets  |          |                                   |                                   |
| (i) Investments   | 4        | -                                 | -                                 |
| (ii) Trade Receivables  | 9        | 1,606.30                          | 2,782.89                          |
| (iii) Cash and cash equivalents   | 10       | 280.74                            | 742.04                            |
| (iv) Bank Balance other than (ii) above   | 11       | 1,116.40                          | 1,164.78                          |
| (v) Loans   | 5        | 4.82                              | 2.99                              |
| (vi) Other Financial Assets   | 6        | 25.33                             | 19.96                             |
| (c) Other current assets  | 12       | 722.50                            | 1,503.24                          |
| <b>TOTAL ASSETS</b>   |          | <b>11,725.62</b>                  | <b>15,497.50</b>                  |
| <b>II. EQUITY AND LIABILITIES</b>   |          |                                   |                                   |
| <b>Equity</b>   |          |                                   |                                   |
| (a) Equity Share capital  | 13       | 1,609.66                          | 1,609.66                          |
| (b) Other equity  |          | 3,799.85                          | 2,826.26                          |
| <b>Liabilities</b>  |          |                                   |                                   |
| (1) <b>Non-current liabilities</b>  |          |                                   |                                   |
| (a) Financial liabilities   |          |                                   |                                   |
| (i) Borrowings  | 14       | -                                 | -                                 |
| (b) Provisions  | 15       | 72.93                             | 83.90                             |
| (c) Deferred tax liabilities (Net)  | 16       | 471.52                            | 411.71                            |
| (d) Other non-current liabilities   | 17       | -                                 | -                                 |
| (2) <b>Current liabilities</b>  |          |                                   |                                   |
| (a) Financial liabilities   |          |                                   |                                   |
| (i) Borrowings  | 14       | 279.50                            | 1,693.87                          |
| (ii) Trade and other payables   | 18       |                                   |                                   |
| total outstanding dues of micro enterprise and small enterprises                      |          | -                                 | 33.83                             |
| total outstanding dues of creditors other than micro enterprise and small enterprises |          | 5,042.59                          | 7,714.42                          |
| (iii) Other financial liabilities   | 19       | 32.79                             | 698.64                            |
| (b) Other current liabilities   | 20       | 291.11                            | 376.42                            |
| (c) Provisions  | 15       | 35.33                             | 16.65                             |
| (d) Current tax liability (net)   | 21       | 90.34                             | 32.14                             |
| <b>TOTAL EQUITY &amp; LIABILITIES</b>   |          | <b>11,725.62</b>                  | <b>15,497.50</b>                  |

The accompanying notes form an integral part of these financial statements 1 to 47

**As per our report of even date attached**

**For Pawan Shubham & Co**

Chartered Accountants

Firm Registration No: 011573C

Sd/-

**(Pawan Kumar Agarwal)**

(Partner)

Membership No.: 092345

UDIN: 20092345AAAACE4629

Place: New Delhi

Dated : June 29, 2020

**For and on the Behalf of Board of Directors**

Sd/-

**Sushil Goyal**

(Managing Director)

(DIN : 00125275)

Sd/-

**Jai Gopal Sharma**

(Chief Financial Officer)

(PAN : ANYPS9660D)

Sd/-

**Abhey Goyal**

(Director)

(DIN : 02321262)

Sd/-

**Kapil**

(Company Secretary)

(M.No. : 29508)

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2020**

(₹ In lakh)

| Particulars   | Note no. | For the year ended on 31 <sup>st</sup> March 2020 | For the year ended on 31 <sup>st</sup> March 2019 |
|---|----------|---|---|
| <b>Income</b>   |          |   |   |
| I Revenue from operations   | 22       | <b>76,013.18</b>                                  | 69,465.36   |
| II Other income   | 23       | <b>155.47</b>                                     | 101.50  |
| <b>III Total Income</b>   |          | <b><u>76,168.65</u></b>                           | <b><u>69,566.86</u></b>                           |
| <b>IV Expenses</b>  |          |   |   |
| Cost of materials consumed  | 24       | <b>69,568.88</b>                                  | 62,981.71   |
| Purchases of stock-in-trade   | 25       | <b>1,046.79</b>                                   | 3,513.43  |
| Changes in inventories of finished goods, stock in process and stock-in-trade | 26       | <b>338.89</b>                                     | (523.60)  |
| Employee benefit expenses   | 27       | <b>473.15</b>                                     | 465.74  |
| Finance costs   | 28       | <b>296.69</b>                                     | 440.46  |
| Depreciation and amortisation expense   | 29       | <b>159.68</b>                                     | 149.81  |
| Other expenses  | 30       | <b>2,999.43</b>                                   | 2,820.56  |
| <b>V Total expenses</b>   |          | <b><u>74,883.51</u></b>                           | <b><u>69,848.11</u></b>                           |
| <b>VI Profit/ (loss) before exceptional items and tax (III-V)</b>             |          | <b>1,285.14</b>                                   | (281.25)  |
| <b>VII Exceptional Items (Net)</b>  | 31       | <b>-</b>  | <b>441.91</b>                                     |
| <b>VIII Profit/ (loss) before tax (VI+VII)</b>                                |          | <b>1,285.14</b>                                   | 160.66  |
| <b>IX Tax expense</b>   |          |   |   |
| a) Current tax  |          | <b>240.34</b>                                     | 32.14   |
| b) Deferred tax charge/(reversal)   | 16       | <b>55.27</b>                                      | 158.48  |
| c) (Excess)/short for earlier years (Net)                                     |          | <b>9.69</b>                                       | <b>10.35</b>                                      |
|   |          | <b><u>305.30</u></b>                              | <b><u>200.97</u></b>                              |
| <b>X Profit/ (loss) for the Year (VIII-IX)</b>                                |          | <b>979.84</b>                                     | (40.31)   |
| <b>XI Other comprehensive income (net of tax)</b>                             |          |   |   |
| Items that will not be reclassified to profit or loss                         |          |   |   |
| Remeasurement of defined benefit plans  |          |   | 1.63  |
|   |          | <b>(19.86)</b>                                    |   |
| Fair Value of Non Current investments   |          | <b>18.16</b>                                      | 15.17   |
| Income Tax on above   |          | <b>(4.56)</b>                                     | <b>(4.59)</b>                                     |
|   |          | <b><u>(6.26)</u></b>                              | <b><u>12.21</u></b>                               |
| <b>XII Total comprehensive income for the year (X+XI)</b>                     |          | <b><u>973.58</u></b>                              | <b><u>(28.10)</u></b>                             |
| XIII <i>Basic and diluted Earnings per equity share</i>                       | 41       | <b>6.09</b>                                       | (0.25)  |

The accompanying notes form an integral part of these financial statements 1 to 47

**As per our report of even date attached**

**For Pawan Shubham & Co**

Chartered Accountants

Firm Registration No: 011573C

Sd/-

**(Pawan Kumar Agarwal)**

(Partner)

Membership No.: 092345

UDIN: 20092345AAAACE4629

Place: New Delhi

Dated : June 29, 2020

**For and on the Behalf of Board of Directors**

Sd/-

**Sushil Goyal**

(Managing Director)

(DIN : 00125275)

Sd/-

**Jai Gopal Sharma**

(Chief Financial Officer)

(PAN : ANYP9660D)

Sd/-

**Abhey Goyal**

(Director)

(DIN : 02321262)

Sd/-

**Kapil**

(Company Secretary)

(M.No. : 29508)

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2020**
*(₹ In lakh)*

| Particulars  | Note No. | For the year ended on 31 <sup>st</sup> March 2020 | For the year ended on 31 <sup>st</sup> March 2019 |                        |
|--|----------|---|---|------------------------|
| <b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>                      |          |   |   |                        |
| Net profit / (loss) before exceptional items and tax               |          | 1,285.14  |   | (281.25)               |
| <b>Add: Non cash and non operating items</b>                       |          |   |   |                        |
| Depreciation and amortization expenses                             | 29       | 159.68  |   | 149.81                 |
| Finance costs  | 28       | 296.69  |   | 440.46                 |
| Provision for employee benefits                                    | 27       | 16.22   |   | 15.66                  |
| Fair value adjustment due to security deposit                      |          | <u>(0.64)</u>                                     | 471.95  | <u>(0.78)</u>          |
| <b>Less: Non operating items</b>                                   |          |   |   |                        |
| Net Gain on sale of investments                                    |          | 42.01   |   | -                      |
| Net Gain / (loss) on foreign currency transactions & translation   | 30       | (235.19)  |   | (75.21)                |
| Interest from bank and others                                      |          | <u>65.83</u>                                      | <u>(127.35)</u>                                   | <u>61.63</u>           |
| <b>Operating profit before working capital changes</b>             |          | <b>1,884.44</b>                                   |   | <b>337.48</b>          |
| <b>Adjustments for:</b>  |          |   |   |                        |
| Inventories  |          | 1,288.74  |   | (1,094.18)             |
| Trade & other receivables  |          | 1,954.94  |   | (1,700.30)             |
| Trade payable and other liabilities                                |          | <u>(2,790.98)</u>                                 | <u>452.70</u>                                     | <u>4,304.04</u>        |
| <b>Cash generated from operations before tax</b>                   |          |   | <b>2,337.14</b>                                   | <b>1,847.04</b>        |
| Less: Taxes paid   |          | 191.19  |   | 93.51                  |
| Less: Leave encashment and gratuity paid                           |          | <u>28.38</u>                                      | <u>219.57</u>                                     | <u>15.91</u>           |
| <b>Cash flow from operating activities before exceptional item</b> |          |   | <b>2,117.57</b>                                   | <b>1,737.62</b>        |
| <b>Exceptional Items (net)</b>                                     | 31       |   | -   | 441.91                 |
| <b>Net Cash from Operating Activities ( A )</b>                    |          |   | <u><b>2,117.57</b></u>                            | <u><b>2,179.52</b></u> |
| <b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>                      |          |   |   |                        |
| Payments towards property, plant & equipments                      |          | (66.50)   |   | (109.07)               |
| Payments towards CWIP  |          | (56.49)   |   | -                      |
| Interest received from bank & others                               | 23       | 65.83   |   | 61.63                  |
| Receipt/(Purchase) from sale of investment                         |          | 42.01   |   | 21.64                  |
| Change in investments made in FDR (pledged)                        |          | 48.39   |   | (347.09)               |
| <b>Net Cash used in Investing Activities ( B )</b>                 |          |   | <u><b>33.24</b></u>                               | <u><b>(372.89)</b></u> |

*(₹ In lakh)*

| Particulars  | Note No. | For the year ended on 31 <sup>st</sup> March 2020 | For the year ended on 31 <sup>st</sup> March 2019 |
|--|----------|---|---|
| <b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>                              |          |   |   |
| Movement in short term borrowings  |          | <b>(1,414.37)</b>                                 | (290.17)  |
| Movement in other financial liabilities                                    |          | <b>(665.85)</b>                                   | 299.12  |
| Movement in long term borrowings   |          | -   | (577.31)  |
| Net Gain / (loss) on foreign currency change                               | 30       | <b>(235.19)</b>                                   | (75.21)   |
| Finance cost   | 28       | <b>(296.69)</b>                                   | (440.46)  |
| <b>Net Cash received in Financing Activities ( C )</b>                     |          | <b><u>(2,612.11)</u></b>                          | <b><u>(1,084.03)</u></b>                          |
| <b>D) NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b> |          |   |   |
|  |          | <b>(461.30)</b>                                   | 722.60  |
| Cash & cash equivalents as at beginning of year (excluding pledged FDR's)  | 10       | <b>742.04</b>                                     | 19.44   |
| Cash & cash equivalents as at end of year (excluding pledged FDR's)        | 10       | <b>280.74</b>                                     | 742.04  |

**The accompanying notes form an integral part of these financial statements** **1 to 47**

- (I) The Cash flow statement has been prepared under the 'Indirect Method' as set out in Ind AS 7-"Statement of Cash Flows".
- (II) Figures in brackets represent deductions and outflows
- (III) Cash & cash equivalents do not include fixed deposits pledged with bank and accrued interest thereon as the same are not highly liquid and readily convertible into cash.
- (IV) The previous year's figures have been restated, wherever considered necessary.

**As per our report of even date attached**

**For Pawan Shubham & Co**  
Chartered Accountants  
Firm Registration No: 011573C

Sd/-  
**(Pawan Kumar Agarwal)**  
(Partner)  
Membership No.: 092345  
UDIN: 20092345AAAACE4629

**Place: New Delhi**  
**Dated : June 29, 2020**

**For and on the Behalf of Board of Directors**

Sd/-  
**Sushil Goyal**  
(Managing Director)  
(DIN : 00125275)

Sd/-  
**Jai Gopal Sharma**  
(Chief Financial Officer)  
(PAN : ANYPS9660D)

Sd/-  
**Abhey Goyal**  
(Director)  
(DIN : 02321262)

Sd/-  
**Kapil**  
(Company Secretary)  
(M.No. : 29508)

**STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**

**A. Equity share capital** (₹ In lakh)

|                                 | Note No.  | Amount          |
|---------------------------------|-----------|-----------------|
| <b>As at 1st April 2018</b>     | <b>13</b> | <b>1,609.66</b> |
| Changes in equity share capital |           | -               |
| <b>As at 31st March 2019</b>    | <b>13</b> | <b>1,609.66</b> |
| Changes in equity share capital |           | -               |
| <b>As at 31st March 2020</b>    | <b>13</b> | <b>1,609.66</b> |

**B. Other Equity** (₹ In lakh)

|  | Note No. | Reserve and Surplus |                            |                        |                 |                   | Other comprehensive income * | Total          |
|--|----------|---------------------|----------------------------|------------------------|-----------------|-------------------|------------------------------|----------------|
|  |          | Capital Reserve     | Securities premium reserve | Statutory Reserve Fund | General Reserve | Retained Earnings |                              |                |
| <b>As at 1st April 2018</b>                      |          | 47.20               | 402.00                     | 11.33                  | 199.35          | 2,063.91          | 130.57                       | 2,854.36       |
| Profit for the year                              |          |                     |                            |                        |                 | (40.31)           | -                            | (40.31)        |
| Other Comprehensive income for the year          | 31       |                     |                            |                        |                 | -                 | 12.21                        | 12.21          |
| <b>Total Comprehensive income for the year</b>   |          |                     |                            |                        |                 | <b>(40.31)</b>    | <b>12.21</b>                 | <b>(28.10)</b> |
| Premium received on preferential issue of shares |          | -                   | -                          | -                      | -               | -                 | -                            | -              |
| <b>As at 31st March 2019</b>                     |          | 47.20               | 402.00                     | 11.33                  | 199.35          | 2,023.60          | 142.78                       | 2,826.26       |
| Profit for the year                              |          |                     |                            |                        |                 | 979.84            | -                            | 979.84         |
| Other Comprehensive income for the year          | 31       |                     |                            |                        |                 | -                 | (6.26)                       | (6.26)         |
| <b>Total Comprehensive income for the year</b>   |          |                     |                            |                        |                 | <b>979.84</b>     | <b>(6.26)</b>                | <b>973.58</b>  |
| Premium received on preferential issue of shares |          | -                   | -                          | -                      | -               | -                 | -                            | -              |
| <b>As at 31st March 2020</b>                     |          | 47.20               | 402.00                     | 11.33                  | 199.35          | 3,003.45          | 136.52                       | 3,799.85       |

\* Other comprehensive income represents :

- (i) Remeasurement of defined benefit plans (net of tax).
- (ii) Valuation of non current investments at Fair Value (net of tax)

The accompanying notes form an integral part of these financial statements

**As per our report of even date attached**

**For Pawan Shubham & Co**  
Chartered Accountants  
Firm Registration No: 011573C

Sd/-  
**(Pawan Kumar Agarwal)**  
(Partner)  
Membership No.: 092345  
UDIN: 20092345AAAACE4629

**Place: New Delhi**  
**Dated : June 29, 2020**

**For and on the Behalf of Board of Directors**

Sd/-  
**Sushil Goyal**  
(Managing Director)  
(DIN : 00125275)

Sd/-  
**Jai Gopal Sharma**  
(Chief Financial Officer)  
(PAN : ANYPS9660D)

Sd/-  
**Abhey Goyal**  
(Director)  
(DIN : 02321262)

Sd/-  
**Kapil**  
(Company Secretary)  
(M.No. : 29508)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2020

1. SIGNIFICANT ACCOUNTING POLICIES

i) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 (the "Act"), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principles generally accepted in India.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements are prepared on the historical cost convention, except for certain financial instruments which are measured at fair value.

**Functional and presentation currency**

The management has determined the currency of the primary economic environment in which the company operates i.e., functional currency, to be Indian Rupee (INR). The financial statements are presented in Indian Rupee, which is company's functional and presentation currency.

**Fair value measurement**

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

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

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

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

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

ii) CURRENT VERSUS NON CURRENT CLASSIFICATION

All assets and liabilities are classified into current and non-current.

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within twelve months after the reporting period; or
- d) it is cash or cash equivalent unless it restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non current assets

**Liabilities**

A Liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting period; or
- d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non current assets.

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

**iii) USE OF ESTIMATES**

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of Revenue, Expenses, Assets and Liabilities and disclosure of contingent liabilities at the end of the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

**iv) REVENUE**

“Effective April 1, 2018, the Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

***Sale of goods***

Revenue is recognised when the significant risk and rewards of the ownership have been transferred to the buyer, recovery of consideration is probable, the associated cost and possible return of goods can be measured reliably, there is no continuing effective control/managerial involvement in respect of the goods, and the amount of revenue can be measured reliably. The timing of the transfer of control varies depending on the individual terms of the sale.

Revenue from sale of goods in the course of ordinary activities is measured at the Fair Value of the consideration received or receivable net of returns, trade discount, and taxes and duties on behalf of government. Accumulated experience is used to estimate the provision for discounts and rebates, if any. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

***Other Income***

- a) Dividend income is recognised when right to receive dividend is established.
- b) Interest and other income are recognised on accrual basis on time proportion basis and measured at effective interest rate.

**v) EXCISE DUTY:**

Excise Duty has been accounted on the basis of both payments made in respect of goods cleared and also provision made for goods lying in factory premises. Cenvat credit is accounted on accrual basis on purchase of materials.

**vi) EMPLOYEES BENEFITS:**

- i) Retirement benefits in the form of Provident fund and Family Pension fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- ii) Gratuity is a defined benefit obligation. Gratuity liability is accrued and provided for on the basis of an actuarial valuation on the projected unit credit method made at the end of the financial year.
- iii) Long term compensated balances in the form of leave encashment are provided for based on actuarial valuation at the end of the financial year. The actuarial valuation is done as per projected unit credit method.
- iv) Actuarial gains/losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

**vii) PROPERTY, PLANT AND EQUIPMENT**

***Recognition and measurement***

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

- 1. it is probable that future economic benefits associated with the item will flow to the entity; and
- 2. the cost of the item can be measured reliably.

Property, Plant and Equipments ('PPE') are measured at cost of acquisition or construction (which includes capitalised borrowing cost) including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management less accumulated depreciation/amortisation (other than Leasehold Land where no amortization is made) and cumulative impairment losses & net of recoverable taxes.

The properties/assets, in respect of which beneficial transfer has been affected, even though pending execution/registration, are capitalised.

In case of PPE acquired out of capital grants/subsidy, the cost is reduced to the extent of capital grant/subsidy.

#### ***Subsequent Costs***

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

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of Property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognized in profit or loss.

#### ***Depreciation / amortization***

- i) Depreciation on items of PPE is provided on straight line method in accordance with the useful life as specified in Schedule II to the Companies Act, 2013.
- ii) Depreciation on additions to assets or on sale/discard of assets is calculated pro-rata from the date of such addition or up to the date of such sale/ discardment.
- iii) No amounts are written off against Leasehold Land by way of amortization.
- iv) Assets residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

#### ***Intangible Assets***

##### ***Recognition and measurement***

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are recorded at the consideration paid for acquisition and are amortized over a period of five years from the date of acquisition.

##### ***Subsequent Costs***

Subsequent cost is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure when incurred is recognised in statement of profit and loss. Intangible assets acquired separately are measured on initial recognition at cost. Subsequently intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is de-recognized.

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

The cost incurred on assets, which are not yet ready to use and capital inventory are disclosed under capital work-in-progress.

Expenditure incurred during the period of construction including all direct expenses (including finance cost) attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management is carried forward. On completion, the costs are allocable to the respective fixed assets. All costs attributable to respective assets are capitalized to the assets. Other expenses are capitalized to Plant and Machinery in proportion of the value of the assets.

### **viii) 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

#### ***a Financial Asset***

##### ***Initial Recognition and measurement***

A financial asset is recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset (which are not measured at fair value through profit or loss) at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

### ***Subsequent measurement***

For purpose of subsequent measurement, financial assets are classified into:

1. Financial assets measured at amortised cost;
2. Financial assets measured at fair value through profit or loss (FVTPL); and
3. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company classifies its financial assets in the above mentioned categories based on:

- A. The Company's business model for managing the financial assets, and
- B. The contractual cash flows characteristics of the financial asset.

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

- A. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- B. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

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

- A. The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and
- B. The asset's contractual cash flows represents SPPI.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

## **b Financial Liabilities**

### ***Initial Recognition and measurement***

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

### ***Classification and subsequent measurement***

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Statement of Profit and Loss.

Financial liabilities other than classified as FVTPL, are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

## **ix) INVESTMENTS**

- (i) Investments in securities with intention to hold for long term, strategic investments and not held for sale are measured at FVTOCI and is charged/added to "Other Comprehensive Income". Fair Valuation of unlisted securities is determined based on recent available audited financial results and in case of listed securities the same is determined based on the prevailing market prices.
- (ii) Securities other than (i) above are measured at FVTPL and is charged/added to "Statement of Profit & Loss account."

**x) VALUATION OF INVENTORIES**

| <i>Particulars / Item Type</i>   | <i>Method of Valuation</i>                          |
|--|---|
| 1. Raw Material, Packing Material & Consumables (including in transit) | At Cost   |
| 2. Finished Goods (including in transit)                               | At Cost or net realisable value, whichever is lower |
| 3. Stock in process  | At Cost   |
| 4. By Products   | At net realisable value                             |
| 5. Loose Tools   | At cost and charged off when discarded              |
| 6. Shares / Securities (Quoted)  | At fair value                                       |

The cost of inventories is determined using the FIFO and includes expenditure incurred in acquiring inventories, production or conversion and other costs incurred in bringing them to their respective present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of manufacturing & related establishment overheads, depreciation etc based on normal operating capacity. The comparison of cost and realisable value is made on an item by item basis.

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

All the spares, which are primarily meant to be used for capitalization (except consumables and maintenance stores), are considered as part of the plant & machinery and shown accordingly.

**xi) FOREIGN CURRENCY TRANSACTIONS**
***Transactions and balances***

Foreign Currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction in the functional currency. Foreign currency monetary assets and Liabilities are translated at using the year-end exchange rate. Exchange gains and losses are duly recognised in the Statement of profit and loss.

All monetary assets and liabilities in foreign currency are restated at the end of the accounting period.

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

**xii) TAXATION**

Income tax expense comprises of current and deferred tax. Tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or in the equity. In such cases, the tax is also recognised in the other comprehensive income or in equity.

**(i) Current Tax**

Provision for current Income Tax is made on the basis of estimated taxable income after taking into consideration, estimates of benefits admissible under the provisions of Income Tax, 1961.

Current tax assets and liabilities are offset only if, the company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

**(ii) Deferred Tax**

The company provides for deferred tax liability (after netting off deferred tax assets), based on the tax effect of temporary difference resulting from the recognition of items in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets (after, netting of deferred tax liabilities), are generally not recognized unless there exist strong circumstances for its adjustment/realization in near future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

**iii) Minimum Alternate Tax (MAT)**

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

**xiii) FINANCE LEASE**

**Where the Company is the Lessee:**

Leases of Property, Plant and Equipment where the Company, as lessee, has substantially transferred all the risks and rewards of the ownership are classified as finance leases. Finance lease payments are capitalised at the lower of lease's inception at the Fair Value of the lease property and the present value of minimum lease payments. The corresponding rental obligations, if any, net of finance charges are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of Interest on the remaining balance of liability for each period.

Depreciation on assets taken on lease is charged at the rate applicable to similar type of Property, Plant and Equipment as per accounting policy of the company for depreciation as above. If the leased assets are returnable to lessor on the expiry of the period, depreciation is charged over its useful life or lease period whichever is shorter.

Lease payments are apportioned between the finance charge and the reduction of the outstanding liability in respect of assets taken on lease. Sub-lease payments received/ recoverable are recognized as other income.

**xiv) OPERATING LEASES**

**Where the Company is the Lessee:**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the period of lease except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

**Where the Company is the Lessor:**

Assets subject to operating leases are included in Property, Plant and Equipments. Lease income is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs including depreciation are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

**xv) EARNINGS PER SHARE :**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events of bonus issue and share split.

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

**xvi) PROVISIONS**

A Provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

If the effect of the time value of money is material, provisions are discounted using a current 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 recognised as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

**xvii) CONTINGENT LIABILITIES**

A disclosure is made for a contingent liability when there is a:

- a) possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain future events, not fully within the control of the Company;
- b) present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- c) present obligation, where a reliable estimate cannot be made.

**xviii) SEGMENT REPORTING**

***Basis of Segment Reporting***

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

***Inter-segment Transfers***

The Company generally accounts for inter-segment sales and transfers as if the sales or transfers were to third parties at current market prices.

***Allocation of common costs***

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

***Unallocated items***

Other segment includes income and expense items which are not allocated to any business segment.

**xix) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Non-cash transactions are excluded from the Cash Flow statement.

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2020**
**NOTE : 2 PROPERTY, PLANT AND EQUIPMENT**

(₹ In lakh)

| Particulars                           | GROSS BLOCK              |              |                         | DEPRECIATION/AMORTIZATION/DEPLETION |                          |                     |                                      | NET BLOCK                |                          |
|---------------------------------------|--------------------------|--------------|-------------------------|-------------------------------------|--------------------------|---------------------|--------------------------------------|--------------------------|--------------------------|
|                                       | Balance as at 01.04.2019 | Additions    | Disposals / adjustments | Balance as at 31.03.2020            | Balance as at 01.04.2019 | Charge for the year | Eliminated on disposal / adjustments | Balance as at 31.03.2020 | Balance as at 31.03.2019 |
| Leasehold Land                        | 47.83                    | -            | -                       | 47.83                               | -                        | -                   | -                                    | 47.83                    | 47.83                    |
| Buildings*                            | 703.18                   | 4.32         | -                       | 707.50                              | 197.20                   | 22.90               | -                                    | 487.40                   | 505.98                   |
| Plant and Equipment                   | 3,038.21                 | 50.40        | -                       | 3,088.61                            | 574.85                   | 108.15              | -                                    | 2,405.61                 | 2,463.36                 |
| Electrical Installations and Fittings | 142.60                   | 0.29         | -                       | 142.89                              | 58.87                    | 9.38                | -                                    | 74.64                    | 83.73                    |
| Furniture and Fixtures                | 28.59                    | 0.17         | -                       | 28.76                               | 23.74                    | 1.86                | -                                    | 3.16                     | 4.85                     |
| Vehicles                              | 165.18                   | -            | -                       | 165.18                              | 86.67                    | 12.49               | -                                    | 66.02                    | 78.51                    |
| Laboratory Equipments                 | 9.03                     | 8.58         | -                       | 17.61                               | 6.68                     | 1.02                | -                                    | 9.91                     | 2.35                     |
| Other Equipments & Appliances         | 114.64                   | 2.14         | -                       | 116.78                              | 104.74                   | 3.27                | -                                    | 8.77                     | 9.90                     |
| <b>TOTAL</b>                          | <b>4,249.26</b>          | <b>65.90</b> | <b>-</b>                | <b>4,315.16</b>                     | <b>1,052.75</b>          | <b>159.08</b>       | <b>-</b>                             | <b>3,103.33</b>          | <b>3,196.51</b>          |
| Previous Year                         | 4,141.20                 | 108.06       | -                       | 4,249.26                            | 903.35                   | 149.40              | -                                    | 3,196.51                 | 3,237.85                 |

\* Buildings include Rs. 16.27 lacs (P.Y. Rs. 16.27 lacs) under Flat Buyer's Agreement having physical possession but pending Execution and Registration of Conveyance deed in the name of the Company.

**NOTE : 3 INTANGIBLE ASSETS**

(₹ In lakh)

| Particulars       | GROSS BLOCK              |             |                         | DEPRECIATION/AMORTIZATION/DEPLETION |                          |                     |                                      | NET BLOCK                |                          |
|-------------------|--------------------------|-------------|-------------------------|-------------------------------------|--------------------------|---------------------|--------------------------------------|--------------------------|--------------------------|
|                   | Balance as at 01.04.2019 | Additions   | Disposals / adjustments | Balance as at 31.03.2020            | Balance as at 01.04.2019 | Charge for the year | Eliminated on disposal / adjustments | Balance as at 31.03.2020 | Balance as at 31.03.2019 |
| Computer Software | 5.35                     | 0.60        | -                       | 5.95                                | 3.72                     | 0.60                | -                                    | 4.32                     | 1.63                     |
| <b>TOTAL</b>      | <b>5.35</b>              | <b>0.60</b> | <b>-</b>                | <b>5.95</b>                         | <b>3.72</b>              | <b>0.60</b>         | <b>-</b>                             | <b>4.32</b>              | <b>1.63</b>              |
| Previous Year     | 4.34                     | 1.01        | -                       | 5.35                                | 3.31                     | 0.41                | -                                    | 3.72                     | 1.03                     |

**NOTE: 4 INVESTMENTS**
*(₹ In lakh)*

| Particulars  | As at<br>31st March 2020 | As at<br>31st March 2019 |
|--|--------------------------|--------------------------|
| <b>Non-current investments</b>   |                          |                          |
| <b>Investments in Equity Instruments (Unquoted)</b>  |                          |                          |
| <i>(Measured at fair value through Other comprehensive income)(FVTOCI)</i>                                 |                          |                          |
| - DG Estates Pvt. Ltd.<br>2,94,500 (31st March 2019; 2,94,500) Equity shares of Rs. 10 each fully paid up  | <b>139.27</b>            | 137.61                   |
| - Dhruv Globals Limited<br>3,86,050 (31st March 2019; 3,86,050) Equity shares of Rs. 10 each fully paid up | <b>202.10</b>            | 185.10                   |
| - Ajanta Realtech Pvt Ltd<br>95,000 (31st March 2019; 95,000 ) Equity shares of Rs. 10 each fully paid up  | <b>128.96</b>            | 129.46                   |
| <b>Total</b>   | <b><u>470.33</u></b>     | <b><u>452.17</u></b>     |
| <i>Aggregate amount of unquoted investment</i>   | <b>470.33</b>            | 452.17                   |
| <i>Aggregate amount of impairment in value of investments</i>  | -                        | -                        |

**Notes :**

- (i) (i) Investments in securities with intention to hold for long term and not held for sale are measured at FVTOCI and is charged/added to "Other Comprehensive Income". Fair Valuation of unlisted securities is determined based on last available audited financial results/published NAV's and in case of listed securities the same is determined based on the prevailing market prices and published.
- (ii) Securities other than (i) above are measured at FVTPL and is charged/added to "Statement of Profit & Loss account".

**NOTE: 5 LOANS**
*(₹ In lakh)*

| Particulars   | As at<br>31st March 2020 | As at<br>31st March 2019 |
|---|--------------------------|--------------------------|
| <b>Non-current</b>  |                          |                          |
| <i>(Unsecured &amp; considered good, unless stated otherwise)</i> |                          |                          |
| Security and other deposits                                       | <b>211.78</b>            | 205.97                   |
| <b>Total</b>  | <b><u>211.78</u></b>     | <b><u>205.97</u></b>     |
| <b>Current</b>  |                          |                          |
| <i>(Unsecured &amp; considered good, unless stated otherwise)</i> |                          |                          |
| Loan to employees *   | <b>4.82</b>              | 2.99                     |
| <b>Total</b>  | <b><u>4.82</u></b>       | <b><u>2.99</u></b>       |

\* Includes Rs. 41,000/- (P.Y. Rs. 66,200/-) due from CFO of the company.

**NOTE: 6 OTHER FINANCIAL ASSETS**
*(₹ In lakh)*

| Particulars   | As at<br>31st March 2020 | As at<br>31st March 2019 |
|---|--------------------------|--------------------------|
| <b>Non-current</b>  |                          |                          |
| <i>(Unsecured &amp; considered good, unless stated otherwise)</i> |                          |                          |
| <b>Total</b>  | -                        | -                        |
| <b>Current</b>  |                          |                          |
| <i>(Unsecured &amp; considered good, unless stated otherwise)</i> |                          |                          |
| Interest accrued on term deposits but not due (net of TDS)        | <b>25.33</b>             | 19.96                    |
| <b>Total</b>  | <b><u>25.33</u></b>      | <b><u>19.96</u></b>      |

**NOTE: 7 OTHER NON-CURRENT ASSETS**

(₹ In lakh)

| Particulars                                | As at<br>31st March 2020 | As at<br>31st March 2019 |
|--|--------------------------|--------------------------|
| Advance for purchase of immovable property | 50.62                    | 50.62                    |
| Prepaid expenses                           | 10.63                    | 21.26                    |
| Balances with tax authorities *            | 61.66                    | 61.66                    |
| <b>Total</b>                               | <b>122.91</b>            | <b>133.54</b>            |

\* Balances with tax authorities include :

|   |       |       |
|---|-------|-------|
| Input VAT recoverable   | 38.76 | 38.76 |
| Deposited under protest with FSSAI [refer note no. 33(l)(c)ii ] | 2.00  | 2.00  |
| Deposited under protest - Entry Tax [refer note no. 33(l)(c)v ] | 20.90 | 20.90 |

**NOTE: 8 INVENTORIES**

(₹ In lakh)

| Particulars                                | Method of<br>Valuation     | As at<br>31st March 2020 | As at<br>31st March 2019 |
|--|----------------------------|--------------------------|--------------------------|
| Raw Material (including in transit) (Oil): | At Cost                    | 2,579.87                 | 3,480.36                 |
| Stock-in-process                           | At Cost                    | 774.87                   | 1,023.34                 |
| Finished Goods **                          | At lower of<br>cost or NRV | 443.58                   | 547.45                   |
| By Products                                | At NRV                     | 34.03                    | 20.57                    |
| Packing Material                           | At Cost                    | 55.20                    | 96.84                    |
| Chemical and Fuel                          | At Cost                    | 39.12                    | 52.60                    |
| Stores & Spares                            | At Cost                    | 76.11                    | 70.34                    |
| Others:                                    |                            |                          |                          |
| - Shares and Securities                    | At Fair Value              | 0.28                     | 0.28                     |
| <b>Total</b>                               |                            | <b>4,003.06</b>          | <b>5,291.78</b>          |

\*\* Net of Loss of Inventory due to misappropriation by staff.

- 50.78

**NOTE: 9 TRADE RECEIVABLES**

(₹ In lakh)

| Particulars  | As at<br>31st March 2020 | As at<br>31st March 2019 |
|--|--------------------------|--------------------------|
| <b>Non-current</b>   |                          |                          |
| <i>(Unsecured, considered good, unless otherwise stated)</i> |                          |                          |
| Trade Receivables  |                          |                          |
| Considered doubtful  | -                        | -                        |
| Less : allowance for doubtful receivables                    | -                        | -                        |
| <b>Total</b>   | <b>-</b>                 | <b>-</b>                 |
| <b>Current</b>   |                          |                          |
| <i>(Unsecured, considered good, unless otherwise stated)</i> |                          |                          |
| Trade Receivables  |                          |                          |
| Considered good  | 1,606.30                 | 2,782.89                 |
| <b>Total</b>   | <b>1,606.30</b>          | <b>2,782.89</b>          |

**NOTE: 10 CASH & CASH EQUIVALENTS**

(₹ In lakh)

| Particulars            | As at<br>31st March 2020 | As at<br>31st March 2019 |
|------------------------|--------------------------|--------------------------|
| Balance with banks:    |                          |                          |
| In Current Accounts    | 15.29                    | 735.86                   |
| In Cash Credit Account | 259.47                   | -                        |
| Cash in Hand           | 5.98                     | 6.18                     |
| <b>Total</b>           | <b><u>280.74</u></b>     | <b><u>742.04</u></b>     |

**NOTE: 11 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS**

(₹ In lakh)

| Particulars   | As at<br>31st March 2020 | As at<br>31st March 2019 |
|---|--------------------------|--------------------------|
| Bank Balance other than cash and cash equivalents   |                          |                          |
| In Fixed Deposits   | 1,116.40                 | 1,164.78                 |
| <i>(Pledged with Banks as margin money for issuing bank guarantees, Letter of credits.)</i> |                          |                          |
| <b>Total</b>  | <b><u>1,116.40</u></b>   | <b><u>1,164.78</u></b>   |

**NOTE: 12 OTHER CURRENT ASSETS**

(₹ In lakh)

| Particulars  | As at<br>31st March 2020 | As at<br>31st March 2019 |
|--|--------------------------|--------------------------|
| Balances with tax authorities  | 545.13                   | 569.70                   |
| Insurance claim recoverable (Net)  |                          |                          |
| Against inventory  | -                        | 151.49                   |
| Against vehicle  | -                        | -                        |
| Against fixed assets (Net of scrap)                                      | -                        | 690.95                   |
| Against fixed assets (Net of scrap)                                      | -                        | 842.44                   |
| Advance to suppliers   |                          |                          |
| Considered good  | 73.71                    | 38.21                    |
| Considered doubtful  | -                        | -                        |
| Less: Provision for doubtful   | -                        | -                        |
| Prepaid expenses   | 30.15                    | 36.88                    |
| Other amounts recoverable in cash or in kind or for value to be received |                          |                          |
| Considered good  | 73.51                    | 16.01                    |
| Considered doubtful  | -                        | 5.69                     |
| Less: Provision for doubtful   | -                        | 5.69                     |
| <b>Total</b>   | <b><u>722.50</u></b>     | <b><u>1,503.24</u></b>   |

**NOTE: 13 SHARE CAPITAL**
*(₹ In lakh)*

| Particulars  | As at 31st March 2020 |                 | As at 31st March 2019 |                 |
|--|-----------------------|-----------------|-----------------------|-----------------|
|  | No. of Shares         | Amount          | No. of Shares         | Amount          |
| (a) Authorised equity shares<br>(Equity shares of Rs.10 each )             | <b>16,100,000</b>     | <b>1,610.00</b> | 16,100,000            | 1,610.00        |
| (b) Issued, Subscribed and fully paid up<br>(Equity shares of Rs.10 each ) |                       |                 |                       |                 |
| Balance at the beginning of the year                                       | 16,096,598            | 1,609.66        | 16,096,598            | 1,609.66        |
| Changes in equity share capital during the year                            | -                     | -               | -                     | -               |
| Balance at the end of the year   | <b>16,096,598</b>     | <b>1,609.66</b> | <b>16,096,598</b>     | <b>1,609.66</b> |

**The Reconciliation of Number of Shares outstanding at the beginning and at the end of the year**

| Particulars                          | As at 31st March 2020 |                 | As at 31st March 2019 |                 |
|--------------------------------------|-----------------------|-----------------|-----------------------|-----------------|
|                                      | No. of Shares         | Amount          | No. of Shares         | Amount          |
| <b>(a) Equity</b>                    |                       |                 |                       |                 |
| Balance at the beginning of the year | 16,096,598            | 1,609.66        | 16,096,598            | 1,609.66        |
| Increase/decrease during the year    | -                     | -               | -                     | -               |
| Balance at the end of the year       | <b>16,096,598</b>     | <b>1,609.66</b> | <b>16,096,598</b>     | <b>1,609.66</b> |

**Terms of Rights, preferences and restriction attached to shares**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to the approval of shareholders except in case of interim dividend. In event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amount in proportion of their shareholding.

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

| Particulars                            | As at 31st March 2020 |       | As at 31st March 2019 |       |
|--|-----------------------|-------|-----------------------|-------|
|  | No. of Shares         | %     | No. of Shares         | %     |
| Equity shares of Rs.10 each fully paid |                       |       |                       |       |
| Cosmic Alloys and Metal Works Pvt. Ltd | 1,800,000             | 11.18 | 1,800,000             | 11.18 |
| Harshit Finvest Pvt. Ltd.              | 1,110,978             | 6.90  | 1,800,000             | 11.18 |
| Subramanian P                          | -                     | -     | 1,644,550             | 10.22 |
| Arun Kumar Jain                        | 888,466               | 5.52  | -                     | -     |
| Sangeetha S                            | 1,644,550             | 10.22 | -                     | -     |

**NOTE: 14 FINANCIAL LIABILITIES BORROWINGS**

(₹ In lakh)

| Particulars   | As at<br>31st March 2020 | As at<br>31st March 2019 |
|---|--------------------------|--------------------------|
| <b>Non-current</b>  |                          |                          |
| <b>Secured Loans</b>  |                          |                          |
| <b>From Banks</b>   |                          |                          |
| Term Loan   | -                        | 662.26                   |
| Less: Current Maturity (transferred to Other Financial Liabilities)   | -                        | 662.26                   |
|   | <u>-</u>                 | <u>-</u>                 |
| <i>Term loan from bank is secured by way of:</i>  |                          |                          |
| <i>i) First charge on the fixed assets acquired out of the term loan.</i>   |                          |                          |
| <i>ii) Term loan is repayable within 36 Months from the date of acceptance at an Equalised Monthly Installments (EMI).</i>  |                          |                          |
| <b>From Others</b>  |                          |                          |
|   | -                        | -                        |
| <b>Total</b>  | <u>-</u>                 | <u>-</u>                 |
| Note:   |                          |                          |
| <i>Term loan has been fully repaid in April 2019, therefore classified as current maturity.</i>   |                          |                          |
| <b>Current</b>  |                          |                          |
| <b>Secured Loans</b>  |                          |                          |
| <b>From Banks</b>   |                          |                          |
| Working capital loans   | -                        | 898.87                   |
| <i>Working capital loans from banks are secured by way of:</i>  |                          |                          |
| <i>i) First pari-passu charge including hypothecation of company's entire current assets both present and future along with Standard chartered bank in consortium.</i>  |                          |                          |
| <i>ii) Further secured by way of personal guarantee of Managing Director, four other Directors &amp; two relatives of directors of the company along with a corporate guarantee of another company under the same management.</i> |                          |                          |
| <i>iii) Collaterally secured by way of first pari-passu charge with Standard chartered bank under consortium :-</i>   |                          |                          |
| <i>a) On entire fixed assets of the company, including factory land &amp; building but excluding leasehold one commercial flats at Bigjos Tower, wazirpur, delhi and those fixed assets financed through term loan by SCB.</i>    |                          |                          |
| <i>b) On a residential house belonging to a director and a commercial property belonging to relatives of directors/group company.</i>   |                          |                          |
| <i>iv) Over the fixed assets of the company financed by SCB through Term loan.</i>  |                          |                          |
| <i>v) The working capital limits are valid for twelve months and are renewable on year to year basis</i>  |                          |                          |
| <b>Unsecured Loan</b>   |                          |                          |
| From others   |                          |                          |
| Intercompany deposits / loan  | 279.50                   | 795.00                   |
| <b>Total</b>  | <u>279.50</u>            | <u>1,693.87</u>          |

**NOTE: 15 PROVISIONS**
*(₹ In lakh)*

| Particulars                      | As at           |              | As at           |              |
|----------------------------------|-----------------|--------------|-----------------|--------------|
|                                  | 31st March 2020 |              | 31st March 2019 |              |
| <b>Non-current</b>               |                 |              |                 |              |
| Provision for Employees Benefits |                 |              |                 |              |
| Gratuity                         | 63.24           |              | 70.57           |              |
| Leave encashment                 | 9.69            | 72.93        | 13.33           | 83.90        |
| <b>Total</b>                     |                 | <b>72.93</b> |                 | <b>83.90</b> |
| <b>Current</b>                   |                 |              |                 |              |
| Provision for Employee Benefits: |                 |              |                 |              |
| Gratuity                         | 32.83           |              | 14.48           |              |
| Leave encashment                 | 2.50            | 35.33        | 2.17            | 16.65        |
| <b>Total</b>                     |                 | <b>35.33</b> |                 | <b>16.65</b> |

**NOTE: 16 DEFERED TAX LIABILITY (NET)**
*(₹ In lakh)*

| Particulars  | As at           |               | As at           |               |
|--|-----------------|---------------|-----------------|---------------|
|  | 31st March 2020 |               | 31st March 2019 |               |
| <i>Deferred Tax Liabilities (net of deferred tax assets) arising on account of temporary differences as under:</i> |                 |               |                 |               |
| Deferred Tax Liabilities   |                 |               |                 |               |
| in respect of fixed assets   |                 | 495.98        |                 | 513.22        |
| in respect of non current investment   |                 | 9.14          |                 | 4.59          |
|  |                 | <b>505.12</b> |                 | <b>517.81</b> |
| Deferred Tax Assets  |                 |               |                 |               |
| disallowances under the Income tax act, 1961   |                 | 33.60         |                 | 106.09        |
|  |                 | <b>33.60</b>  |                 | <b>106.09</b> |
| <b>Accumulated Deferred Tax (Asset) / Liability (net)</b>  |                 | <b>471.52</b> |                 | <b>411.71</b> |
| <i>Deferred tax Charge/(Reversal) recognised for the year</i>  |                 | 55.27         |                 | 158.48        |

**NOTE: 17 OTHER NON-CURRENT LIABILITIES**
*(₹ In lakh)*

| Particulars                             | As at           |          | As at           |          |
|---|-----------------|----------|-----------------|----------|
|   | 31st March 2020 |          | 31st March 2019 |          |
| Security / margin deposits from dealers |                 | -        |                 | -        |
| <b>Total</b>                            |                 | <b>-</b> |                 | <b>-</b> |

**NOTE: 18 TRADE AND OTHER PAYABLES**
*(₹ In lakh)*

| Particulars   | As at<br>31st March 2020 | As at<br>31st March 2019 |
|---|--------------------------|--------------------------|
| <b>Current</b>  |                          |                          |
| Total outstanding dues to micro enterprises and small enterprises (as per the intimation received from the vendors)*  | -                        | 33.83                    |
| Total outstanding dues to other than micro enterprises and small enterprises  |                          |                          |
| a) Acceptances  | 4,242.85                 | 5,996.59                 |
| b) Others   | 799.74                   | 1,717.83                 |
| <b>Total</b>  | <b>5,042.59</b>          | <b>7,714.42</b>          |
| <i>*a) principal and interest amount remaining unpaid</i>   | -                        | 33.83                    |
| <i>b) interest paid by the Company in terms of Section 16 of the MSME Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day.</i>  | -                        | -                        |
| <i>c) interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the MSME Act, 2006</i> | -                        | -                        |
| <i>d) interest accrued and remaining unpaid</i>   | -                        | -                        |
| <i>e) interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises</i>   | -                        | -                        |

**NOTE: 19 OTHER FINANCIAL LIABILITIES**
*(₹ In lakh)*

| Particulars                           | As at<br>31st March 2020 | As at<br>31st March 2019 |
|---------------------------------------|--------------------------|--------------------------|
| <b>Non-current</b>                    |                          |                          |
| <b>Total</b>                          | <b>-</b>                 | <b>-</b>                 |
| <b>Current</b>                        |                          |                          |
| Current maturities of long term debts |                          |                          |
| Term loan - from banks                | -                        | 662.26                   |
| Interest accrued but not due          |                          |                          |
| On term loan                          | -                        | 2.43                     |
| On unsecured loans                    | 32.79                    | 31.70                    |
| On margin / security deposits         | -                        | 2.25                     |
| <b>Total</b>                          | <b>32.79</b>             | <b>698.64</b>            |

**NOTE: 20 OTHER CURRENT LIABILITIES**
*(₹ In lakh)*

| Particulars                             | As at<br>31st March 2020 | As at<br>31st March 2019 |
|---|--------------------------|--------------------------|
| Advance from customers                  | 160.90                   | 115.57                   |
| Security against VAT forms              | 1.31                     | 2.25                     |
| Other payables:                         |                          |                          |
| Statutory liabilities                   | 15.85                    | 47.03                    |
| Expenses payable                        | 46.25                    | 39.47                    |
| Accrued salary & benefits               |                          |                          |
| Salary & benefits                       | 29.29                    | 29.15                    |
| Bonus & incentives                      | 12.51                    | 13.20                    |
| Security / margin deposits from dealers | 25.00                    | 129.75                   |
| <b>Total</b>                            | <b>291.11</b>            | <b>376.42</b>            |

*Note:*
*No amount is due for credit to investor education and protection fund.*

**NOTE: 21 CURRENT TAX LIABILITY (NET)**

(₹ In lakh)

| Particulars                                 | As at<br>31st March 2020 | As at<br>31st March 2019 |
|---|--------------------------|--------------------------|
| Provision for Taxation (net of advance tax) | 90.34                    | 32.14                    |
| <b>Total</b>                                | <b>90.34</b>             | <b>32.14</b>             |

**NOTE: 22 REVENUE FROM OPERATIONS**

(₹ In lakh)

| Particulars                    | As at<br>31st March 2020 | As at<br>31st March 2019 |
|--------------------------------|--------------------------|--------------------------|
| <b>Revenue from operations</b> |                          |                          |
| <b>Sale of Products:</b>       |                          |                          |
| Vanaspati & refined oil        | 73,885.71                | 67,560.27                |
| By products                    | 2,127.46                 | 1,905.09                 |
| <b>Total</b>                   | <b>76,013.18</b>         | <b>69,465.36</b>         |

**NOTE: 23 OTHER INCOME**

(₹ In lakh)

| Particulars   | As at<br>31st March 2020 | As at<br>31st March 2019 |
|---|--------------------------|--------------------------|
| Net gain on sale of current investments                 | 42.01                    | -                        |
| Interest income on:                                     |                          |                          |
| - Bank deposits   | 64.68                    | 59.56                    |
| - On debts & security deposits                          | 1.15                     | 2.07                     |
| Liability no longer payable written back                | 13.10                    | 13.42                    |
| Gain on settlement/cancellation of bargains             | 3.68                     | 13.80                    |
| Interest income from financial assets at amortised cost | 11.27                    | 11.41                    |
| Miscellaneous income                                    | 19.58                    | 1.24                     |
| <b>Total</b>  | <b>155.47</b>            | <b>101.50</b>            |

**NOTE: 24 COST OF RAW MATERIAL CONSUMED**

(₹ In lakh)

| Particulars                                | As at<br>31st March 2020 | As at<br>31st March 2019 |
|--|--------------------------|--------------------------|
| <b>Raw Materials (Oil)</b>                 |                          |                          |
| 1. Raw oil                                 |                          |                          |
| Opening stock                              | 3,480.36                 | 2,874.07                 |
| Purchases (including In-transit)           | 46,147.14                | 42,155.47                |
| Freight, Brokerage, & Insurance etc.       | 20,956.05                | 19,805.53                |
|  | 70,583.55                | 64,835.07                |
| Less: Closing stock (including In-transit) | 2,579.87                 | 3,480.36                 |
| 2. Packing material                        | 1,180.60                 | 1,295.33                 |
| 3. Chemicals                               | 384.60                   | 331.67                   |
| <b>Total</b>                               | <b>69,568.88</b>         | <b>62,981.71</b>         |

**NOTE: 25 PURCHASE OF STOCK-IN-TRADE**

(₹ In lakh)

| Particulars    | As at           |                 |
|----------------|-----------------|-----------------|
|                | 31st March 2020 | 31st March 2019 |
| Raw oil        | 1,040.13        | 3,456.56        |
| Finished goods | 6.66            | 56.87           |
| <b>Total</b>   | <b>1,046.79</b> | <b>3,513.43</b> |

**NOTE: 26 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK-IN-TRADE**

(₹ In lakh)

| Particulars                                     | As at           |                 |
|---|-----------------|-----------------|
|   | 31st March 2020 | 31st March 2019 |
| Opening inventories                             |                 |                 |
| - Shares/ Securities                            | 0.28            | 0.28            |
| - Finished goods                                | 547.45          | 487.50          |
| - By products                                   | 20.57           | 12.98           |
| - Stock in process                              | 1,023.34        | 618.06          |
| Less: Loss of inventory due to misappropriation | -               | 50.78           |
| Closing inventories                             |                 |                 |
| - Shares/ Securities                            | 0.28            | 0.28            |
| - Finished goods                                | 443.58          | 547.45          |
| - By products                                   | 34.03           | 20.57           |
| - Stock in process                              | 774.87          | 1,023.34        |
| <b>(Increase)/Decrease in inventory</b>         | <b>338.89</b>   | <b>(523.60)</b> |

**NOTE: 27 EMPLOYEE BENEFIT EXPENSES**

(₹ In lakh)

| Particulars  | As at           |                 |
|--|-----------------|-----------------|
|  | 31st March 2020 | 31st March 2019 |
| Salaries, wages and bonus                                      | 423.18          | 413.00          |
| Contribution to provident & other funds                        | 18.84           | 24.74           |
| Provision for long term employees benefits (refer note no. 35) | 16.22           | 15.66           |
| Staff welfare expenses   | 14.91           | 12.34           |
| <b>Total</b>   | <b>473.15</b>   | <b>465.74</b>   |

**NOTE: 28 FINANCE COST**

(₹ In lakh)

| Particulars                     | As at           |                 |
|---------------------------------|-----------------|-----------------|
|                                 | 31st March 2020 | 31st March 2019 |
| Interest expenses:              |                 |                 |
| On term loan from banks         | 0.93            | 89.06           |
| Working capital loan from banks | 14.36           | 131.37          |
| Others                          | 231.39          | 172.62          |
| Bank charges                    | 50.01           | 47.41           |
| <b>Total</b>                    | <b>296.69</b>   | <b>440.46</b>   |

**NOTE: 29 DEPRECIATION AND AMORTISATION EXPENSES**

(₹ In lakh)

| Particulars  | As at           |                 |
|--|-----------------|-----------------|
|  | 31st March 2020 | 31st March 2019 |
| Depreciation on PPE (refer note no. 2)               | 159.08          | 149.41          |
| Amortisation of intangible assets (refer note no. 3) | 0.60            | 0.41            |
| <b>Total</b>   | <b>159.68</b>   | <b>149.81</b>   |

**NOTE: 30 OTHER EXPENSES**

(₹ In lakh)

| Particulars  | As at           |                 |
|--|-----------------|-----------------|
|  | 31st March 2020 | 31st March 2019 |
| Consumption of stores & spares   | 75.38           | 88.07           |
| Fuel, power & electricity  | 1,505.45        | 1,380.74        |
| Handling charges   | 83.22           | 87.10           |
| Laboratory expenses  | 2.66            | 1.96            |
| Repair & maintenance - plant & machinery                                   | 10.01           | 3.64            |
| Repair & maintenance - building  | 31.24           | 36.56           |
| Rates & taxes  | 6.83            | 8.69            |
| Rent (refer note no. 44)   | 6.81            | 10.38           |
| Conveyance & vehicle maintenance   | 17.73           | 18.99           |
| Telephone, postage & internet expenses                                     | 11.30           | 11.97           |
| Legal, professional expenses   | 38.80           | 33.00           |
| Printing & stationery  | 6.33            | 6.10            |
| Insurance  | 16.22           | 42.07           |
| Travelling expenses  | 36.58           | 37.91           |
| Charity & donation   | 0.42            | 1.24            |
| Contribution towards corporate social responsibilities (refer note no. 46) | 5.15            | 5.25            |
| Business promotion   | 20.95           | 16.56           |
| Advertisement and publicity  | 1.58            | 3.27            |
| Freight outward  | 763.17          | 827.66          |
| Commission, discounts & selling expenses                                   | 73.55           | 71.47           |
| Membership & subscription  | 8.50            | 1.01            |
| Bad debts / claims receivable written off                                  | 5.69            | 5.72            |
| Less : Provision already made  | (5.69)          | (5.72)          |
| Net loss on foreign currency transactions & translation                    | 235.19          | 75.21           |
| Interest expense from financial assets at amortised cost                   | 10.63           | 10.63           |
| Miscellaneous expenses   | 31.71           | 41.08           |
| <b>Total</b>   | <b>2,999.43</b> | <b>2,820.56</b> |

**NOTE: 31 EXCEPTIONAL ITEMS (NET)**

(₹ In lakh)

| Particulars  | As at           |                 |
|--|-----------------|-----------------|
|  | 31st March 2020 | 31st March 2019 |
| Loss of Inventory due to misappropriation by staff | -               | (50.78)         |
| Surplus on fire insurance claim *                  | -               | 492.69          |
| <b>Total</b>                                       | <b>-</b>        | <b>441.91</b>   |

\*The loss due to fire during the financial year 2017-18 was recognised and carried forward at carrying value of Rs. 342.36 lacs (Rs. 89.78 lacs - fixed assets and Rs. 252.58 lacs - inventory) and was shown as receivable during financial year 2017-18 (refer note no. 12 Other Current Assets). In april 2019, the final settled claim by insurance company was for Rs. 835.05 lacs (Rs. 54.58 lacs - building, Rs. 636.37 lacs - plant & machinery and Rs. 144.10 lacs - inventory). Thus the balance surplus of Rs. 492.69 lacs was recognised during financial year 2018-19 and was shown as receiveable.

**NOTE: 32 OTHER COMPREHENSIVE INCOME (NET OF TAX)**

(₹ In lakh)

| Particulars   | As at           |                 |
|---|-----------------|-----------------|
|   | 31st March 2020 | 31st March 2019 |
| (i) Items that will not be reclassified to profit or loss |                 |                 |
| Remeasurement of defined benefit plans                    | (19.86)         | 1.63            |
| Fair Value of Non current investments                     | (6.26)          | 15.17           |
| Income tax effect of the above                            | (4.56)          | (4.59)          |
| <b>Total</b>  | <b>(26.12)</b>  | <b>12.21</b>    |

**NOTE : 33 CONTINGENT LIABILITIES AND COMMITMENTS:**
**I. Contingent Liabilities:**

(₹ In lakh)

| Particulars   | 2019-20  | 2018-19  |
|---|----------|----------|
| a) Claims against the company not acknowledged as Debt.   | -        | -        |
| b) Guarantees :   |          |          |
| In favour of Punjab State Co-op. Supply & Marketing Federation Ltd. (MARKFED)   | 15.00    | 15.00    |
| In favour of Assistant Commissioner, Commercial Tax Department.   | -        | -        |
| <i>[Above are secured by way of lien marked fixed deposits (inclusive of accrued Interest) (Refer note no. 11)]</i>   |          |          |
| c) Other Money for which the company is contingently liable :   |          |          |
| i) Un-utilised foreign letter of credits for import of raw oil  | 3,046.33 | 1,016.71 |
| <i>[Secured by way of lien marked Fixed deposits (inclusive of accrued Interest) covering both utilised and unutilised portions of letter of credits.] (Refer note no. 11)</i>  | 1,141.73 | 1,174.58 |
| ii) Demand raised by FSSAI :  | 4.00     | 4.00     |
| <i>[Demand raised by FSSAI during F.Y. 2018-19 wide order dated 24.05.2018 pending under appeal with food safety appellate tribunal. The company had deposited a sum of Rs. 2,00,000/- under protest which has been shown under the head other current assets.] (Refer note no. 7)</i>  |          |          |
| iii) Income Tax demand under appeal   | 1.01     | 0.29     |
| <i>[Demand raised by Income Tax Department on Assessments which are pending under appeals before Commissioner (appeals).]</i>   |          |          |
| iv) VAT/Sales Demands   |          |          |
| a) Demand raised by Commercial Taxes Department (Rajasthan) for AY 13-14, pertains to mismatch of Input tax credit, needs rectification as per court order.   | -        | 1.43     |
| b) Demand raised by Commercial Taxes Department (Rajasthan) for AY 15-16 against non submission of Forms. The company is under the process of collecting the forms from customers.  | -        | 5.63     |
| v) Entry Tax Demand   | 28.95    | 28.95    |
| <i>[Demand raised by Commercial Taxes Department (Rajasthan) in relation to AY 2014-15 on goods purchased from other states. Appeal filed with Rajasthan tax board, Ajmer against the demand, Rs. 20,90,159/- paid under protest refer note no. 7]</i>  |          |          |
| vi) Custom duty   | 215.62   | -        |
| <i>[Demand of Rs. 2,15,61,530 raised by Customs Department in AY 2017-18 consisting of custom duty of Rs. 1,05,18,265 and penalty of Rs. 1,10,43,265. Against the aforesaid demand, the company had decided to file an appeal before CESTAT, Delhi, however the appeal couldn't be filed till the date of signing of these financials due to nationwide lockdown due to COVID '19 pandemic. The company has been advised by legal experts that the said appeal can be filed by 30th day of september 2020 as per relaxation given by the Central Government. .]</i> |          |          |
| vii) Corporate Guarantee  | 6,810.00 | 7,827.00 |
| <i>[Corporate guarantee in f/o banks, in lieu of such banks having extended various secured fund based &amp; non-fund based credit facilities in favour of a related party.]</i>  |          |          |

**II. Commitments:**

|    |  |        |        |
|----|--|--------|--------|
| a) | Estimated amount of contracts remaining to be executed on capital account and not provided for | 435.00 | 435.00 |
| b) | Other Commitments  | -      | -      |

- 34** In the opinion of the Board, value on realisation of assets other than property, plant and equipments, intangible assets & non-current investments in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet. Balances of debtors and creditors, on the Balance Sheet date are subject to reconciliation and confirmation from some of the parties. However the variation is not expected to substantially vary the results of the company for the year.

**35 Disclosure for Employees Benefits:**

The company has a defined benefit gratuity plan as employees long term benefits. The present value of obligation is determined based on actuarial valuation using the projected unit method, which recognizes each period of service as giving rise to additional unit of employee benefit Entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

i) **Changes in the present value of the defined benefit obligation are as follows (₹):** (₹ In lakh)

| Particulars                         | Gratuity |         | Leave Encashment |         |
|-------------------------------------|----------|---------|------------------|---------|
|                                     | 2019-20  | 2018-19 | 2019-20          | 2018-19 |
| Opening defined benefit obligation  | 85.04    | 87.03   | 15.51            | 15.68   |
| Interest cost                       | 6.48     | 6.61    | 1.18             | 1.19    |
| Current service cost                | 6.34     | 5.85    | 1.68             | 1.73    |
| Actual return on plan assets        | N.A.     | N.A.    | N.A.             | N.A.    |
| Benefits paid                       | (21.15)  | (10.98) | (6.69)           | (4.93)  |
| Actuarial (gain)/loss on obligation | 19.34    | (3.47)  | 0.51             | 1.84    |
| Closing defined benefit obligation  | 96.06    | 85.04   | 12.19            | 15.51   |

ii) **Changes in the fair value of plan assets are as follows (₹):** (₹ In lakh)

| Particulars                       | Gratuity |         | Leave Encashment |         |
|-----------------------------------|----------|---------|------------------|---------|
|                                   | 2019-20  | 2018-19 | 2019-20          | 2018-19 |
| Opening fair value of plan assets | NIL      | NIL     | NIL              | NIL     |
| Expected return                   | N.A      | N.A     | N.A              | N.A     |
| Contributions by employer         | NIL      | NIL     | NIL              | NIL     |
| Benefits paid                     | NIL      | NIL     | NIL              | NIL     |
| Actuarial gain/(losses )          | NIL      | NIL     | NIL              | NIL     |
| Closing fair value of plan assets | NIL      | NIL     | NIL              | NIL     |

iii) **Net employee benefit expense debited to Statement of Profit & Loss (₹):** (₹ In lakh)

| Particulars                    | Gratuity |         | Leave Encashment |         |
|--------------------------------|----------|---------|------------------|---------|
|                                | 2019-20  | 2018-19 | 2019-20          | 2018-19 |
| Current service cost           | 6.34     | 5.85    | 1.68             | 1.73    |
| Interest cost                  | 6.48     | 6.61    | 1.18             | 1.19    |
| Expected return on plan assets | N.A.     | N.A.    | N.A.             | N.A.    |
| Net benefit expense            | 12.82    | 12.46   | 2.86             | 2.92    |
| Actual return on plan assets   | N.A.     | N.A.    | N.A.             | N.A.    |

iv) **Net employee benefit charged to Other Comprehensive Income (OCI) (₹):** (₹ In lakh)

| Particulars   | Gratuity     |               | Leave Encashment |             |
|---|--------------|---------------|------------------|-------------|
|   | 2019-20      | 2018-19       | 2019-20          | 2018-19     |
| Net Cumulative unrecognized actuarial (gain)/loss opening | Nil          | Nil           | Nil              | Nil         |
| Actuarial (gain)/loss for the year on PBO                 | 19.34        | (3.47)        | 0.51             | 1.84        |
| Actuarial (gain)/loss for the year on Plan Asset          | -            | -             | -                | -           |
| Unrecognized actuarial (gain)/loss at the end of the year | Nil          | Nil           | Nil              | Nil         |
| <b>Total Actuarial (gain)/loss at the end of the year</b> | <b>19.34</b> | <b>(3.47)</b> | <b>0.51</b>      | <b>1.84</b> |

**v) Details of provision for Employees Benefits (₹):**
*(₹ In lakh)*

| Particulars   | Gratuity     |         | Leave Encashment |         |
|---|--------------|---------|------------------|---------|
|   | 2019-20      | 2018-19 | 2019-20          | 2018-19 |
| Defined benefit obligation                                      | <b>96.06</b> | 85.04   | <b>12.19</b>     | 15.51   |
| Total value of provident fund contribution on closing liability | <b>NIL</b>   | NIL     | <b>NIL</b>       | NIL     |
| Fair value of plan assets                                       | <b>NIL</b>   | NIL     | <b>NIL</b>       | NIL     |
| Less: Unrecognized past service cost                            | <b>NIL</b>   | NIL     | <b>NIL</b>       | NIL     |
| Plan (Liability)/ Asset   | <b>NIL</b>   | NIL     | <b>NIL</b>       | NIL     |

**vi) Actuarial Assumptions:**

| Particulars  | Gratuity         |           | Leave Encashment |           |
|--|------------------|-----------|------------------|-----------|
|  | 2019-20          | 2018-19   | 2019-20          | 2018-19   |
| Mortality table ( IALM / LIC)                        | <b>(2012-14)</b> | (2012-14) | <b>(2012-14)</b> | (2012-14) |
| Discount rate  | <b>6.70%</b>     | 7.60%     | <b>6.70%</b>     | 7.60%     |
| Expected rate of return on plan assets               | <b>N.A.</b>      | N.A.      | <b>N.A.</b>      | N.A.      |
| Rate of escalation in salary per annum               | <b>5.00%</b>     | 5.00%     | <b>5.00%</b>     | 5.00%     |
| Average remaining working lives of employees (years) | <b>13.19</b>     | 12.59     | <b>13.19</b>     | 12.59     |
| Employee turnover up to 30 years                     | <b>3.00%</b>     | 3.00%     | <b>3.00%</b>     | 3.00%     |
| Above 30 years but up to 44 years                    | <b>2.00%</b>     | 2.00%     | <b>2.00%</b>     | 2.00%     |
| Above 44 years                                       | <b>1.00%</b>     | 1.00%     | <b>1.00%</b>     | 1.00%     |

The estimates of future salary increase considered in actuarial valuation take into account the inflation, seniority, promotion and other relevant factors such as demand in the employment market and supply.

Mortality in service: Indian Assured Lives Mortality (2012-14) ultimate table [previous year - LIC (2006-08)]

**vii) Sensitivity analysis of the defined benefit obligation**
*(₹ In lakh)*

| Change in assumptions                                | Gratuity      |         | Leave Encashment |         |
|--|---------------|---------|------------------|---------|
|  | 2019-20       | 2018-19 | 2019-20          | 2018-19 |
| a) Impact of the change in discount rate             |               |         |                  |         |
| Present Value of Obligation at the end of the period | <b>96.06</b>  | 85.04   | <b>12.19</b>     | 15.51   |
| 1. Impact due to increase of 0.50%                   | <b>(2.56)</b> | (2.99)  | <b>(0.05)</b>    | (0.62)  |
| 2. Impact due to decrease of 0.50%                   | <b>2.41</b>   | 2.82    | <b>0.85</b>      | 0.58    |
| b) Impact of the change in salary                    |               |         |                  |         |
| Present Value of Obligation at the end of the period | <b>96.06</b>  | 85.04   | <b>12.19</b>     | 15.51   |
| 1. Impact due to increase of 0.50%                   | <b>2.47</b>   | 2.90    | <b>(0.05)</b>    | (0.43)  |
| 2. Impact due to decrease of 0.50%                   | <b>(2.63)</b> | (3.08)  | <b>0.88</b>      | 0.28    |

Sensitivities due to mortality & withdrawals are insignificant & hence ignored.

**viii) Contribution to Defined Contribution Plan recognized as expense for the year is as under:**
*(₹ In lakh)*

| Particulars  | 2019-20      | 2018-19 |
|--|--------------|---------|
| Employer contribution to Provident & Family Pension Fund | <b>18.84</b> | 24.74   |

**36 Payment to the auditors as:**

(₹ In lakh)

| Particulars                               | 2019-20     | 2018-19     |
|---|-------------|-------------|
| <b>- Statutory Auditor</b>                |             |             |
| a) For Audit                              | 5.50        | 5.10        |
| b) For Taxation Matters                   | -           | 0.20        |
| c) Other matters - certification          | 0.11        | 0.05        |
| d) For Reimbursement of expenses          | -           | -           |
| <b>Total ( Net of GST/ST)</b>             | <b>5.61</b> | <b>5.35</b> |
| <b>- Cost Auditor (Net of GST/ST)</b>     | <b>0.50</b> | <b>0.59</b> |
| <b>- Internal Auditor (Net of GST/ST)</b> | <b>1.55</b> | <b>1.20</b> |

**37 Analysis of Material Consumed in Manufacturing Operation:**

(₹ In lakh)

| Class of goods | Unit | Current Year |                  | Previous Year |                  |
|----------------|------|--------------|------------------|---------------|------------------|
|                |      | Qty.         | Value (Rs.)      | Qty.          | Value (Rs.)      |
| Oil            | M.T  | 112,206      | 68,003.68        | 99,162        | 61,354.71        |
| Packing        | -    |              | 1,180.60         |               | 1,295.33         |
| Chemicals      | -    |              | 384.60           |               | 331.67           |
| <b>TOTAL</b>   |      |              | <b>69,568.88</b> |               | <b>62,981.71</b> |

**38 Value of imported and indigenous raw materials, spare parts and components consumed in manufacturing operation and the percentage of each to the total consumption.**

(₹ In lakh)

| Particulars | Current Year     |                        |                           |                        | Previous Year    |                        |                           |                        |
|-------------|------------------|------------------------|---------------------------|------------------------|------------------|------------------------|---------------------------|------------------------|
|             | Raw Material     |                        | Spare Parts & Components* |                        | Raw Material     |                        | Spare Parts & Components* |                        |
|             | Value            | % to total consumption | Value                     | % to total consumption | Value            | % to total consumption | Value                     | % to total consumption |
| Imported    | 56,586.85        | 81.34%                 | --                        | --                     | 55,739.42        | 88.50%                 | --                        | --                     |
| Indigenous  | 12,982.03        | 18.66%                 | --                        | --                     | 7,242.29         | 11.50%                 | --                        | --                     |
|             | <b>69,568.88</b> | <b>100.00%</b>         | <b>--</b>                 | <b>--</b>              | <b>62,981.71</b> | <b>100.00%</b>         | <b>--</b>                 | <b>--</b>              |

\* Manufacturing process does not require any spare parts and components.

**39 The value of Imports calculated on C.I.F. basis by the company during the year in respect of:** (₹ In lakh)

| Particulars           | 2019-20   | 2018-19   |
|-----------------------|-----------|-----------|
| Raw Material          | 30,006.32 | 27,550.13 |
| Components and Spares | -         | -         |
| Plant & Equipments    | -         | -         |

**40 Earning & outgo in foreign Currency :**

(₹ In lakh)

| Particulars         | 2019-20   | 2018-19   |
|---------------------|-----------|-----------|
| Earning             | -         | -         |
| Outgo               |           |           |
| Purchase of raw oil | 30,157.47 | 27,684.93 |
| Capital goods       | -         | -         |
| Travelling Expenses | 12.66     | 3.15      |

41 The Basic and Diluted Earning per Share has been arrived as follows:

(₹ In lakh)

| Particulars   | 2019-20     | 2018-19       |
|---|-------------|---------------|
| Net Profit after tax available for equity shareholders  | 979.84      | (40.31)       |
| No. of weighted average equity shares (Basic & Diluted) | 16,096,600  | 16,096,598    |
| <b>Basic Earning Per share (Rs.)</b>                    | <b>6.09</b> | <b>(0.25)</b> |
| <b>Diluted Earning Per share (Rs.)</b>                  | <b>6.09</b> | <b>(0.25)</b> |

42 Related Party Disclosures

The information given below is only in respect of the transactions entered into by the company during the year with the related parties.

A) Names of Related Parties and description of Relationship:

i) Enterprises in which Key managerial Personnel and their Relatives have significant influence

Dhruv Globals Limited  
G.D. Ferro Alloys Private Limited  
GDF Exports Pvt.Ltd  
DG Estates Private Limited  
Indian Vanaspati Producer Association  
Ajanta Realtech Pvt. Ltd.

ii) Key Managerial Personnel:

Abhey Goyal, Director Change in designation from WTD to Director W.e.f 01/01/2020  
Jaigopal sharma, Chief Financial Officer  
Kapil, Company Secretary

iii) Relatives of Key Managerial Personnel:

Prachi Goyal, Wife of Mr. Abhey Goyal (Director)

B Transactions during the year and Balances Outstanding as at the year end in respect of transactions entered into with the Related Parties:

(₹ In lakh)

| Particulars                              | Relatives of Key managerial personnel |            | Key managerial personnel |            | Enterprises in which key managerial personnel & their relatives have significant influence |            | Total      |            |
|--|---------------------------------------|------------|--------------------------|------------|--|------------|------------|------------|
|  | 31.03.2020                            | 31.03.2019 | 31.03.2020               | 31.03.2019 | 31.03.2020   | 31.03.2019 | 31.03.2020 | 31.03.2019 |
| <b>INCOME</b>                            |                                       |            |                          |            |  |            |            |            |
| <b>Sale:</b>                             |                                       |            |                          |            |  |            |            |            |
| Dhruv Globals Limited                    | -                                     | -          | -                        | -          | 2.89   | 1.10       | 2.89       | 1.10       |
| <b>EXPENDITURE</b>                       |                                       |            |                          |            |  |            |            |            |
| <b>Remuneration &amp; Other Benefits</b> |                                       |            |                          |            |  |            |            |            |
| Sushil Goyal                             | -                                     | -          | 30.00                    | 30.00      | -  | -          | 30.00      | 30.00      |
| Abhey Goyal                              | -                                     | -          | 30.69                    | 24.00      | -  | -          | 30.69      | 24.00      |
| Jaigopal Sharma                          | -                                     | -          | 7.15                     | 6.30       | -  | -          | 7.15       | 6.30       |
| Kapil                                    | -                                     | -          | 4.87                     | 4.03       | -  | -          | 4.87       | 4.03       |
| Prachi Goyal                             | 12.00                                 | 12.00      | -                        | -          | -  | -          | 12.00      | 12.00      |
| <b>Membership Fee:</b>                   |                                       |            |                          |            |  |            |            |            |
| Indian vanaspati Producer Association    | -                                     | -          | -                        | -          | 0.55   | 0.71       | 0.55       | 0.71       |
| <b>Advertisement:</b>                    |                                       |            |                          |            |  |            |            |            |
| Indian vanaspati Producer Association    | -                                     | -          | -                        | -          | 0.20   | 0.11       | 0.20       | 0.11       |
| <b>Purchase of Stores:</b>               |                                       |            |                          |            |  |            |            |            |
| Dhruv Globals Limited                    | -                                     | -          | -                        | -          | 2.75   | 2.65       | 2.75       | 2.65       |

| Particulars  | Relatives of Key managerial personnel |            | Key managerial personnel |            | Enterprises in which key managerial personnel & their relatives have significant influence |            | Total      |            |
|--|---------------------------------------|------------|--------------------------|------------|--|------------|------------|------------|
|  | 31.03.2020                            | 31.03.2019 | 31.03.2020               | 31.03.2019 | 31.03.2020   | 31.03.2019 | 31.03.2020 | 31.03.2019 |
| <b>Purchase of MEIS:</b>   |                                       |            |                          |            |  |            |            |            |
| Dhruv Globals Limited  | -                                     | -          | -                        | -          | 28.34  | 29.02      | 28.34      | 29.02      |
| GDF Exports Pvt Ltd  | -                                     | -          | -                        | -          | 59.22  | 83.60      | 59.22      | 83.60      |
| <b>LOANS AND ADVANCES (Asset)</b>  |                                       |            |                          |            |  |            |            |            |
| <b>Balance at the beginning of year</b>  |                                       |            |                          |            |  |            |            |            |
| Jai Gopal Sharma   | -                                     | -          | 0.66                     | 0.41       | -  | -          | 0.66       | 0.41       |
| <b>Loans given during the year:</b>  |                                       |            |                          |            |  |            |            |            |
| Jai Gopal Sharma   | -                                     | -          | -                        | 0.50       | -  | -          | -          | 0.50       |
| <b>Loans repaid during the year:</b>   |                                       |            |                          |            |  |            |            |            |
| Jai Gopal Sharma   | -                                     | -          | 0.25                     | 0.25       | -  | -          | 0.25       | 0.25       |
| <b>BALANCES OUTSTANDING:</b>   |                                       |            |                          |            |  |            |            |            |
| Jai Gopal Sharma   | -                                     | -          | 0.41                     | 0.66       | -  | -          | 0.41       | 0.66       |
| <b>Investments:*</b>   |                                       |            |                          |            |  |            |            |            |
| DG Estate Private Limited  | -                                     | -          | -                        | -          | 139.27   | 137.61     | 139.27     | 137.61     |
| Ajanta Realtech Private Limited  | -                                     | -          | -                        | -          | 128.96   | 129.46     | 128.96     | 129.46     |
| Dhruv Globals Limited  | -                                     | -          | -                        | -          | 202.10   | 185.10     | 202.10     | 185.10     |
| <b>Receivables</b>   |                                       |            |                          |            |  |            |            |            |
| Dhruv Globals Limited  | -                                     | -          | -                        | -          | -  | 0.67       | -          | 0.67       |
| <b>Payables</b>  |                                       |            |                          |            |  |            |            |            |
| Dhruv Globals Limited  | -                                     | -          | -                        | -          | 0.04   | 2.53       | 0.04       | 2.53       |
| GDF Exports Pvt Ltd  | -                                     | -          | -                        | -          | -  | 3.55       | -          | 3.55       |
| Abhey Goyal  | -                                     | -          | -                        | 1.20       | -  | -          | -          | 1.20       |
| Sushil Goyal   | -                                     | -          | 2.20                     | 1.75       | -  | -          | 2.20       | 1.75       |
| Jai Gopal Sharma   | -                                     | -          | 0.48                     | 0.40       | -  | -          | 0.48       | 0.40       |
| Prachi Goyal   | 1.00                                  | 1.00       | -                        | -          | -  | -          | 1.00       | 1.00       |
| Kapil  | -                                     | -          | 0.35                     | 0.29       | -  | -          | 0.35       | 0.29       |
| <b>CORPORATE GUARANTEE OUTSTANDING</b>   |                                       |            |                          |            |  |            |            |            |
| Guarantee issued in favour of banks on behalf of Dhruv Globals Limited                                       | -                                     | -          | -                        | -          | 6,810.00   | 7,827.00   | 6,810.00   | 7,827.00   |
| Guarantee issued by Dhruv Globals Limited and DG Estates Pvt Ltd in favour of bank on behalf of the company. | -                                     | -          | -                        | -          | 13,000.00  | 13,000.00  | 13,000.00  | 13,000.00  |

#### 43 Segment Reporting:

The only segment identified by the company during the year under report is Vanaspati and Refined oil segment, which forms the basis of review of operating performance by the management. In line with the practice and considering the nature of the materiality in operations, the dealing in shares/securities has not been reported as a separate segment. Accordingly the segmental information as required in accordance with the Ind AS-108 as specified in the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 is not given, as there is only one segment of the company.

**44 Operating Lease:**

**Lease Payments:**

- a) The Company has entered into Lease transaction mainly for leasing of Office/Residential Premises including godown and company leased accommodation for its employees. Terms of lease include terms of renewal, increase in rent in future period and terms of cancellation.
- b) The operating lease payments recognized in Profit & Loss A/c Rs. 6.80 lakh (P.Y. Rs.10.38 lakh) for the lease which commenced on or after April 01, 2001.
- c) General description of Lease terms:
  - i) Lease payments are made on the basis of agreed terms;
  - ii) The premises are taken on operating lease for a period of five/ Six years with a lock in period of two years from the date of commencement.

**45 Forward exchange Contracts entered into by the company and outstanding :**

For hedging currency related risk:

Nominal amount of forward exchange contracts entered in to by the company and outstanding as at 31.03.2020 for Rs NIL/-P.Y. Rs.2602.65 lakhs.

**46 Contribution towards Corporate Social Responsibility**

As per section 135 of the Companies Act 2013, a company, meeting the applicability threshold , needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities as specified in schdule VII of the act. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, health care, destitute care and rehabilitation, environment sustainability, disaster relief, rural development projects and as ammended from time to time.

A CSR committee has been formed by the company as per the act. As informed by the chairman of the CSR committee, during the year the company was not required to spend any amount on CSR activities / programs as the company did not fall under CSR obligation for the financial year 2019-20.

- a) The gross amount required to be spent by the company during the financial year is Rs. NIL/- (P.Y. Rs. NIL/-).
- b) The details of amount spent during the year on CSR activities are as follows: (Rs. In lakh)

| Particulars   | 2019-20     | 2018-19     |
|---|-------------|-------------|
| 1. Paid to Shree Ram Sharnam Sabha Regd.towards financial assistance to poor childrens for further studies. | 2.00        | 2.00        |
| 2. Round Table India Foundation.  | 3.15        | 3.25        |
| <b>Total</b>  | <b>5.15</b> | <b>5.25</b> |

- 47 Previous year's figures have been regrouped/reclassified, wherever considered necessary, to conform to current year's classification.

**As per our report of even date attached**

**For Pawan Shubham & Co**

Chartered Accountants

Firm Registration No: 011573C

Sd/-

**(Pawan Kumar Agarwal)**

(Partner)

Membership No.: 092345

UDIN: 20092345AAAACE4629

**Place: New Delhi**

**Dated : June 29, 2020**

**For and on the Behalf of Board of Directors**

Sd/-

**Sushil Goyal**

(Managing Director)

(DIN : 00125275)

Sd/-

**Jai Gopal Sharma**

(Chief Financial Officer)

(PAN : ANYPS9660D)

Sd/-

**Abhey Goyal**

(Director)

(DIN : 02321262)

Sd/-

**Kapil**

(Company Secretary)

(M.No. : 29508)

**The Notice of the 29<sup>th</sup> Annual General Meeting (AGM) of the Company inter-alia indicating the process and manner of e-voting is being sent to all the Members.**

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

**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 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-into 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 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password 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 :

| <b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b> | <b>Your User ID is:</b>   |
|---|---|
| a) For Members who hold shares in demat account with NSDL.            | 8 Character DP ID followed by 8 Digit Client ID<br>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<br>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<br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details 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](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - 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.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. 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 [rndregular@gmail.com](mailto:rndregular@gmail.com) or [cs@ajantasoya.com](mailto:cs@ajantasoya.com) with a copy marked to [evoting@nsdl.co.in](mailto: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 through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://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](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**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. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your 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 the Company's email address [cs@ajantasoya.com](mailto:cs@ajantasoya.com) or to the email id of Skyline Financial Services Pvt Ltd- Registrar & Share Transfer Agent (RTA) of the Company at [compliances@skylinerta.com](mailto:compliances@skylinerta.com).
2. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
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 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 AGM through VC / OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholder/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. The Skyline Financial Services Private Limited, Registrar and Share Transfer Agent, of the Company will be providing VC/OAVM Services.
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.