

Date: 05 July 2021

**Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G. Block,
Bandra- Kurla Complex,
Bandra East, Mumbai-400 051**

**The Department of Corporate Services-
Listing
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001**

Symbol- DHANUKA

Scrip Code : 507717

Subject: Annual Report under Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Pursuant to Regulation 34(1) of the Listing Regulations, please find enclosed the 36TH Annual Report of the Company along with the Notice of the AGM and other Statutory Reports for the Financial Year 2020-21, which is also being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Depository Participants/Registrar and Transfer Agent.

The same is also available on the website of the Company at www.dhanuka.com.

This is for your information and records.

Thanking you,
Yours Faithfully

For Dhanuka Agritech Limited

Jitin Sadana
Jitin Sadana

**Company Secretary / Compliance Officer
FCS-7612**

Encl: a/a

36th Annual Report 2020-21



**Dhanuka's Initiative Towards
Growth of Indian Agriculture in
Cognizance With UNO Motive**



2021 has been declared as the International Year of Fruits and Vegetables by the United Nations Organization (UNO) which matches with our Government's thinking & philosophy of focusing on health & agriculture.

The United Nations General Assembly declared 2020 as the International Year of Plant Health (IYPH). The year is a once in a lifetime opportunity to raise global awareness on how protecting plant health can help end hunger, reduce poverty, protect the environment, and boost economic development

Dhanuka Agritech Limited is also committed towards Increasing the Farmers' Income by providing New Technology in fulfilling the vision of **\$5 Trillion Economy by 2025**

Paradigm shift in Agriculture

In the past, agriculture was seen as a survival activity for humans involving crop and livestock production. For centuries agriculture was same and farming the most laborious work which was, and is the most important profession. In the recent years, agriculture is rapidly turning into a technology and market oriented "industry" which extends from agricultural production, to sophisticated agro-science, and agribusiness. It now connects strongly to the national and global economy. Today with appropriate technology, farming has gained its momentum and is not only getting its due recognition, but in future it will turn out to be a best profession to become ambitious entrepreneur. Agriculture is experiencing a huge revolution, a global paradigm shift from its historical developments.

The narrative of Indian agriculture is also continuously changing, with increasing digitalization, technology, and research. Farmers can now use simple tools to receive timely updates and relevant information. From soil issues, climate, weather prediction, sustainable irrigation to supply chain gaps, better yield and higher incomes, today technology can address most of the farmer's challenges. The Govt. is also completely committed towards shifting rural India with new agriculture infrastructure and development extensions. To compensate for the additional cess, the excise duty component is reduced, resulting in no additional cost to the consumers. The increase in the agriculture credit with a target of Rs.16.5 lakh crore and the allocation of infrastructure fund for the development of APMCs is also a great move. Moreover, 25% allocation hike from Rs.30,000 crore to Rs.40,000 crore towards the Rural Infrastructure Development Fund will promote better price realization for farmers via lower losses and better value capture. Meanwhile, 'Operation Green Scheme' would be vital in strengthening crops' production clusters which will create farm gate infrastructure and will nudge Farmer Producer Organisations (FPOs), to offer better prices to farmers. Transparency in the agro markets will be boosted with mandis getting into e-NAM which is the need of the hour. Another welcome and innovative measure is the creation of a Multi-Purpose Seaweed Park which will leverage India's vast ocean resources and R&D capabilities.

As we look onto today's paradigm shift of agriculture and beyond, Dhanuka endures to see multiple avenues for profitable growth and margin expansion. We are positive about Indian agriculture's strength and economic recovery. Nationally, Dhanuka's strong footprint among the channel and operating platform across emerging markets and association with FPOs, KVKs & other institutions, position us to capitalize on future growth. There are significant opportunities for growth in all verticals of the industry, and we will keep on prioritizing investing in innovation to launch new chemistry for integrated pest management (IPM). The Company has always attempted for well-equipped facility, innovative research and scientific partnership to create value, tradable quality and excellent standard for farmers. We remain committed to explore digital solutions, unmatched supply chain management, and collaboration with ingenious entities to infuse technology in distinctive agro-business. Dhanuka's approach is attuned with its objective of "Transforming India through Agriculture" for the food security of the nation. It believes in substantial growth in the coming years and thank its collaborators, for taking forward the legacy of long term value creation and improving the lives of farming community through influential intentions every day.



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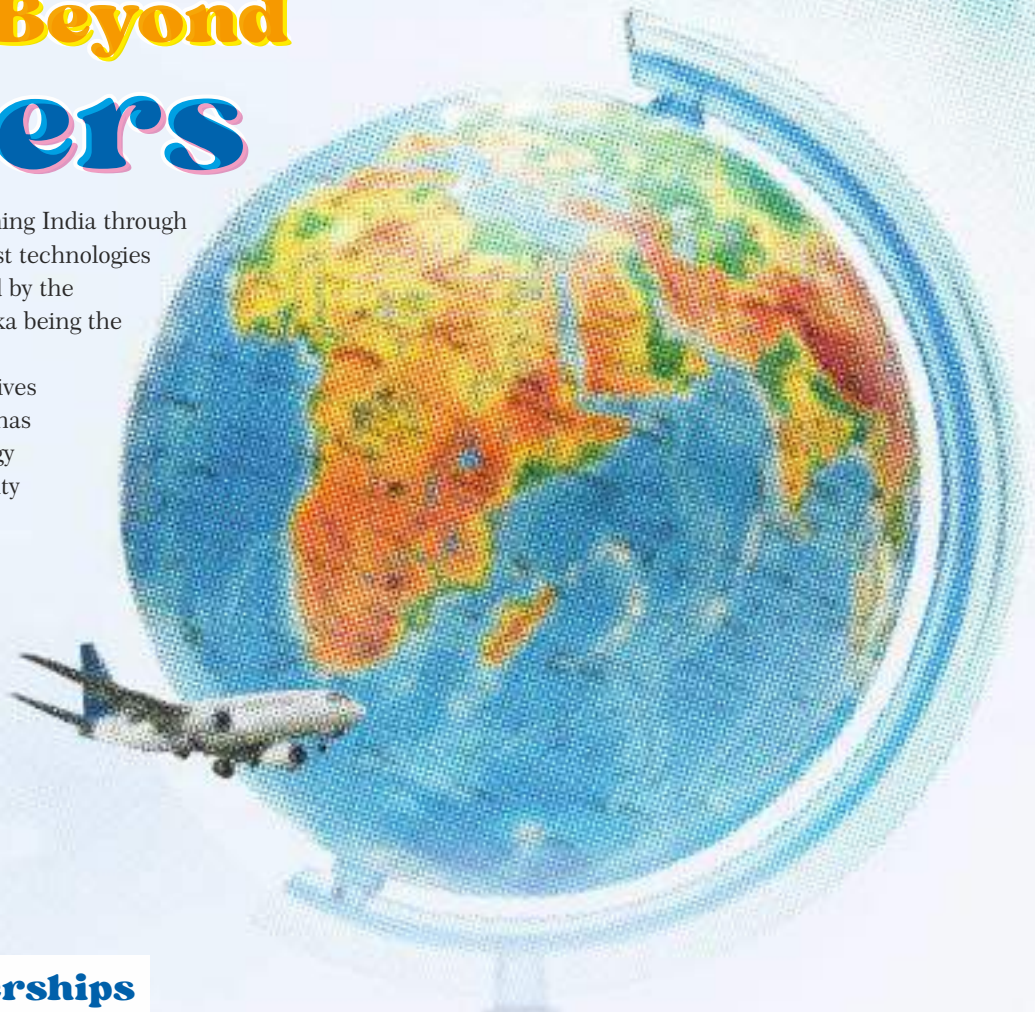
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Notice to the Members

Crossing Beyond Borders

Dhanuka's aspiration of "Transforming India through Agriculture" warrants the use of best technologies from across the globe, to be adopted by the Indian farming community. Dhanuka being the architect of this dream, seek new opportunities, new solutions and drives beyond the borders. The Company has collaborated with the best technology providers in the world to bring quality solutions to India's farmlands.



Strategic Partnerships



NISSAN CHEMICAL INDUSTRIES, LTD.



SUMITOMO CHEMICAL



Mitsui Chemicals



HOKKO CHEMICAL INDUSTRY CO., LTD



Amvac Chemical Corporation



Agriculture Division of DowDuPont



NIPPON SODA CO.,LTD.

Contact Information

Board of Directors

Mr. Ram Gopal Agarwal, Chairman
Mr. Mahendra Kumar Dhanuka, Managing Director
Mr. Arun Kumar Dhanuka, Executive Director
Mr. Rahul Dhanuka, Executive Director
(Chief Operating Officer)
Mr. Mridul Dhanuka, Non-executive Director
Mr. Harsh Dhanuka, Executive Director
Mr. Ashish Saraf, Executive Director
Mr. Sachin Kumar Bhartiya, Independent Director
Mr. Priya Brat, Independent Director
Mr. Vinod Kumar Jain, Independent Director
Mr. Sanjay Saxena, Independent Director
Ms. Namrata Gupta, Independent Director
Mr. Bajrang Lal Bajaj, Independent Director
Mr. Siraj Azmat Chaudhry, Independent Director

President & Chief Financial Officer

Mr. Vinod Kumar Bansal
Global Gateway Towers, MG Road,
Near Guru Dronacharya Metro Station,
Gurugram- 122002, Haryana
Phone Nos.: 0124-434-5000

Company Secretary & Compliance Officer

Mr. Jitin Sadana
Global Gateway Towers, MG Road,
Near Guru Dronacharya Metro Station,
Gurugram- 122002, Haryana
Phone Nos.: 0124-434-5000
E-mail: investors@dhanuka.com

Internal Auditors

M/s. Manoj Ritu & Associate
Chartered Accountants
322, Vardhman Diamond Plaza Motia Khan,
New Delhi - 110055

Cost Auditors

M/s. S. Chander & Associates
Cost Accountants
212, 2nd Floor, Sarai Pipal Thala,
G.T. Karnal Road, Azadpur, Delhi -110033

Statutory Auditors

M/s. S.S. Kothari Mehta & Co.
Chartered Accountants
Plot No - 68, First Floor, Phase -3,
Okhla Industrial Area, New Delhi - 110020

Secretarial Auditors

M/s. R&D Company Secretaries
785, Pocket E, Mayur Vihar II,
New Delhi - 110091

Registrar and Transfer Agents

M/s. Abhipra Capital Limited
Abhipra Complex, A-387, Dilkhush Industrial Area,
G.T. Karnal Road, Azadpur, Delhi - 110033
Phone Nos. : (011) 42390909/708/783
E-mail : info@abhipra.com, rta@abhipra.com
Website : www.abhipra.com

Bankers

The Hongkong & Shanghai
Banking Corporation Limited
HDFC Bank Limited

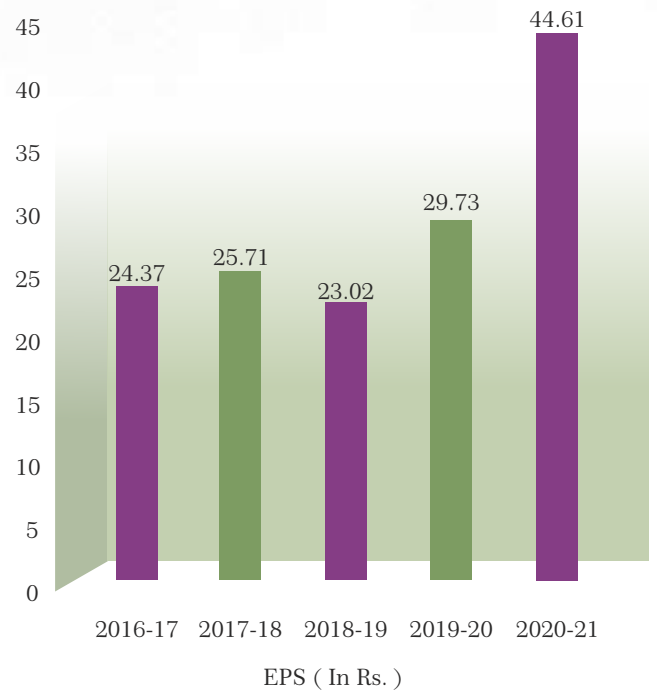
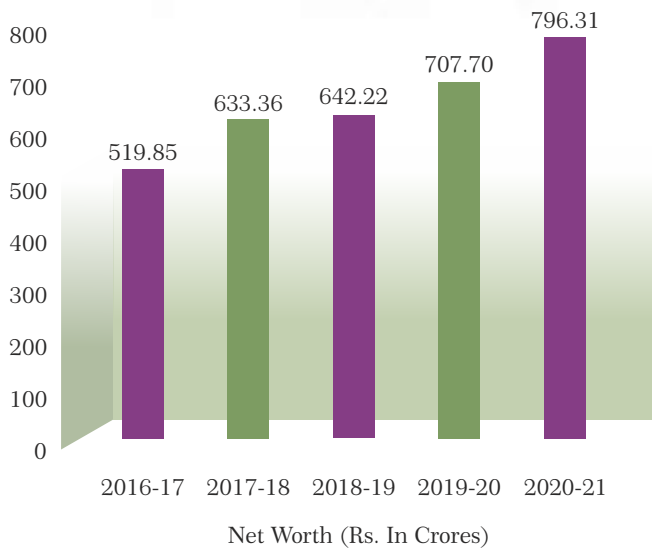
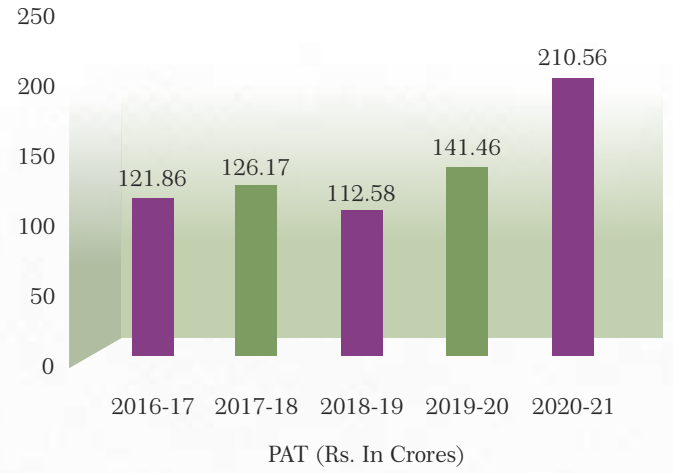
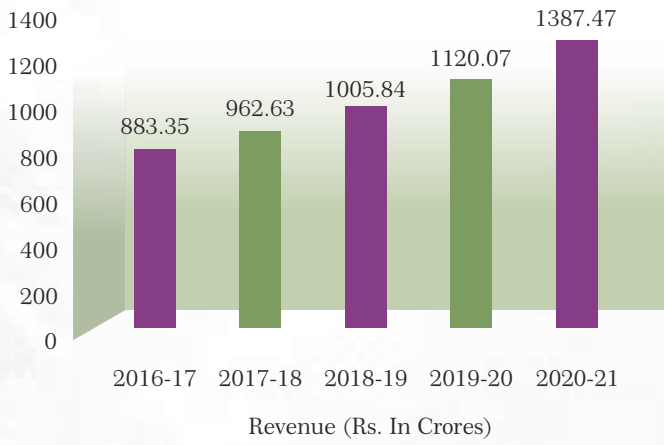
Listing

BSE Ltd.
National Stock Exchange of India Limited

Financial Highlights



Year	Revenue (Rs. in Crores)	PAT (Rs. in Crores)	Net Worth (Rs. in Crores)	EPS (in Rs.)	EBIDTA (Rs. in Crores)	EBIDTA Margin	PAT Margin
2016-17	883.35	121.86	519.85	24.37	187.38	21.21	13.80
2017-18	962.63	126.17	633.36	25.71	182.09	18.92	13.11
2018-19	1005.84	112.58	642.22	23.02	167.20	16.62	11.19
2019-20	1120.07	141.46	707.70	29.73	198.56	17.73	12.63
2020-21	1387.47	210.56	796.31	44.61	302.81	21.82	15.17





Reflection from the **Chairman**

This Annual Report reflects an eventful financial year 2020-21, in the journey of the Dhanuka Agritech Ltd, where we as a team has once again stood against adversities and showed great commitment to drive the success of our company. I would like to sincerely thank our employees, senior management team, distributors, farmers and stakeholders for their dedication to push forward the agro industry. Through the unprecedented times of COVID-19 pandemic, Dhanuka quickly adapted its plans and focused on what it can control and create through digital and supply chain reach, in the continued global economic volatility. Dhanuka, after having gained almost 125% revenue in the last year, remains in favourable position. Prospects of the company stays firm with good Rabi season sowing, full reservoir levels and improved farmer income. Rise in input prices can poses some challenges in the future and it seems to be watchful. However, the company had dealt with a moderate Q3 performance and thereby excellent performance in Q4 will help to lift spirits. Some impact from prolonged rainfall, especially in south India, led to company's moderate revenue growth in Q3. The two cyclones in November 2020, have resulted in low consumption of agrochemicals. Further, herbicide and fungicide categories continued to do good



performance. Some of the focused product's performance was top selling, mainly specialty products were exemplary. Post pandemic, agriculture was exempted as an essential activity and stays promising amidst the challenging economic scenario. Earlier in adverse condition our food security comes in threat but due to the efforts of our farmer brothers and sisters, Government's favourable policies, contribution from scientists & agri-input companies, dealers, distributors and efforts from field forces of agriculture industry, today we are doing a record production of almost all agricultural commodities. Due to restriction in movement during lockdown, the agriculture sector has experienced a sharp drop in the availability of labour.

Use of present day agro-chemicals and advanced technology has been providing higher yields with less labour and low resistance. In the dreadful situation of lockdown, Punjab's farmer used DSR method and set an example for the rest of the country. DSR practice in paddy and maize cultivation tackled the problem of labour shortage and groundwater saving. Also, subsidies announced by Central and state Governments under various schemes which varies from 25% to 100%, on the purchase of machinery also immensely benefited farmers. New molecules have the ability to strengthen our farmers, with a handful of grams per hectare and more productivity. Similarly, to deal with cyclical menace, Govt. recently allowed use of drones to cover 70% of India's agriculture land. The consistent efforts from Govt. and Agri input stalwarts have boosted the exports, despite the pandemic.

Today, India is the 4th largest producer of pesticides, globally with a domestic consumption of around Rs. 214 billion in 2019-20. The export of agrochemicals during FY20 was valued at around USD 3.1 billion (approximately INR 22000 crore) accounting for approximately 1% of the total exports and 0.09% of the GDP. Assuming that total exports grow linearly by 2025, the Indian agrochemical industry should export agrochemicals worth approximately INR 38,500 crore by 2025. Despite all the determinations, in agro chemical consumption India still lack behind its global counterparts. India's use of pesticides in agriculture is ~0.6 Kg/Ha, as compare to ~5 Kg/Ha in UK, ~7 Kg/Ha in USA, ~13 Kg/Ha in China, as per report of FICCI-TSMG. In order to increase yield and ensure food security for its enormous population agrochemicals penetration in India has to go up. For instance, China's arable land is 119 mn ha, its pesticide consumption is 13.07 kg ha, but India's arable land is 156 mn ha with a consumption of less than 0.6 kg ha.

For the year 2021 monsoon forecast is favourable and Indian economy is also predicted to revive itself. Moody Analytics forecast also states, India's GDP growth will be at 12%, which will have highly positive impact, not only on our Agriculture, but overall economy will see manifold boost. UN has declared the year 2021 as International Year of Fruits and Vegetables (IYFV), to raise awareness about nutritional levels of fruits & vegetables and to advocate its contribution economically and environmentally. All concerned stakeholders in fruits and vegetables production need to empower their knowledge and skills in pest management, post-harvest handling and preparation. Right technology, farmer oriented policies and combined efforts from government bodies, private players, FPOs and flourishing start up enterprises will secure the future of Indian agriculture industry.

The capability to convert agriculture through diverse values across the crop production network by annihilating the limits and parameters is the primary objective of Dhanuka. We will continue to Transform India through Agriculture with innovation and world-class solutions for Indian farmers.

R.G. Agarwal
Group Chairman



Managing Director

Indian Agriculture industry, with its allied sectors, is unquestionably the largest livelihood provider in India, more so in the vast rural areas. Share of agriculture sector in Indian economy is 17 per cent, which is higher than the manufacturing sector, and agriculture alone will give more than 0.52 per cent to the growth rate of Indian economy as markets are intact. Agriculture sector is likely to grow at 3% in 2021-22 despite pandemic and lockdown. Agriculture in India is projected to register a CAGR of 4.9% during the forecast period (2021-2026). The high proportion of agricultural land, diverse-agro climatic conditions for cultivating different crops are some of the factors which favours agriculture in the country. Government's encouraging policies, like the 50% subsidy on the purchase of machinery will immensely benefit farmers. Similarly, recent introduction of drones to cover 70% of India's agriculture land, promises minimal farm wastage, better income, and assurance of nutritious fruits and vegetables on our plate. An entire ecosystem of agriculture is experiencing paradigm shift due to introduction of e-commerce portals. Moreover, there are proposal given to the NABARD and SFAC, to set up 6,000 Farmer Producer Organisations (FPOs) with help of village level entrepreneurs, which has so far established 72 FPOs. New technology such as artificial intelligence (AI) and drones inject efficiency and expertise all along the supply chain bolstering the quality of produce, and bringing it to the consumer as quickly as possible.

Estimated growth in the sector has been attributed to normal monsoon this year along with water availability in reservoirs, which is 40-60% higher than last year. Planting of summer crops has picked up and the total acreage jumped by 15 per cent to exceed 56 lakh hectares against 48.82 lakh ha, last year. The trend of summer sowing progress is excellent. The prospect of Rabi crops is also great and about 48 per cent of overall Rabi crops have been harvested. There is no impact of the crisis as of now, on the progress of area coverage under summer crops in the country. Besides, India's food grain production is estimated to rise 2 per cent, an all-time high of 303.34 million tonnes on better output of rice, wheat, pulses and coarse cereals amid the forecast of good monsoon rains in 2021-22. However, accelerated economic recovery along with global stimulus measures as well as ultra-low interest rates and commencement of vaccine drive have fuelled the surge in commodity prices, but it would be favourable for farmers and agriculture industry for better realisation.

Expectation of a normal monsoon coupled with the addition of new products to the portfolio Dhanuka is likely to sustain its growth over FY21. Hence, based on the favourable sector dynamics, Dhanuka with its good strategy, well-designed programmes, resources, adequate crop solutions, introduction of new molecules and latest technology implementation is positive about achieving its aspiration of "Transforming India through Agriculture". The large share of our population which depends on agriculture will get strong benefits with our approach & initiatives to double the farmers' income contributing in economic growth. We are matching the footsteps of Indian government's strategy to transform farming 'from a production-based activity into an income and job-generating enterprise' and believe in re-writing the future of a better India.

M. K. Dhanuka
(Managing Director)



Chief Operating Officer

Indian agriculture is synonymous to challenges beyond one's control and the pandemic is an added challenge along with the other annual risks. The world in 2020 was firmly in the grip of the coronavirus pandemic, which placed great demands on everyone. Dhanuka too faced many challenges in this year, yet we came through in good shape and at the same time laid the foundation for future growth. In the face of adversities, we achieved record-breaking growth. We stayed committed to the uninterrupted supply of Dhanuka products and took responsibility to make them available at the doorsteps of farmers, dealers, and distributors. We invested in innovation and future growth through new molecules and technology-enabled operations which drive forward Dhanuka's transformation and sustainability commitment.

Looking back on the past year, we have managed to keep the company running successfully despite the major crisis of pandemic, and continued to stay connected with providing farmers, and consumers our products. At the same time, we successfully created a safe and protected working environment for our workforce. During the lockdown, Dhanuka fought shoulder to shoulder with the rest of the country and came forward to provide food to around 500 destitute families each of Alwar, Rajasthan, Rewari, Kaithal & Gurugram (Haryana). We also contributed Rs.1 Crore in PM cares fund for the fight against the pandemic. Dhanuka intends to change the Agricultural landscape of India by strengthening its R&D capabilities and introduction of innovative world-class solutions for farmers and agriculturists. Inspired by the vision of "Transforming India through Agriculture", our long-term value and delight creation strategy remains unchanged. The company took various digital initiatives, like organizing Annual Conference, Distributor meet, Electronic Krishi meet, Product launch, multiple social media campaigns, etc., ensured unbroken connect. Live streaming messages from Dhanuka leaders to seamless accolades to agriculture's frontline force made Marketing strategies effective and influential. Dhanuka Agritech Ltd. will continue to host such digital connects to maintain and escalate its relationship with its customers.

The financial year 2020-21 was the year of excellent performance for Dhanuka Group as we delivered matchless results through strong supply chain execution and decisive action to adjust and change around the unprecedented situations. Throughout the year, we quickly adapted, altered, and focused on what we could control to balance the volatility. Our sales growth and strong lead generation enabled us to create long-term farmer delight and channel value with the execution of a balanced capital allocation and branding approach. We invested in the infrastructure and innovation of new molecules. We believe to increase our capacity to invest in operating plans that will deliver an extraordinary outcome for channel partners and farmers, now and in the future.

The Company's approach is attuned with its responsible role for the welfare of the nation. In difficult times like these, it's more essential than ever before that society looks forward and addresses future issues, and that's what we're doing at Dhanuka. We're working on innovative products for agriculture that help to ensure an adequate food supply for the growing world population without placing excessive demand on the planet and its ecosystems. In a challenging and volatile environment, we will again demonstrate the ability to overcome the difficulties and emerge with full strength.

We are confident we're building a stronger, more resilient organization whose entire ethos is to understand and fulfil customer needs through qualitative product portfolio, market expertise, and cognitive technologies. We will meet customer expectations through dynamic technological, economical, and environmental shifts with exceptional business models and delivery excellence.

I would like to thank our leadership team for their relentless pursuit of excellence throughout the last financial year and for their unmatched guidance through the real test of character throughout the recent adversity. I am also grateful for the support and stewardship that the Board members and the Dhanuka leaders have provided last year.

We have the talent, the vision, and the conviction. Together, let's use them to continue building a rewarding future.

Rahul Dhanuka
(Chief Operating Officer)

New Products Launch



Kirari (Amisulbrom 20% W/V SC), is a world class chemistry and has Japanese technology with preventive & curative action. It is a Downy Mildew expert with a unique mode of action which effectively controls different stages of Oomycetes fungi. It is a Contact and locally systemic fungicide with preventive, curative action and inhibits the mitochondrial respiration of the fungi. It targets the Complex III, Cytochrome BC1 (Ubiquinone reductase) at Qi site. It quickly penetrates into wax layer of leaves and doesn't get affected by rain. It is safe for bees and thus has Blue Triangle. Registered in many countries like EU, Japan, USA, Australia, Canada etc., was launched by Dhanuka Agritech Ltd. on 4th September 2020.

Nissodium (Cyflufenamid 5% EW) is a world class chemistry for powdery mildew with unique mode of action control both primary and secondary infection. Nissodium has Japanese technology with preventive & curative action to protect the plants against Powdery Mildew. Its five action formula not only controls all the disease causing stages of fungus but also gives longer duration effective control. Its unique EW formulation makes it more effective with high level of crop safety against disease. Registered in many countries like EU, Japan, USA, Australia, Canada etc., was launched by Dhanuka Agritech Ltd. on 3rd November 2020.

Ripple (Thiamethoxam 75% SG) is a broad spectrum, systemic insecticide which contains the active ingredient Thiamethoxam. It is recommended for the control of termites in groundnut, termite & early shoot borer in sugarcane, Greenleaf hopper & brown plant hopper in rice and jassids & thrips in cotton crop. Ripple, the soil applied insecticide was launched by Dhanuka Agritech Ltd. on 7th December 2020.



Dozo Maxx (Pyrithiobac Sodium 6% + Quizalofop Ethyl 4% MEC), is a selective herbicide for cotton crop and has advanced ME formulation which is thermodynamically stable. It controls major broad and narrow leaf weeds. Its Pyrithiobac sodium is absorbed by roots, shoots and is translocated to growing points. It inhibits the enzyme Acetolactate synthase (ALS) involved in amino acid synthesis. Quizalofop Ethyl does inhibition of acetyl CoA carboxylase (ACCase). This advanced and superior molecule was launched by Dhanuka Agritech Ltd. on 3rd June 2020.

Dabooch (Diclosulam 84 % WDG), a member of Triazolopyrimidine Sulfonamide family, is a pre-emergence herbicide applied in Soybean crop within 3 days after sowing. It is Systemic in action and provides superior control of key broad leaf weeds in soybean in addition to suppression of key grasses and sedges. Safe to soybean as well as succeeding crops at recommended dose. Dabooch inhibits aceto lactate synthase enzyme (ALS) in weeds and stops protein synthesis & control the weeds. Dabooch was launched by Dhanuka Agritech Ltd. on 2nd June 2020.

Craze-D (Pretilachlor 30.7% EC) is a safe non-phytotoxic and selective pre-emergence herbicide with excellent action against annual grasses, sedges and weeds. It contains 307 g Pretilachlor (2, 6-diethyl-n-(2-propoxythyl) - chloroacetanilide) per kg of emulsifiable concentrate (EC) formulation (w/w). This is equivalent to 300gm Pretilachlor in a litre of product (w/v). The advanced selective herbicide was launched by Dhanuka Agritech Ltd. on 15th September 2020.

Awards & Accolades



on behalf of Mr. R.G. Agarwal, Chairman, Mr. Rahul Dhanuka (COO) received award as **Business Leader of the year** by **Global Leaders Conclave** as on 17th Feb., 2021 at TajLands end, Mumbai.



Mr R. G. Agarwal, Chairman of the Group, awarded **Lifetime Achievement Award** from **Amity University** for excellence in Agro Industry.



Mr V.K. Bansal, CFO awarded with **CFO100 Award** in March 2021.



Celebrated virtual **40th Founder Day** on 8th August, 2020



Mega virtual launched two new products **Kirari** and **Nissodium** on 4th September, 2020



Telecast of inspiring story of **Mr R.G. Agarwal**, Group Chairman, Dhanuka Agritech Ltd, was on air as one of the **India's most successful leaders**



Group Chairman presented a beautiful idol of Lord Ganesha to BJP President, Shri J. P. Nadda and contributed **₹ 1,00,00,000 (Rupees One Crore)** to the **PM CARES FUND**



20 years campaign for Targa Super

Unexplored Terrain

Eyeing Kashmir's Apple Orchard

Apple trees are cultivated worldwide but in India, Kashmir and Himachal state are the prime producer of apple. Presently, farmers are facing three major problems in the apple crop production i.e. apple scab, alternaria blotch/ premature leaf fall and red mites.

Since the time of Dhanuka's inception it has its presence in Jammu & Kashmir, in the pesticide business. Post year 2012, Dhanuka has gradual growth in the valley with its premium products like Sixer, M-45, Dhanulux, Cursor, Lustre, Omite etc. Even with limited branding, Cursor as an apple scab saviour and best solution, is known to majority of the apple growers in Kashmir. We are planning to initiate R&D trials in the valley to offer best solutions to growers, along with increase in manpower to educate about DAL products. Planned to organise "Cursor & Lustre retailer meet" to directly connect with retailers.



Campaign Execution

Multiple Digital Media campaigns -We have continued to do digital media campaigns promoting products across country, for major Crops in multiple languages through WhatsApp and Facebook.

360 degree campaigns-Promotional campaigns using diverse mediums like TVC on campaign theme in multiple languages. Excitement and awareness creation at ground level through retail display campaign at retail and van branding at selected outlets & areas. Knowledge sharing sessions with E-DKM, conducted with farmers from each territory to guide with products Features, Advantages & Benefits.

Alternate Channel expansion

For the past two years, we are actively engaged with large organized retail partners along with digital startups and online marketplaces. Through this collaboration, Dhanuka strives to improve its geographical reach to cater to Indian farmers nationally. Additionally, this endeavor would help foster innovation and entrepreneurship in agriculture. Dhanuka believes that the development of this channel would go a long way in improving Indian farmer viability and enable us to expand our trade. This step will also support our vision of seeking Transforming India through agriculture.



Shop Adoption

Dhanuka Model Shop - In continuous endeavour to build the brand equity and awareness, the Company has come up with the concept of "Dhanuka branded shops". Under this initiative, 2 Dhanuka branded shops are launched, one each in Hapur and Kurukshetra. Both the shops today have become landmarks and gave Dhanuka a great brand upliftment. This kind of branding has also raised level of brand trust and awareness among our farmers. The shop is equipped with all branding elements like GSB, Inshop branding, Counter branding, Clip on, Key chain Holder with mobile charging and other branding elements. Dhanuka branded shop gives a feel of Dhanuka branded outlet and motivates the trade to sell Dhanuka products. In future, Dhanuka Agritech Limited will take similar kind of initiatives to promote the brand among prominent markets in key geographies.

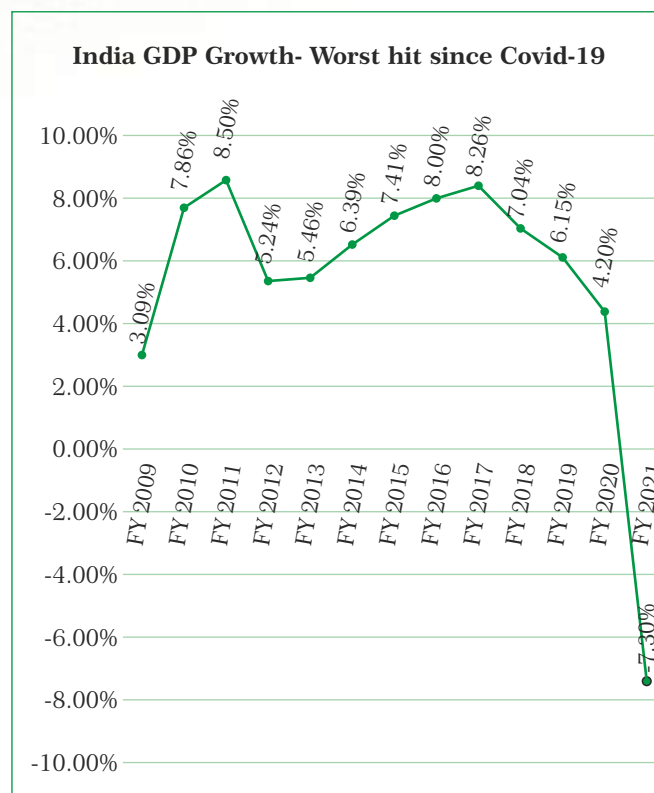


Management Discussion and Analysis

FY 2020-21 was an extraordinary year by any measure. It was a year of a global pandemic, global recession and unprecedented government actions. Ever since the first outbreak of CoronaVirus (Covid-19) in India in March 2020, it led to huge economic damage on the Indian economy. The pandemic came with uncertainty and implications on all aspects of businesses.

Despite India being ahead of most countries in announcing a near-total nationwide lockdown and implementing work from home measures, there was job and earning deficit, and free fall of employment, along with instability in prices. The lockdown impacted supply chain management and sent the GDP and import-export cycle plunging. The second wave of Covid-19 that emerged in India during the last quarter of FY 2020-21 had another devastating effect on economic activities. However, an anticipated vaccine-powered recovery and a faster vaccination drive have the capability to offer a back-ended upside to GDP growth in FY 2022, following the disruptions that may emerge in the near term.

As per the data released by the Government, the Indian economy is estimated to have reported a negative growth of 7.3% during FY 2020-21, compared with a growth of 4% in the earlier fiscal year of FY 2019-20, as the pandemic ravaged the economy. The contraction in FY 2020-21 GDP is worse in more than 40 years. In its monthly economic report for April 2021, the Reserve Bank of India (RBI) pointed out that the economic impact of the second wave of Covid-19 pandemic was disproportionately felt by individuals sustaining on daily livelihoods and small businesses, both organised as well as unorganised. Despite expansive Government spending designed to rescue thousands of severely battered businesses to blunt the pandemic's impact, India has been established among the worst-performing major economies.



During FY 2020-21, India's GDP shrunk by 24.4% and 7.3% in the first and second quarters of the fiscal year, respectively. The data reflected the deepening of India's severest recessions. However, in the third quarter, the economy witnessed a turnaround with growth coming in at 0.4%, officially signaling that India was out of a recession after two consecutive quarters of degrowth. In the fourth quarter of the year, the Indian economy grew by 1.6%, recording a slight pick-up in GDP despite Covid-19's second wave hitting the economy hard. This was the second consecutive quarter when India's economy grew in the positive territory after a negative growth in the previous two quarters.

Outlook

In its World Economic Outlook (April 2021), the International Monetary Fund (IMF) has noted that India's growth rate is projected to jump by an impressive 12.5% in FY2021-22. This will be stronger than that of China, and India will perhaps be the only major economy to record a positive growth during the pandemic. Once more, India will become the fastest growing economy in the world, and the only one with double-digit growth in 2021.

Gauging the situation, RBI, in its Monetary Policy Committee meeting in April 2021, projected India's real GDP to grow by 10.5% in FY2021-22. However, the escalating second wave of Covid-19 infections with the spread of new mutants is posing serious downside risks to the economy and heightens the possibility of business disruptions, in addition to the substantial loss of life and significant humanitarian concerns. Nevertheless, RBI has assured India is better prepared to meet the challenges posed by the second wave, as fiscal and monetary authorities stand ready to act in a coordinated manner to limit its spill-overs to the economy at large.

Stimulus packages from the Government

To tackle the economic impact of the pandemic, in May 2020, the Government announced the Aatma Nirbhar Bharat Abhiyaan. A relief package of Rs 1.7 trillion was announced, with additional support coming in from State Governments and NGOs, widening the radius of the aid and boosting liquidity in the financial sector. In November 2020, the Government announced the Aatma Nirbhar 3.0 stimulus package with 12 measures rolled out to boost employment in the formal and informal economy. It also announced new production-linked incentives (PLIs) under another Rs 2 trillion PLI scheme for 10 major manufacturing sectors. Further, an additional outlay of Rs 180 billion was allocated for the PM Awas Yojana (PMAY) – Urban. This aimed at adding 1.2 million houses and completing construction of 1.8 million houses, while creating 7.8 million additional jobs and improving the production and sale of steel and cement.

Government initiatives on Agriculture

The farming sector came into sharp focus in Union Budget 2021-22 as the Government allocated Rs 75,000 crore for Farmers Samman Nidhi. It also enhanced the agricultural credit target to Rs 16.5 lakh crore in FY2021-22 to help build agriculture infrastructure. Money in the hands of farmers through the Minimum Support Price (MSP) regime will keep the momentum going in agriculture during the COVID times. There are signs that the Government is clearing past arrears at an accelerated pace and has provided for doubling of expenditure in the fourth quarter. This will help boost demand and give further impetus to growth. Prime Minister Narendra Modi has envisioned India to become a US\$ 5 trillion economy

and a global powerhouse by FY 2024-25. However, this may now take longer due to the disruptions induced by the Covid pandemic.

India's foodgrain production

India's food grain production in the 2020-21 crop year is estimated to have touched a new all-time high record of around 303 million tonnes (MT), according to the Agricultural Ministry's advance estimates for the current crop year (July-June cycle). This is 2% higher than the output of 297.50 MT in 2019-20 crop year, and about 24.47 MT higher than the previous five years' average production of food grains (2015-16 to 2019-20 crop year). The Ministry attributes increased food grain production to tireless hard-work of Indian farmers, research by agricultural scientists and farmer-friendly policies of the Central Government. Good monsoon (9% higher than the long period average) and its better distribution in most states helped in higher acreage of both Kharif and Rabi crops, leading to better output of most crops even in the pandemic-hit year.

India's Food Grain Production			
Crop	2020-21 (in MT)	5 years average production (in MT)	Higher by (in MT)
Rice	120.32	112.44	7.88
Wheat	109.24	100.42	8.81
Coarse cereals	46.36	47.75	1.62
Pulses	24.42	21.99	2.43
Oilseeds	37.31	33.22	4.09
Sugarcane	397.66	362.07	35.59
Cotton	36.54 million bales	31.89 million bales	4.65 million bales

Farmers beat Covid-19 challenge

India's Food Grain output (Year-on-year rise)

Crop Year*	Output (In Million Tonnes)
2016-17	275
2017-18	285
2018-19	285
2019-20	297
2020-21	303**

*Crop Year – July-June cycle

**Estimated

Dependance on Mansoon

Monsoon, which shapes the lives of millions and influences food prices, is critical for agriculture in India. It irrigates fields directly and fills reservoirs that help winter-sown crops. Rainfall during June to September season accounts for 70% of the total rain that falls in India. Since only 53% of the net cultivated area is irrigated in India, the remaining area depends on natural rainfall for irrigation. In 2019, India had received the highest rainfall since the past two decades. Total rainfall recorded was 97 centimetres, 10% higher than the long period average (LPA). Despite the higher rainfall at national level, there were deviations on regional basis. Nevertheless, rainfall covered water requirements in less irrigated areas, and water level across reservoirs was the highest in several years in the country.

Monsoon 2020 recorded even better rainfall – the highest in the last 25 years. While June and August swayed the seasonal rains with the respective surplus of 18% and 27%, the core monsoon month of July was a dampener with a substantial shortfall of 10%. However, by the end of August, the seasonal status stood as 'Above Normal' with an overall excess of 10% year on year. The next month, i.e., September, created a new record of measuring excess rains (>110%).

The Indian Meteorological Department (IMD) has upped its forecast for Monsoon 2021 to 101% of LPA, indicating that most parts of India can expect to get “normal to abovenormal” rainfall during the year. This is expected to be due to the prevailing neutral El Nino conditions, along with neutral Indian Ocean Dipole, the two weather systems that have a direct bearing on the performance of South-West monsoons in India. The rain-fed areas in the country are estimated to get more than 106% of LPA rainfall in these four months.

Region-wise Monsoon Forecast

Region	Forecast Range	Probability
North West India	92% - 108%	41%
Central India	More than 108%	39%
South Peninsula	92%-107%	34%
North East India	Less than 95%	40%

Source : IMD; Percentage of Long Period Average

Impact of climate change on agriculture

Gross value added (GVA) in India's agriculture and allied sectors is estimated to have grown by 2.5% in FY2020-21 due to the effects of the pandemic, as against 4% in FY2019-20. Continuous production of agri-commodities, especially of staples such as rice, wheat, pulses and vegetables, also enabled food security. Healthy Kharif output and crop procurement continued to float rural farm sentiments. Moreover, the migration of labour force back to urban areas (post reverse

migration during the Covid-induced lockdown) is expected to have added to the consumption of the non-farm part of the rural economy, according to a note by rating agency ICRA. A normal monsoon and its timely onset in 2021 has cheered farmers, with prospects of a bumper crop output.

Industry Overview

Global Agrochemical Market

The global agrochemicals market size is estimated to grow by a CAGR of 3.4% - from USD 208.6 billion in 2020 to USD 246.1 billion by 2025. Increasing demand for food supply due to the rapid growth in the human population has triggered agricultural intensification during the last few decades. For addressing the growing food demands, agrochemicals (fertilisers and diverse pesticides) are rigorously used in agriculture, which accomplishes the gap between food production and consumption. However, concurrently, unbalanced use of agrochemicals also causes environmental deterioration and poses severe challenges to aquatic and terrestrial ecosystems. Various research studies have indicated that fertilisers and pesticides used in agriculture have been substantially increased in developed and developing countries in recent years for attaining maximum yield in crops.

Global agrochemical market (US\$ Millon)

Segment	2019	2018	Change (%)
Crop protection	59,827	60,304	-0.8
Non-crop pesticides	7,802	7,538	+3.5
Total	67,629	67,842	-0.3

India Agricultural Input Market

Agriculture continues to play a major role in the Indian economy. According to data received from FICCI, India's agricultural inputs industry stood at US\$ 5 billion in 2018, with domestic consumption being at US\$ 2.77 billion. The industry is set to grow by an impressive 8.1% annually to touch US\$ 8.1 billion by 2025. Innovation in seeds, fertilisers and crop protection products have reshaped the Indian agricultural market and transformed the lives of billions across the world. In recent years, the pace of innovation has slowed due to tightening of the regulatory environment, concerns about personal and environment safety and increasing cost of research and development. Agri-input companies are making incremental improvements to existing technologies, and conducting research in seeds, traits, and crop protection.

India Agrochemical Industry

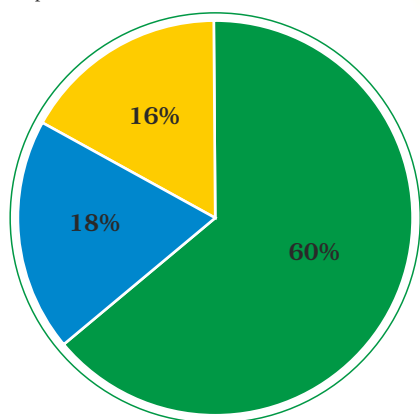
In India, agriculture faces critical challenges such as reduction in arable land, decreasing farm size, increasing pest attacks, low per hectare yield, and shift towards animal products consumption. All these factors are collectively leading to demand outpacing supply in the country's food chain.

Agrochemicals play a significant role in overcoming this imbalance. The Indian agrochemical market has reached a value of almost US\$ 4.5 billion in 2020. Between 2021 and 2026, the market is expected to keep growing and reach a value of almost US\$ 7.4 billion. The India market contributes significantly to growth of the Asia Pacific market, which has been growing at the fastest rate on a global basis. This is owing to the enormous consumption of pesticides and fertilisers for farming activities, and is a result of adoption of modern and advanced farming practices in the region.

India-Agrochemicals Market

2020	Projected CAGR growth of 4.2%
2025	

Break-up of Crop Protection



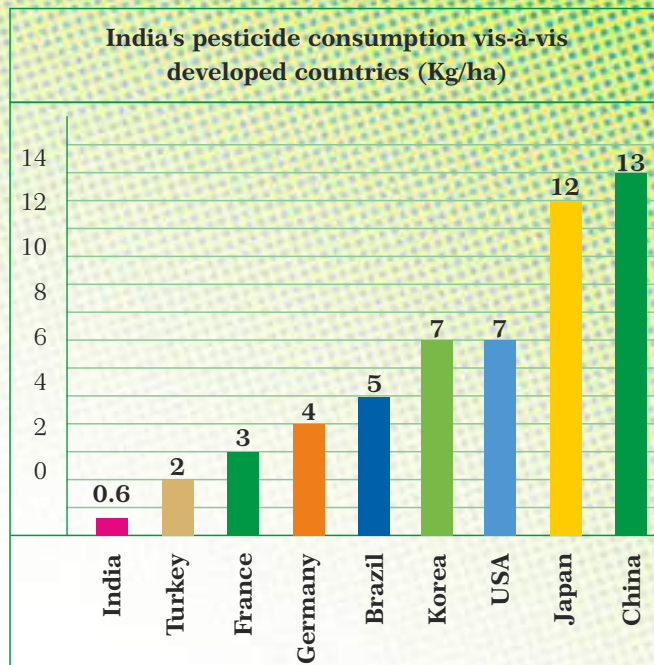
■ Insecticides ■ Fungicides ■ Herbicides

Pesticides market in India

India is the 4th largest producer of pesticides globally. From Rs 197 billion in 2018 and Rs 214 billion in 2019, it kept growing and became a Rs 232-billion market by 2020. Going further, the market is projected to reach a value of Rs 316 billion by 2024, growing by a CAGR of 8.1% during 2019-2024. The use of pesticides helps Indian farmers immensely in ensuring sustainability in agriculture and providing nutrition security to the nation at large. However, the recently proposed ban on 27 pesticides is likely to result in a loss of almost 25% to India's pesticides industry, projected a loss to the agricultural production and export market.

India's low pesticide consumption

India's per hectare consumption of pesticides is one of the lowest across the globe – at 0.6 kg/ha, as against 5-7 kg/ha in United Kingdom and 13 kg/ha in China. The farming community in India has limited understanding of the benefits of pesticides, which leads to lower consumption. This presents an opportunity for the Government and private players to increase awareness amongst the farming communities about the economic gains that arise out of sustained use of pesticides in their crops.



Bio-pesticides – A growing market

Bio-pesticides are mass-produced bio-based agents which are used to control plant pests. The Indian bio-pesticides market, which was dominated by bio-insecticides in 2019, is projected to continue the dominance during the forecast period of 2020-25. Wheat, cotton, and rice are the major crops cultivated in the country. The sale of bio-insecticides related to these crops is expected to increase more than other crop-based products. The Indian bio-pesticides market is projected to witness a CAGR of 7.3% during the forecast period. Increasing awareness regarding food safety, organic farming and Government subsidies are some key factors driving the market for bio-pesticides in India. According to statistics, the area under organic cultivation in India increased from 1.5 million hectares in 2016 to 1.9 million hectares by 2018.

Pest attacks in India

India has been witnessing the growing incidence of harmful pests over the past few decades. Typically, pests and diseases take away close to 25-30% of food production. Usage of effective agrochemicals can increase productivity of farmers by 15-20%, thereby diminishing the losses caused due to these pest attacks. In May 2020, India faced the worst locust attack in 27 years. Even as the country was battling the Covid-19 pandemic, the invasion of desert locusts hit large swathes of India. Large and aggressive swarms of crop-devouring short-horned insects invaded districts covering more than 50,000 hectares of crop land in the western parts of India. The attack threatened a serious agricultural damage to standing crops and vegetables, with states like Rajasthan, Madhya Pradesh and Gujarat being the worst affected.

India's rising pest attacks

Crop	Number of attacks in 1940	Number of attacks in 2019
Rice	35	240
Wheat	20	100
Sugarcane	28	240
Groundnut	10	100
Mustard	10	38
Pulses	35	250

Source: FICCI

Opportunities and Outlook

The population of India has been increasing, while the per capita size of land is decreasing, indicating an improvement in the use of pesticides. The Indian market is likely to gradually witness an increased penetration of crop protection chemicals, which will lead to higher yields. The industry has been a witness to various strategic alliances between major players regarding research and development for coming up with new molecules. This is since the cost is huge, and joining hands enables market players to remain cost competitive. Increasing awareness about the advantages of crop protection chemicals will generate higher demand for pesticides.

India's agricultural sector, and also the crop protection market, are dependent on the South-West monsoon. Its arrival and spatial distribution in the Kharif season (from June to October) decides the fate of the market. For the current 2021 Kharif season, monsoon rainfall is expected to be strong. As mentioned earlier, the Indian Agricultural Ministry has estimated that the overall actual rainfall expected to be received during June-August period will be "normal" with "good" distribution.

Looking forward, the IMD recently issued its long-range forecast for rainfall during the second half (August–September) of the 2021 South-West Monsoon at an estimated 101% of the LPA. Pest attacks, growing resistance challenges within the weed population, a favourable disease environment on increased area and high rainfall offer exciting opportunities for the remainder of the 2020 crop season.

Government subsidies for doubling farmers' income

In 2016, Prime Minister Narendra Modi-led Government had set a highly ambitious target of doubling farmers' incomes by 2022. An inter-ministerial committee on "Doubling of Farmers' Income" was set up in April 2016 to recommend strategies to achieve this goal. The Government continues to pursue its target and several interventions are already showing a "positive impact".

The Government introduced the PM-KISAN scheme in February 2019 to provide financial assistance of Rs 6,000 per

year in three equal instalments to families of small and marginal farmers with a land-holding of up to 2 hectares. This is an integral part of its aim to double farmers' income. In the current year, these benefits have been extended to all the eligible farmers, irrespective of their size of land holding.

Under the Prime Minister's Krishi Sinchai Yojana, the Government plans to accord high priority to water conservation and its management. The scheme has been formulated with the vision of expanding the cultivated area with assured irrigation and improving water use efficiency. The scheme not only focuses on creating sources for assured irrigation, but also in creating protective irrigation by harnessing rain water at micro level through 'Jal Sanchay' and 'Jal Sinchan'. Micro irrigation is incentivised to ensure 'More crop-per drop' in a focused manner, with end-to-end solutions on source creation, distribution, management and field application.

The latest major intervention includes the 'Atma Nirbhar Bharat- Agriculture package' which encompasses comprehensive market reforms and the creation of an 'Agricultural Infrastructure Fund' worth Rs 1 lakh crore.

Budgetary outlay on Agriculture Scheme (in Rs. Billion)	FY 2017	FY 2018	FY 2019	FY 2020
Pradhan Mantri Fasal Bima Yojna	110.5	94.2	129.8	140.0
Interest subsidy for short term credit to farmers	134.0	130.5	149.9	180.0
Other welfare scheme- subsidies	1.0	7.0	45.0	59.0
PM-Kisan	0.0	0.0	200.0	750.0
Pradhan Mantri Krishi Sinchai Yojana	20.0	28.0	30.0	35.0
Other centrally sponsored schemes	101.1	110.6	118.0	125.6

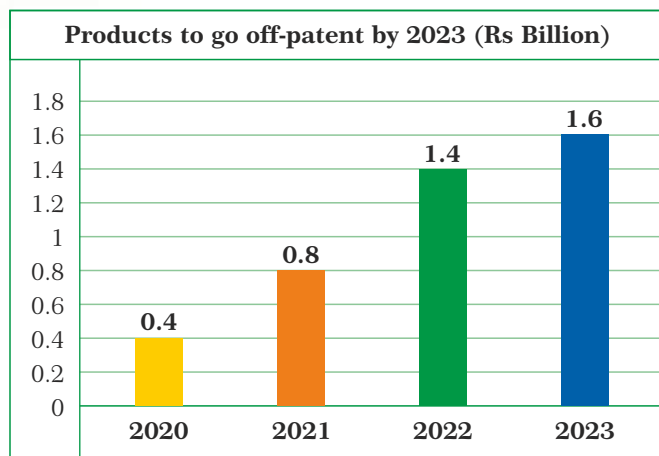
Source: GOI

Generic players to benefit

Globally, innovators command about 70% share in the crop protection market, while their main market consists of generics. Within the off. patent market, the share of patent products amounts to 20%, while generic products hold the rest. Out of the generic crop protection market, about 25% is controlled by the innovators.

Opportunities exist for generic companies to garner market share from innovators, given their inherent advantages of low prices and reduced costs, and larger distribution networks. Indian companies have been further expanding their distribution networks, creating brands, innovating process technology for post patent molecules, developing better product

mix (more combination products, eco-friendly formulations). They are also getting aggressive about registering post-patent products, and developing relationships with distributors to push volumes at more competitive prices as compared to the innovators. Several molecules aggregating a market size of over US\$ 200 million are expected to go off-patent, which will present a sizeable opportunity for generics players in India.

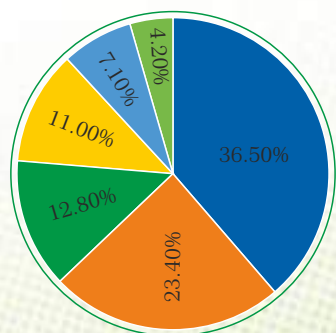


Source: AMSEC Research

Micro-nutrient market

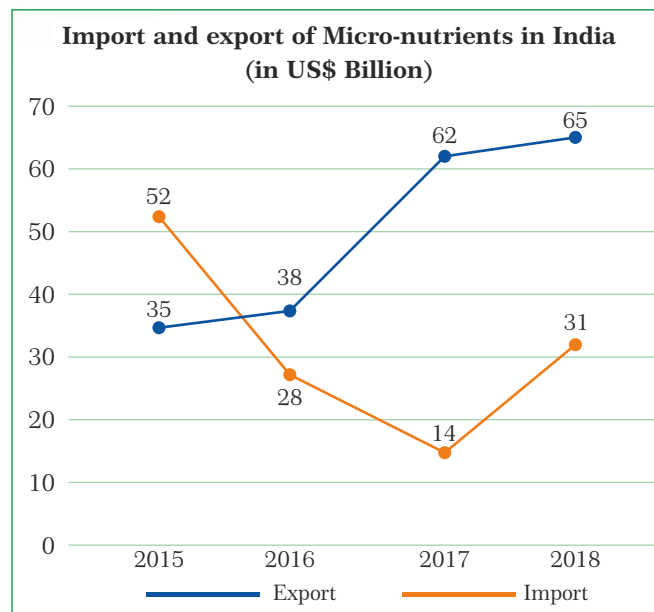
Micro-nutrients are essential substances required for healthy plant growth. Certain bio-chemical functions performed by micro-nutrients are directly associated with plant growth and their metabolism. Plants require macro-nutrients and micro-nutrients both for their growth. Fertilisers are the source of these nutrients, which not only enhance plant growth, but also maintain soil fertility. Climatic factors such as rainfall patterns have a very crucial role to play in consumption of fertilisers, as their demand increases with an increase in irrigated areas. In India, on an average, 36.5% of soils were deficient in zinc; 23.4% in boron; 12.8% in iron; 7.1% in manganese; and 4.2% were deficient in copper. Crops grown in the majority of Indian soils are deficient in one or more micro-nutrients. The nature and extent of these deficiencies vary based on factors such as soil type and agro-ecological situations.

Micro-nutrient deficiency in Indian soil



■ Zinc ■ Manganese ■ Iron ■ Molybdenum ■ Boron ■ Copper

Source: PWC Report on 'All for a Good Harvest: Addressing Micronutrient deficiencies'



Agrochemicals – Key industry drivers

Major drivers of the agrochemical industry in India are – a growing population, regional economic growth, increased government initiatives to assist farmers. Steps taken to create awareness regarding modern agricultural practices and rapid technological advancements are expected to aid industry growth. The key factor guiding the Indian industry's growth include an increasing investment in the protection of crops, development of integrated farming practices, and their growing acceptance among farmers in the region. This positive trend and integrating farming practices are expected to propel the growth rate of agro-chemicals industry in India.

Fertilisers and demand trends

India is the world's 2nd largest consumer of fertilisers with an annual consumption of over 55 million metric tonnes (MMT). The Indian fertiliser industry can be broadly divided into two categories depending on nutrient composition – Nitrogen Fertilisers as well as Phosphatic and Potassic (P&K) Fertilisers. India's overall fertiliser consumption grew by a CAGR of 2.0%, from 50.6 MT in FY2008-09 to 61.4 MT in FY2019-20. The primary sales volume for fertilisers grew at a moderate 6.0% to 61.4 MT in FY2019-20, from 57.8 MT in FY2018-19, following the healthy monsoon. While urea sales grew 5.9% to 33.6 MT in FY2019-20 from 31.7 MT in FY2018-19, non-urea sales grew by 6.1% to 27.8 MT in FY2019-20, from 26.2 MT in FY2018-19.

Fertiliser demand is likely to remain healthy in view of the Government's focus to increase farmers' income and companies' capex plans and improving their operating efficiencies. Fertilisers continue to play a key role in the success of India's green revolution and subsequent self-reliance in food grain production. With increasing urbanisation levels, and the available arable land expected to decrease, fertilisers are estimated to continue playing a key role in increasing India's average crop yield per hectare.

Risks and Concerns

Regulatory framework

Globally, the Agrochemical Sector is highly regulated. It can potentially take upto 5 years for Section 9(3) products to get registered and there is a high probability of failure. Also, there is continuous compliance checks which take place and any lapse can severely impact business prospects.

R&D Costs

Over the years, R&D costs have escalated significantly as the regulations have evolved. Typically, Indian companies allocate 1-2% of their revenues on R&D, which is significantly lower than the global average of 8-10%. Indian manufactures lack competitive advantage versus global peers in the global landscape for patented speciality molecules.

Ban on Pesticides

NGOs across the Countries revolt against the use of Agrochemical products citing harmful impact on the environment. Manufactures along with industry representatives time and again have provided constructive responses in the scenario of government action. The Committee formed based on Anupam Verma recommendation began its review on 27 pesticides in November 2019 and submitted its findings after consultation with pesticide associations and other stakeholders in May 2020. The draft order proposed ban on 27 pesticides commonly used by farmers. If the ban is not overturned, farmers would be deprived of several effective and affordable products.

Rising Raw Material Costs

The cost and availability of raw materials play a vital role for Companies which are dependent on imports. The industry has faced challenges in recent years due to short supply from China.

Company Overview

Dhanuka Agritech Limited ("DAL" or the Company) is a leading Agrochemical Company in India. The Company's strength lies in manufacturing formulations. DAL's pan India distribution network consists of around 6,000 distributors and 80,000 retailers, enabling it to have presence across 10 million farmers touchpoints. Over the years, the Company has built strong strategic partnerships with leading global innovators. The Company's collaboration with world's leading agrochemical companies in the US, Japan and Europe has provided it access to latest technologies which the Company has effectively implemented in the domestic market.

The product portfolio is largely distributed across Insecticides, Herbicides and Fungicides segment. Insecticides contributes significant portion of the overall revenues and the Company

aims to ramp up presence in the fast-growing Herbicides segment. DAL is aggressively working towards the goal of "Transforming India through Agriculture" by initiatives like doubling farmer's income. The Company's latest innovative sales process guides the farmers effectively on crop solutions through channel partners and a dedicated team. It also ensures smooth reach of products to farmers with readily available stock on demand as per the latest market scenario. This new age sales process is managing issues like inventory cost, blockage of funds and uncertain demand and supply. It also offers automatic order processing and complete availability of the product in real-time.

Operational Overview

Dhanuka continues to remain debt-free, due to robust Financial Management. Additionally, it has a healthy Net worth of Rs. 796.31 Crores as on 31st March, 2021. ICRA has accorded (ICRA) AA- rating for fund based limits and (ICRA) A1+ rating for non-fund based limits of the Company, with a positive outlook.

Shri R. G. Agarwal, Chairman of the Group, was awarded Lifetime Achievement Award from Amity University, Noida for excellence in Agro Industry, in December 2020 and Business Leader of the year awarded in Global Leaders Conclave in February 2021. Mr. V.K. Bansal, CFO of the Company, was conferred the award "100 BEST CFO" in March 2021. This year the Company has also celebrated virtual 40th Founder's Day on 8th August, 2020. The Company has also celebrated 20 years successful campaign for its product Targa Super.

Impact of COVID 19

World Health Organization (WHO) declared Covid-19 a pandemic and the outbreak, which infected millions, has resulted in deaths of a significant number of people globally. Covid-19 is seen having an unprecedented impact on people and economies worldwide. The Ministry of Home Affairs, Government of India on March 24, 2020 notified the first ever nationwide lockdown in India to contain the outbreak of Covid-19 pandemic.

Due to Covid-19 Pandemic, the Company's operations were temporarily disrupted at manufacturing facilities and sales depots across the country. However, being the Company's products are covered under Essential Commodities, there is no major impact of Covid 19 on the business. The Factories and Depot were closed for very short period during lockdown and thereafter opened with all safety, security and other measures / precautions as required by Government and Health advisories, for uninterrupted supply of essential commodities. All safety, security and other measures / precautions are taken at Factories, Depot and Offices as required by Government and Health advisories.

The Company was prompt to implement various measures to protect employees, communities and operations to ensure supply chain was not impacted. The Company was also encouraged non-critical operations to work from home and carry out interactions electronically. The Company adheres to government advisories and guidelines in and around the sites. The Company closely engages with suppliers, vendors and distributors to ensure that there is a minimal impact on business operations. Further, relationships with the domestic manufacturers and distributors have helped the Company sustain inventories in the pipeline during the lockdown period.

Financial Performance for FY 2020-21 (Standalone)

- Revenue from Operations (Net of Excise) increased by 24% from Rs. 1120.07 Crores in FY 2019-20 to Rs. 1387.47 Crores in FY 2020-21.
- Profit before tax increased by 57.74% from Rs. 180.64 Crores in FY 2019-20 to Rs. 284.94 Crores in FY 2020-21.
- Operating Profit before tax increased by 61.62% from Rs. 157.11 Crores in FY 2019-20 to Rs. 253.92 Crores in FY 2020-21.
- Net profit increased by 49% from Rs. 141.47 Crores in FY 2019-20 to Rs. 210.56 Crores in FY 2020-21
- The Company reported an EPS of Rs. 44.61 in FY 2020-21 compared to Rs. 29.73 in FY 2019-20.

SEGMENT PERFORMANCE

Segments	% of FY 2020-21 Revenue	% of FY 2019-20 Revenue
Insecticides	41%	43%
Fungicides	17%	15%
Herbicides	30%	29%
Others	12%	13%

KEY FINANCIAL RATIOS

Particulars	FY 2020-21	FY 2019-20
Debtor Turnover	17.49%	21.64%
Inventory Turnover	21.30%	22.31%
Interest Coverage Ratio (Times)	107	117
Current Ratio	3.11	3.37
Debt Equity Ratio (Times)	0.01	0.02
Operating Profit Margin	18.30%	14.03%
Net Profit Margin	15.17%	12.63%
Return on Net worth	26.44%	19.99%

Business Outlook

DAL follows a rural FMCG model. Relationships with the domestic manufacturers and distributors have helped the Company sustain inventories in the pipeline during the lockdown. The Company's product portfolio falls under essential commodities hence no major impact is expected on the business performance in FY2021-22 due to the outbreak of COVID-19. The Company will work towards engaging with all the participants across the value chain both upstream and downstream to deliver a strong kharif season and build a solid momentum for the remaining part of FY2021-22. Expectation of a normal monsoon this year should boost agri inputs. The Company has a strong pipeline of Section 9(3) products which should drive the revenue growth in the coming years.

Material Development in Human Resources / Industrial Relations

Innovation is in the Value system of Dhanuka and we believe in living our values. At Dhanuka we continuously work on bringing innovative HR practices which are designed on principles of Simplification, Standardization, Automation and Analytics. Under these principles of Simplification, Standardization, Automation and Analytics, various initiatives have been taken during Financial Year 2020-21:

- Continuous process improvements based on feedback and inputs from multiple stakeholders, past experiences and industry best practices (Recruitment and Selection, Leave & Attendance Management and Off-boarding) intended towards giving better employee experiences.
- Automation has been key focus in last year towards bringing all HR processes on a common HRMS which is simple to understand and user friendly, to increase speed and quality of delivery, reduction in paperwork and more empowerment for things to move on their own.
- Focus on enhanced HR service delivery through introduction of HR Generalist, a single point of contact to each employee.
- Building a Learning organization has been another strong initiative that has been in focus.

Dhanuka Agritech Limited is committed to providing a robust learning platform and at the same time building the capability of its employees. Dhanuka has a dedicated Learning and development team which works in close partnership with the business leadership team, to augment the learning and development requirements of employees and making them future ready. We engage in multiple learning interventions internally and externally and partner with many prestigious institutes like IIM-A, XLRI, etc.

The Company had 941 permanent employees on March 31, 2021.

Learning and Development of Employees

At DAL, employees learning, and development is of utmost importance. The Company has separate dedicated team for learning and development of employees. To enhance employee skills, the Company also provides internal as well as external training to its employees. These programs not only help enhance skills but also workplace productivity. DAL has also been recognized as a Great Workplace based upon the assessment conducted by the Great Place to Work Institute, India. The Company has engaged many learning partners, Indian and multinational organizations who have helped us by sharing the best practices and helping develop our employees.

Environment Safety, Health and Energy Conservation

Safety at work places of paramount importance to the Company. It continuously strives to ensure various training and awareness programmes are conducted throughout the year. The aim is to maintain the highest standards of safety across factories and workplaces and ensure the latest best practices are implemented across the business to bring operational efficiencies and save energy.

Stakeholder Engagement

The Company's endeavour is to maintain regular engagement with all its stakeholders to ensure their concerns are addressed and expectations are met. Dynamic processes are in place within the Company to ensure integration of feedback from various stakeholders such as suppliers, customers, employees, and investors on a routine basis. By trusting employees, partnering with suppliers and dealers, and engaging with local communities, we work towards serving and delighting our customers.

Internal Control Systems and Adequacy

DAL has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. The Company has designed and put in place adequate Standard Operating Procedure and Limits of authority manuals for conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of fraud and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information. These documents are reviewed and updated on an ongoing basis to improve the internal control systems and operational efficiency. DAL uses a state-of-the art ERP system to record data for accounting and managing information with adequate security procedure and controls. DAL has its own in-house internal audit team which keeps checks on every system operating in the Company. Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve the Company's operations. It brings a

systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

A CEO and CFO Certificate, forming part of the Corporate Governance Report, confirm the existence and effectiveness of internal controls and reiterate their responsibilities to report deficiencies to the Audit Committee and rectify the same.

Risk Mitigation Framework

Despite the strong growth drivers, Indian agrochemicals industry faces challenges in terms of low awareness among large number of end users spread across the geography. Managing inventory and distribution costs is a challenge for the industry players in the wake of volatility in the business environment. The performance of the crop protection industry and other Agri-inputs is dependent on monsoons, pest and disease incidences on crops. Agrochemical companies face issues due to seasonal nature of demand, the unpredictability of pest attacks and high dependence on monsoons.

Compliance to growing regulatory norms is a continuing requirement and could lead to delays in obtaining necessary approvals. Changes in guidelines or policies in various geographies may also lead to sudden disruption of business in specified products. Many agrochemical companies have foreign exchange exposure either in the form of forex loans or exports and imports. For companies which operate largely in the domestic arena, any major forex movement may affect profitability due to fluctuating import costs.

While on the one side input costs could increase, weak monsoons could reduce pricing flexibility, thereby affecting margins. To minimize the risk, a comprehensive and integrated risk management framework is followed by the Company.

Cautionary Statement

Statements in this Management Discussion and Analysis contains "Forward Looking Statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to DAL's future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, several risks, uncertainties, and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. DAL undertakes no obligation to publicly revise any forward-looking statements to reflect future/likely events or circumstances.



DIRECTOR'S REPORT

Dear Members,

Your Directors are pleased to submit the 36th Annual Report on the Business and Operations of the Company along with its Audited Standalone and Consolidated Financial Statements for the Financial Year (FY) ended 31st March, 2021.

Financial Highlights

(In Crores)

Particulars	Standalone FY 2020-21	Consolidated FY 2020-21	Standalone FY 2019-20	Consolidated FY 2019-20
Revenue From Operations	1387.47	1387.47	1120.07	1120.07
Other Income	33.70	33.70	25.09	25.09
Total Revenue	1421.17	1421.17	1145.16	1145.16
EBIDTA	302.81	302.81	198.56	198.45
Depreciation	15.18	15.18	16.36	16.36
Finance Cost	2.69	2.69	1.56	1.56
Profit before Tax	284.94	284.94	180.64	180.53
Provision for Taxation	74.38	74.38	39.17	39.17
Profit after Tax (PAT)	210.56	210.56	141.47	141.35
Other Comprehensive Income	1.30	1.30	(3.72)	(3.72)
Total Comprehensive Income for the Period	211.86	211.86	137.75	137.63
Balance of Profit brought forward from previous years	696.74	696.62	631.26	631.26
Total	908.60	908.48	769.01	768.89
Appropriations				
Addition during the Financial year	210.56	210.56	141.46	141.35
Less: Amount Utilised for Buy back of equity shares	(99.80)	(99.80)	-	-
Less: Amount Transferred to Capital Redemption Reserve on Buy back of equity shares	(0.20)	(0.20)	-	-
Less: Tax paid on Buy back of equity shares	(23.25)	(23.25)	-	-
Add/ (Less):				
Remeasurements of the defined benefit plans through OCI	1.30	1.30	(3.72)	(3.72)
Dividend paid including Dividend Distribution Tax (DDT)	-	-	(72.27)	(72.27)
Dividend on Equity Shares	Nil	Nil	59.95	59.95
Dividend Distribution Tax	Nil	Nil	12.32	12.32
Leases (Ind AS 116) transition effect	Nil	Nil	Nil	Nil
Balance Profit carried forward to Balance Sheet	785.35	785.23	696.74	696.62

Note: The Wholly Owned Subsidiary M/s. Dhanuka Agri Solutions Private Limited has not yet started its operations therefore figures are same for Standalone and Consolidated Basis.



During Financial Year 2020-21, Revenue from Operations was Rs. **1387.47** Crores, up **24%** over last year. EBITDA stood at Rs. **302.81** Crores, up **53%** over the previous year. EBITDA margin improved from **18%** in FY20 to **22%** in FY21.

Profit After Tax was at Rs. **210.56** crores in FY2020-21, up **49%** compared to Rs. 141.47 Crores in FY 20219-220. PAT margin improved from 12.6% in FY2019-20 to **15.18%** in FY2020-21.

- **Business Operations**

Financial Year 2020-21 was a very good year for the Company. Due to normal monsoon, there was good demand of the Company's products and therefore, the overall performance of the Company improved. Further, Indian Meteorological Department (IMD) has forecasted normal monsoon this year. The Company hopes to further improve its performance during Financial Year 2021-22.

Dhanuka continues to remain debt-free due to robust financial management. Additionally, it has a healthy Net worth of Rs. **796.31** Crores as at 31st March, 2021. ICRA has accorded (ICRA) AA- rating for fund-based limits and (ICRA) A1+ rating for non-fund based limits of the Company (with a positive outlook).

Your Company is setting up a plant for Technical Manufacturing of Pesticides i.e. Backward Integration Process, at Dahej, Gujarat. The Company has acquired a plot of approx. 1,37,000 square meters at Dahej, Gujarat in the year 2013. The setting up of this unit will involve an investment outlay of approx. Rs. 200 Crores initially, which will be managed from internal accruals of the Company. The setting up of said unit will improve the Company's position with other players for procuring the raw materials under the barter system. It will also help the Company to expand its market share and to open new avenues for the export of the Company's products.

This year the Company celebrated virtual 40th Founder Day on August 8, 2020. Shri R. G. Agarwal, Chairman of the Company, was awarded Lifetime Achievement Award from Amity University, Noida, for excellence in Agro Industry, in December 2020 and Business Leader Award of the year by Global Leaders Conclave on Feb. 17, 2021. The Company has also celebrated 20 years successful campaign for its product Targa Super. Mr. V.K. Bansal, CFO of the Company, has been conferred the award "100 BEST CFO" in March 2021.

- **Impact of COVID 19**

Due to Covid-19 Pandemic, the Company's operations were temporarily disrupted at manufacturing facilities and sales depots across the Country. However, being the Company's products are covered under Essential Commodities, there is

no major impact of Covid 19 on the business. The Factories and Depot were closed for short period during lockdown and thereafter opened with all safety, security and other measures / precautions as required by Government and Health advisories, for uninterrupted supply of essential commodities. All safety, security and other measures / precautions are taken at Factories, Depots and Offices as required by Government and Health advisories.

The Company was prompt to implement various measures to protect employees, communities, and operations from ensuring that the supply chain was not impacted. The Company also encouraged non-critical operations to work from home and carry out interactions electronically. The Company adheres to government advisories and guidelines in and around the sites. The Company closely engages with suppliers, vendors and distributors to ensure that there is a minimal impact on business operations. Further, relationships with the domestic manufacturers and distributors have helped the Company to sustain inventories in the pipeline during the lockdown period.

- **Dividend**

Your Directors are pleased to recommend Dividend @ **100%** i.e. Rs. **2** per Equity Share having Face Value of Rs. 2/- each for the FY 2020-21. Dividend, if approved by the Shareholders at the ensuing Annual General Meeting (AGM), will absorb Rs. **9.32** Crore. The Dividend shall be paid within 30 days of its declaration at the 36th AGM.

- **Dividend Distribution Policy**

Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') requires the top 500 listed entities, based on market capitalization calculated as on March 31 of every Financial Year, to formulate a Dividend Distribution Policy and disclose the same in the Annual Report and on the website of the Company.

The Board of Directors of the Company has adopted a Dividend Distribution Policy, which aims to ensure fairness, sustainability and consistency in distributing profits to the Shareholders. The Policy is attached as "**Annexure A**" and is also available on the website of the Company i.e., www.dhanuka.com under the "Investors- Corporate Governance" section.

- **Transfer of Unpaid/ Unclaimed Dividend and Equity Shares to IEPF**

During the Financial Year 2020-21, Unclaimed Final Dividend for Financial Year 2012-13 amounting to Rs. 4,35,298/- (Rupees Four Lakh Thirty Five Thousand Two Hundred Ninety Eight only) and Interim Dividend for FY



2013-14 amounting to Rs. 6,32,572/- (Rupees Six Lakh Thirty Two Thousand Five Hundred and Seventy Two only) were transferred to the Investors Education and Protection Fund (IEPF), pursuant to the provisions of Section 124(5) of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time).

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the rules mentioned therein, all Shares in respect of which Dividend has not been paid or claimed for 7 (Seven) consecutive years or more were transferred in the name of IEPF after requisite notice send to concerned Shareholders. During the FY 2020-21, 4,500 (Four Thousand Five Hundred only) Equity Shares related to Financial Year 2012-13 were transferred to IEPF. Details of such transferred Shares are available at the Company's website i.e., www.dhanuka.com under the "Investors - Corporate Governance" section and such shares can be claimed back from IEPF authority after following the prescribed procedure.

- **Subsidiary Company**

At present, your Company has only one Wholly-Owned Subsidiary Company namely, M/s. Dhanuka Agri Solutions Private Limited, incorporated in Bangladesh. Operations of this Wholly-owned Subsidiary have not yet started. A Statement containing basic financial details of this Company in Form AOC-1 is annexed as **Annexure "B."**

The said Wholly-owned Subsidiary Company has not started its operations since incorporation. Therefore, the Board of Directors, in its Meeting held on 2nd February 2021, has approved the disposal/liquidation of the Wholly Owned Subsidiary Dhanuka Agri-Solutions Private Limited incorporated in Bangladesh.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the Company's Standalone and Consolidated Financial Statements, along with relevant documents and separate Accounts in respect of the Wholly-owned Subsidiary are available on the website of the Company i.e., www.dhanuka.com under "Investors - Corporate Governance" Section.

The Company does not have any Material Subsidiary in terms of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, a Policy on Material Subsidiaries has not been formulated. There are no Associate Companies within the meaning of Section 2(6) of the Companies Act, 2013.

Further, the Company is in process of incorporating a Wholly Owned Subsidiary in the name and style of "M/s Dhanuka Chemicals Private Limited" with respect to setting

up of its project at Dahej, Gujarat.

- **Share Capital**

The Paid-Up Equity Share Capital as at 31st March, 2021 was Rs. 9.32 Crores. During the year under review, the Company has not issued any shares.

- **Buy-Back**

Dhanuka has rewarded its Shareholders by undertaking Buyback of its 10,00,000 (Ten Lakhs) Equity Shares at Rs. 1000 (Rupees One Thousand) per Equity Share amounting to 100 Crores (Rupees One Hundred Crore Only) excluding the transaction costs, viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty etc. With the Buyback Price of Rs. 1,000/- (Rupees One Thousand only) per Equity Share and the total number of Shares bought back were 10,00,000 (Ten Lakhs) Equity Shares, representing about 2.10% of the total Issued and Paid-up Equity Share Capital of the Company. Consequently, the paid up Equity Share Capital of the Company has been reduced by Rs. 20,00,000/- (Rupees Twenty Lakhs).

- **Transfer to General Reserve**

This year no amount has been transferred to General Reserve.

- **Deposits from Public**

During the year under Report, your Company has not accepted any Deposits from Public.

- **Future Prospects**

Dhanuka's Corporate Vision "*Transforming India through Agriculture*" leads us to be the responsive, trustworthy and farmers' friendly organization. We are advocating '**Dhanuka Kheti Ki Nai Takneek (DKKNT)**', a holistic approach of Integrated Crop Management for higher yields and in turn higher farmers' income. Company is remarkably contributing towards "*Transforming India Through Agriculture*" by educating Indian farmers with new and innovative techniques of farming. Among various initiatives taken by Dhanuka, few are stated below:

Digital Media Campaigns

➤ **World Water Day - #harboondkeemti hai**

The campaign focused on motivating the viewers for saving minimum 1 liter water daily. The engaging content urged to give back water to society for a better tomorrow, was well received by Dhanuka's social media followers. Many such campaigns saw positive reach in social media platform and created niche for Dhanuka in digital media.



> **Kisan Diwas - #thankyoukisan**

On occasion of Farmers day celebration, several engaging contents were developed thanking the farmers for their hard work and efforts in feeding the nation. Viewers were asked to share their Thank you Kisan video appreciating and recognizing farmer's determination and struggle. The campaign witnessed good reach in social media platform and created a niche in digital platform.

> **COVID-19 Regional Booklet campaign for Precautions and Safety**

Successfully driven and executed campaigns regional language wise on safety measures to combat the crisis.

> **Multiple Social Media campaigns - about COVID-19 ,**

Safety Measures, Importance and Role played by Farmers and Dealers through official social media page of Dhanuka.

Product Launch

Following New Products has been launched in the Financial Year 2020-21.

> **Dabooch (Diclosulam 84 % WDG)**, a member of Triazolopyrimidine Sulfonamide family, is a pre-emergence herbicide applied in Soybean crop within 3 days after sowing. It is Systemic in action and provides superior control of key broad leaf weeds in soybean in addition to suppression of key grasses and sedges. It is safe to soybean as well as succeeding crops at recommended dose. Dabooch inhibits aceto lactate synthase enzyme (ALS) in weeds and stops protein synthesis & control the weeds. Dabooch was launched on June 2, 2020.

> **Dozo Maxx (Pyrithiobac Sodium 6% +Quizalofop Ethyl 4% MEC)**, is a selective herbicide for cotton crop and has advance ME formulation which is thermodynamically stable. It controls major broad and narrow leaf weeds of cotton. Its Pyrithiobac sodium is absorbed by roots, shoots and is translocated to growing points. It inhibits the enzyme Acetolactate synthase (ALS) involved in amino acid synthesis. Quizalofop Ethyl does inhibition of acetyl CoA carboxylase (ACCase). This advanced and superior molecule was launched on June 3, 2020.

> **Kirari (Amisulbrom 20% W/V SC)**, is a world class chemistry and has Japanese technology with preventive & curative action. It is a Downy Mildew expert with a unique mode of action which effectively controls different stages of Oomycetes fungi. It is a Contact and locally systemic fungicide with preventive, curative action and inhibits the mitochondrial respiration of the fungi. It targets the Complex III, Cytochrome BC1 (Ubiquinone reductase) at Qi site. It quickly penetrates into wax layer of leaves and

doesn't get affected by rain. It is safe for bees and thus has Blue Triangle. It is registered in many countries like EU, Japan, USA, Australia, Canada etc. It was launched on September 4, 2020.

> **Craze-D (Pretilachlor 30.7% EC)** is a safe non-phytotoxic and selective pre-emergence herbicide with excellent action against annual grasses, sedges and weeds. It contains 307 g Pretilachlor (2, 6-diethyl-n-(2-propoxythyl) - chloroacetanilide) per kg of emulsifiable concentrate (EC) formulation (w/w). This is equivalent to 300gm Pretilachlor in a litre of product (w/v). This advanced selective herbicide was launched on September 15, 2020.

> **Nissodium (Cyflufenamid 5% EW)** is a world class chemistry for powdery mildew with unique mode of action control both primary and secondary infection. Nissodium has Japanese technology with preventive & curative action to protect the plants against Powdery Mildew. Its five action formula not only controls all the disease causing stages of fungus but also gives longer duration effective control. Its unique EW formulation makes it more effective with high level of crop safety against disease. It is registered in many countries like EU, Japan, USA, Australia, Canada etc. It was launched on November 3, 2020.

> **Ripple (Thiamethoxam 75% SG)** is a broad spectrum, systemic insecticide which contains the active ingredient Thiamethoxam. It is recommended for the control of termites in groundnut, termite & early shoot borer in sugarcane, Greenleaf hopper & brown plant hopper in rice and jassids & thrips in cotton crop. Ripple, the soil applied insecticide was launched by the Company on December 7, 2020.

• **Measures for Conservation of Energy, Technology Absorption and Details of Foreign Exchange Earnings and Outgo**

Information as required u/s 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 pertaining to measures for Conservation of Energy, Technology Absorption and Details of Foreign Exchange Earning and Outgo forming part of this Report are given in **Annexure "C"**.

• **Web address for Annual Return**

Annual Return of the Company pursuant to Section 92(3) of the Companies Act, 2013 is available on the website of the Company i.e., www.dhanuka.com under "Investors" Section.

• **Business Responsibility Reporting**

Business Responsibility Report as stipulated under Regulation 34 of the SEBI (LODR) Regulations, 2018 is available at the website of the Company i.e.



www.dhanuka.com under “Investors- Corporate Governance” Section. Any Member interested in obtaining a physical copy of the same may write to the Company Secretary at the Registered Office address of the Company.

- **Meetings of the Board**

Four meetings of the Board of Directors were held during the Financial Year 2020-21. Detailed information about Meetings of the Board of Directors and its Committees is given in the Corporate Governance Report annexed to this Report. The Company is in compliance with the Secretarial Standards prescribed by the Institute of Company Secretaries of India for the Board and Committee meetings.

- **Board of Directors and KMP**

- In accordance with the provisions of the Companies Act, 2013, Mr. Mahendra Kumar Dhnanuka, Mr Harsh Dhanuka and Mr Ashish Saraf, Directors will be liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, have offered themselves for re-appointment. Their re-appointment are recommended for the Members' approval at the ensuing Annual General Meeting.
- Based upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors has appointed Mr. Siraj Azmat Chaudhry as an Additional Director (Non-Executive and Independent category), w.e.f. July 22, 2020, in accordance with provisions of the Companies Act, 2013 and Rules framed thereunder. Thereafter, at the 35th Annual General Meeting, Members of the Company has appointed Mr. Siraj Azmat Chaudhry as Independent Director for a term of 5 (Five) consecutive years.
- The Board of Directors after the approval and recommendation of the Nomination and Remuneration Committee at its Meeting held on July 22, 2020 prior the Board Meeting on the same date appointed/designated Mr. Mrdiul Dhanuka as a Non-executive Director of the Company with effect from June 29, 2020. Thereafter, the Members of the Company in the 35th Annual General Meeting have approved the appointment and commission payable to Mr. Mrdiul Dhanuka as a Non-Executive Director of the Company.
- The Second Term of appointment of Mr. Indresh Narain, as Independent Director was concluded on May, 20, 2020 due to vacation of his office pursuant to the provision of Section 167(1)(b) of the Companies Act, 2013 as he has not attended single Board Meeting in the last Twelve months. Consequently he ceased to be Chairman of the Stakeholders' Relationship Committee and Member of the Audit Committee and CSR Committee. The Board of Directors placed on record Its sincere appreciation for the

contributions made by Mr. Indresh Narain during his tenure as Independent Director of the Company.

Section 149(10) of the Companies Act, 2013 provides that an Independent Director shall hold office for a term of up to 5 (Five) consecutive years on the Board and shall be eligible for re-appointment for Second Term of 5 (Five) consecutive years on passing a Special Resolution by the Shareholders of the Company and disclosure of such appointment in its Boards' Report. Therefore, the Members of the Company in the 35th Annual General Meeting has approved the appointment of Mr Sachin Kumar Bhartiya as an Independent Director for Second Term of 5 (Five) consecutive years w.e.f February 09, 2021.

- There is no change in the Chief Financial Officer and Company Secretary of the Company.

- **Familiarization Program**

Details of Familiarization Program for Independent Directors is available on the website of the Company i.e. www.dhanuka.com under the “Investors - about Board of Directors” Section.

- **Directors' Responsibility Statement**

Pursuant to the provisions of Section 134(3) (c) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- The applicable Accounting Standards have been followed along with proper explanations relating to material departures while preparing the Standalone and Consolidated Annual Accounts for the Financial Year March 31, 2021.
- The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the State of Affairs of the Company at the end of the Financial Year and of the Profit of the Company for that period.
- The Directors have taken proper and sufficient care for the maintenance of adequate Accounting Records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- The Directors have prepared the Standalone and Consolidated Annual Accounts on a going concern basis.
- The Directors have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively.
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and

such systems are adequate and operating effectively.

- **Corporate Governance**

Your Company maintains the highest level of transparency, accountability and good management practices through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities.

The Board has also evolved and adopted a Code of Conduct as per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 based on the principles of good Corporate Governance and Best Management Practices. The Code is available on the Company's website i.e., www.dhanuka.com under "Investors- Corporate Governance" Section.

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate Report on Corporate Governance along with the Statutory Auditors' Certificate confirming compliance with Corporate Governance norms is annexed to this Report.

- **Management Discussion & Analysis**

The Management Discussion and Analysis is given separately and forms part of the 36th Annual Report of the Company.

- **Corporate Social Responsibility (CSR)**

Agriculture is the culture of our Country and we are nurturing the "Culture" by protecting the same. CSR is not just a particular program, it's what your Company do every day, maximizing positive impact on society and thus helping people to be happier. Your Company undertakes enumerable initiatives like water conservation through the construction of Check Dams, Rejuvenation of old Water Bodies, creating awareness among the masses about Water Conservation and Rainwater Harvesting. These are steps towards nurturing Agriculture and rural prosperity.

The detailed Annual Report on our CSR activities pursuant to Rule 8 of the Company's (Corporate Social Responsibility Policy) Rules, 2014 is given in **Annexure "D"** forming part of this Report.

- **Internal Complaints Committee (ICC)**

Your Company has zero-tolerance for Sexual Harassment of Women at the Workplace. In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder your Company has constituted an Internal Complaints Committee (ICC), to inquire into the complaints of Sexual Harassment and to recommend appropriate action.

The ICC comprises Ms. Shubha Minz (Presiding Officer),

Mr. Sudhir Sharma (Member), Ms. Puja Gogia (Member) and Ms. Isha Thakur (Member). The Company has also formulated a Policy on Prevention, Prohibition & Redressal of Sexual Harassment of Women at the Workplace. The Company's Policy under this Act is available on the Corporate Website i.e., www.dhanuka.com under "Investors- Corporate Governance" Section. The ICC provides a mechanism for reporting and redressing complaints related to Sexual Harassment of Women at the workplace. The Committee has not received any complaint of Sexual Harassment during the Financial Year 2020-21, nor has any complaint been received in previous years.

- **Committees of the Board**

The details of Committees of the Board are provided in the Corporate Governance Report forming part of this Report.

- **Whistle Blower Policy**

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Whistle Blower Policy has been implemented as a mechanism for employees to report concerns about unethical behavior or actual or suspected fraud of all kinds, including alleged fraud by or against the Company, abuse of authority, whether made by a named complainant or anonymously.

The Policy is a step towards better Corporate Governance and is available on the Company's website i.e., www.dhanuka.com under "Investors- Corporate Governance" Section. No complaint under this Policy has been received by the Company during the year.

- **Material Changes and Commitments affecting the Company's Financial Position between the end of the Financial Year and Date of Report u/s 134 of the Companies Act, 2013**

Except as disclosed in the Report, there have been no material changes and commitments, affecting the financial position of the Company between the end of the Financial Year till the date of this Report.

- **Declaration by Independent Directors**

The Non-Executive Independent Directors of the Company have given the declarations stating that they continue to confirm the criteria set out for Independent Directors under Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- **Performance Evaluation**

In compliance with the requirement of Section 134(3)(p) and Schedule IV of the Companies Act, 2013 and Rules framed thereunder and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations,



2015, the Board of Directors of the Company evaluated and assessed the performance of the Company's Chairman, Individual Directors, Board as a whole and its Committees on the basis of parameters set by the Nomination and Remuneration Committee in the form of questionnaire based on emerging and leading practices and performance criteria such as strategic engagement, knowledge, diligence, ethics & values, oversight of the financial reporting process, including Internal Controls and Composition of the Board and its Committees etc. The Nomination and Remuneration Committee has also carried out evaluation of the performance of all the Directors. Independent Directors of your Company have also conducted in-depth evaluation of performance of Executive Directors, Chairman of the Board and Committee(s) of the Board.

- **Policy on Appointment and Remuneration of the Directors, Key Managerial Personnel and Other Employees**

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178(3) of the Companies Act, 2013, Company's Policy relating to the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management is given in the Corporate Governance Report forming part of this Report.

- **Particulars of Inter Corporate Loans, Guarantees or Investments**

The particulars of Inter Corporate Loans and investments of the Company have been provided in the Notes to the Financial Statements.

- **Particulars of Contracts or Arrangements with Related Parties**

Particulars of contracts or arrangements with related parties pursuant to Section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 are given in **Annexure "E"** forming part of this Report. Notes to Accounts cover information on Related Party Transactions entered into by the Company.

All contracts/ arrangements entered with Related Parties in terms of Section 188(2) of the Companies Act, 2013 were in the ordinary course of business and on an arm's length basis. During the year under review the Company has not entered into any transactions except with DMC Related Parties, which could be considered material in terms of the Company's policy on materiality of Related Party Transactions read with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

However, for significant Related Party transactions, even though not material, Members' approval has been taken.

The Revised Policy on Related Party Transactions has been approved by the Board of Directors in their Meeting held on February 13, 2020. It is available on the website of the Company i.e., www.dhanuka.com under the "Investors – Corporate Governance" Section.

- **Risk Management Policy and Internal Adequacy**

For Dhanuka, on-going Risk Management is a core function of Company's Management and we recognizes the fact that the Company's ability to pro-actively identify, assess and minimize risk is critical in achieving its corporate objectives. The Board of Directors of the Company has approved a Risk Identification, Assessment and Mitigation Report to ensure appropriate and timely Risk Management, in compliance with the provisions of the Companies Act, 2013 and Listing Regulations. The Company's Internal Control systems are commensurate with the nature of its business and the size and complexity of its operations.

- **Risk Management Committee**

A Risk Management Committee of the Board of Directors has been constituted in the Board Meeting held on June 10, 2020. Mr. Rahul Dhanuka was appointed as a Chairman and Mr. Harsh Dhanuka and Mr. VK Bansal were appointed as members of the Committee to identify the elements of risk in different areas of operations and to develop a policy for actions associated with mitigating the risks as well as identify new and emergent risks. This Committee will inform the Board, on a timely basis, about risk assessment and minimization procedures, which in the opinion of the Committee, may threaten the existence of the Company, if any. A Risk Management Policy has also been adopted in the Board Meeting held on June 10, 2020, which is also available on the website of the Company under the Investors section.

- **Internal Control Systems and their adequacy**

As per the requirements of Section 138 of the Companies Act, 2013, M/s. Manoj Ritu & Associates, Chartered Accountants, had conducted Internal Audit for Company's Corporate Office situated at Gurgaon and Keshwana Factory for Financial Year 2020-21 and for the rest of the part the Internal Audit was conducted by the Internal Team of the Company.

During the Financial Year 2020-21, the Company strengthen its Internal Control Department and appointed Mr. Gautam Mittal as Deputy General Manager – Internal Auditor. He is a Chartered Accountant and having 15 years of rich experience in developing and implementing risk

based audit strategy and SOX implementation. Being the internal team of the Company is commensurate to handle the complete Internal Audit functions of the Company, therefore, based upon the Audit Committee's recommendations, the Board has appointed Mr. Gautam Mittal as Internal Auditors of the Company for Financial Year 2021-22.

The Audit Committee defines the scope and area of Internal Audit and periodically reviews the Internal Audit Plans and Internal Audit Reports. Based on Internal Audit Reports and observations, appropriate corrective actions are suggested by the Audit Committee. During the year, Internal Audit was regularly carried out and no material weakness was observed. There are adequate Internal Financial controls with reference to the financial systems. The same are periodically reviewed by the Statutory Auditors and by the Management, Board and Committees thereof.

- **Statutory Auditors**

As per Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company in the 34th Annual General Meeting held on 12th August, 2019 has ratified the appointment of M/s. S.S. Kothari Mehta & Co., Chartered Accountants (FRN – 000756N), having their Registered Office at Plot No. 68, First Floor, Phase-3, Okhla Industrial Area, New Delhi-110 020, as the Statutory Auditors of the Company.

The Audit Report given by M/s. S.S. Kothari Mehta & Co., Chartered Accountants on the Financial Statements of the Company (on Standalone and Consolidated basis) for the Financial Year 2020-21 forms part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report. During the year under review, the Auditors have not reported any matter under Section 143(12) of the Companies Act, 2013 and hence no detail is required to be disclosed under Section 134(3) of the Act.

No frauds have been reported by Auditors under Sub-section (12) of Section 143 of Companies Act, 2013.

- **Secretarial Auditors**

The Secretarial Audit was carried out by M/s. R&D, Company Secretaries, Practicing Company Secretaries (PCS) for the Financial Year 2020-21. The Report given by the Secretarial Auditors is annexed as **Annexure “F”** and forms an integral part of this Board's Report. Further, in terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) (Amended) Regulations, 2018, Annual Report on Compliance from Secretarial Auditors also forms part of Secretarial Audit Report as **Annexure “G”**.

There has been no qualification, reservation or adverse remark or disclaimer in their Report, during the year under review. The Secretarial Auditors have not reported any matter under Section 143(12) of the Companies Act, 2013 and therefore no detail is required to be disclosed under Section 134(3) of the Act. In terms of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and in terms of Regulation 24A of Listing Regulations, the Audit Committee recommended and the Board of Directors appointed M/s. R&D, Company Secretaries, (PCS), having their Registered Office at 785, Pocket E, Mayur Vihar, Phase-II, New Delhi-110 091, as the Secretarial Auditors of the Company for the Financial Year 2021-22. The Company has received their written consent stating that the appointment is in accordance with the applicable provisions of the Act and rules framed thereunder.

- **Cost Records and Cost Auditors**

In terms of provision of Section 148(1) of the Companies Act, 2013 maintenance of Cost Records is required by the Company and accordingly such accounts and records are made and maintained.

M/s. S. Chander & Associates, Cost Accountants, having their Registered Office at 212, 2nd Floor, Sarai Pipal Thala, G.T. Karnal Road, Adarsh Nagar, New Delhi – 110 033 is conducted the Cost Audit of the Cost Accounts maintained by the Company for Financial Year 2020-21.

The Board of Directors, in compliance with the provisions of the Companies Act, 2013, Rules and Notifications issued thereunder, have appointed M/s. N. Khandelwal & Associates, Cost Accountants, having their Registered Office at A-71, Triveni Nagar, Gopalpura Bypass, Jaipur, Rajasthan-302018, as Cost Auditors to conduct Audit of the Cost Accounts maintained by the Company for the Financial Year 2021-22.

- **Status of Listing Fees**

Listing Fees for the Financial Year 2021-22 have been duly paid to BSE and NSE, where Company's shares are Listed.

- **Material Orders passed by Regulators, Courts or Tribunal**

There were no significant or material orders passed by the Regulators, Courts or Tribunal which impact the going concern status of the Company and the Company's operations in future.

- **Particulars of Employees**

The Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (“Rules”), is appended



as **Annexure “H”** to this Report. The information as per Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report. However, as per First proviso to Section 136(1) of the Companies Act, 2013 and Second proviso to Rule 5(2) of the Rules, the Report and Financial Statements are being sent to the Members of the Company excluding the Statement of Particulars of Employees under Rule 5(2) of the Rules. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the address of the Corporate Office of the Company.

- **Acknowledgement:**

Your Directors take this opportunity to record their deep sense of gratitude for the valuable support and co-operation extended to the Company by the Central Insecticides Board, Directorates of Agriculture, Gujarat, J&K, Rajasthan, other Government Agencies, Bankers, Shareholders, Dealers, Distributors, Vendors, U.S. & Japanese MNCs and the Farming Community who have reposed their trust and confidence in the Company.

Your Directors wish to place on record their appreciation for the cordial industrial relations maintained by workmen and dedicated efforts put in by staff, towards Company's continuous growth and success.

For and on behalf of the Board

Sd/-
Ram Gopal Agarwal
Chairman
DIN: 00627386

Place: Gurugram
Date: 21st May 2021

For and on behalf of the Board

Sd/-
Mahendra Kumar Dhanuka
Managing Director
DIN: 00628039



DIVIDEND DISTRIBUTION POLICY

1. PREAMBLE

Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called "SEBI LODR") issued by the Securities and Exchange Board of India (SEBI) has mandated the formulation of a Dividend Distribution Policy for the top 500 listed entities based on their market capitalization.

2. OBJECTIVE

As the Company is in the top 500 listed Companies as on March 31, 2016, it is required to formulate a Dividend Distribution Policy in compliance with Regulation 43A of the SEBI (LODR).

The Board of Directors of the Company (hereinafter called "the Board") has accordingly approved this policy at its meeting held on February 07, 2017.

3. EFFECTIVE DATE

This policy is effective from the Financial Year ending March 31, 2017.

4. GUIDELINES FOR DECLARATION / RECOMMENDATION OF DIVIDENDS

4.1 The Company shall comply with relevant statutory requirements in the Companies Act, 2013 which may be applicable to the Company at the time of taking decision on declaration / recommendation of dividend.

4.2 The Company shall pay dividend in compliance with the provisions of Section 123 of the Companies Act, 2013 and Companies (Declaration and Payment of Dividend), Rules, 2014.

4.3 The Board shall consider the expectations of all stakeholders including minority / small shareholders) while declaring/ recommending dividends.

5. THE POLICY SHALL NOT APPLY TO

5.1 Distribution of dividend in kind, i.e. by issue of fully or partly paid bonus shares or other securities, subject to applicable law;

5.2 Distribution of funds as an alternative to payment of dividend by way of buyback of equity shares.

6. RETAINED EARNING UTILIZATION

6.1 The Company is engaged into the business of manufacturing of pesticides for farmers of India.

6.2 The profits retained in the business shall be continued to be deployed for expansion of the business of the company.

6.3 The decision of utilization of the retained earnings of the Company shall be based on the factors like Strategic and long term plans of the company, diversification, Government guidelines with regard to issue of bonus, buy-back and any other criteria which the Board of the company may consider appropriate.

Therefore, retained earning shall be utilized in a manner which will enhance value of all its shareholders in a sustainable manner.

7. FINANCIAL PARAMETERS AND OTHER INTERNAL AND EXTERNAL FACTORS THAT WOULD BE CONSIDERED FOR DECLARATION OF DIVIDEND

7.1 Surplus funds available with the Company;

7.2 The Company's liquidity position and future cash flow requirements;

7.3 Track record of Dividends distributed by the Company;

7.4 Taxation Policy as on date or any amendments expected thereof, with respect to Dividend distribution;

7.5 Capital expenditure requirements considering the expansion and acquisition opportunities;

7.6 Cost and availability of alternative sources of financing;

7.7 Macroeconomic and business conditions in general;

7.8 Any other relevant factors that the Board may deem fit to consider before declaring Dividend.

8. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

8.1 The dividend declaration decision of the company will be taken by the Board/Shareholders after due consideration of all the factors. The company will adopt a balanced approach to declare dividend with the objective of rewarding the shareholders appropriately and at the same time retaining the profits for its future requirements.

8.2 The Company has been consistently paying dividends to its shareholders and it can be reasonably expected to continue declaring same in future as well unless, it is restrained to declare dividend due to insufficient profits or the requirements to retain profits for its business needs or on account of any external or internal factors listed above.

8.3 The Company will endeavors to declare the dividend as per the guidelines issued by Govt. of India from time to time. However, the Company may propose lower dividend after analysis of various financial parameters, cash flow position and funds required for future growth, etc.



9. AMENDMENTS

The Board of Directors of the Company reserves the rights to amend, modify or review this policy in whole or in part, at any point of time, as may be deemed necessary.

10. DISCLOSURE

This policy shall be disclosed in the Annual Report and displayed on the website of the Company.

Annexure 'B'

FORM NO. AOC-1

STATEMENT PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT, 2013, READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014 IN THE PRESCRIBED FORM AOC-1 RELATING TO WHOLLY OWNED SUBSIDIARY COMPANY- M/S. DHANUKA AGRI-SOLUTIONS PRIVATE LIMITED

As on March 31, 2021 (Rs. In Lacs)

Name of the Subsidiary Company	M/s. Dhanuka Agri-Solutions Private Limited, Bangladesh
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same (i.e. 31 st March, 2021)
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Bangladeshi Taka (Exchange Rate 1 BDT=INR
Share capital (Rs.)	0.09
Reserves & surplus	(11.68)
Total assets	0.07
Total Liabilities	11.66
Investments	NIL
Turnover	NIL
Profit before taxation	(0.03)
Provision for taxation	NIL
Profit after taxation	(0.03)
Proposed Dividend	NIL
% of shareholding	100%

For and on behalf of the Board of Directors

Sd/-
Ram Gopal Gopal
Chairman
DIN: 00627386

Sd/-
Mahendra Kumar Dhanuka
Managing Director
DIN: 00628039

Sd/-
V.K. Bansal
CFO

Sd/-
Jitin Sadana
Company Secretary
FCS-7612

Date: 21st May, 2021
Place: Gurugram



Annexure 'C'

(A) Conservation of Energy

1. Automatic on/off system installed in an underground water tank and overhead water tank. The pump will run automatically when a low level achieves and stops when a high level achieves. Hence reduced consumption of electricity.
2. Electromagnetic Flowmeter installed on ETP/STP water line for proper assessment.
3. Maximized Reuse/ Recycle of Waste Water. ETP treated water is being used for gardening and in hot water generators for the melting of technical.
4. Reduced the consumption of paper usage. Promoted soft copy record instead of hard copy, using both sides of the paper for writing purpose, no printouts were taken unless it was essential & monitoring of consumption of paper.
5. Reuse of reflux-distillation water being used for testing/analysis of product in the laboratory.
6. Installation of 257 KW Solar Power Energy System for captive consumption.
7. Conversion of existing light fittings to LED light fittings.

(B) Technology absorption

(i) The following efforts were made towards technology absorption:

1. New Filling line installed with more advanced features like conveyor washing system, enhanced capacity.
2. ISO 9001-2015, ISO 14001-2015, and OHSAS 18001-2007 certification audit completed and was successful.
3. NABL audit surveillance audit conducted and successful.

(ii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year):

Details of Technology Imported	Year of Import	Status absorption/ implementation	Reason, if not fully absorbed
NIL	NA	NA	NA

The Company has not imported any technology during the last three Financial Years.

Your Company's strategic collaborations with MNCs have resulted in technology transfer and adoption of scientifically advanced, high-efficacy plant-protection chemicals by the

Indian farmers, resulting in increased crop yields and farm incomes. This goes a long way towards ensuring food security for the nation.

Your Company's Keshwana Laboratory is NABL-accredited and successfully survived the surveillance audit. Also, the Company's R&D Centre is recognized by the Department of Science & Technology, Ministry of Chemicals, Government of India.

The Company's Keshwana Unit has also received re-certification (for ISO 9001:2015 for Quality Management and ISO 14001:2015) for Environmental Management. The OHSAS 18001:2007 certification Awarded to the Company's Keshwana and Udampur unit demonstrates the Company's commitment to its employees, employees' families and other stakeholders regarding the health, safety, and wellness of each person that may be exposed to the health and safety risks associated with the activities and operations of the Company. Further, it helps reduce accidents, disruptions, and their associated costs, thereby increasing productivity.

(C) Research & Development

Since its very inception, our Research & Development Division continues to play a pro-active role in introduction and establishment of new products and services. This Division today has a highly qualified and experienced multi-disciplinary team having distinguished Scientists / Technocrats, with immense experience of working in the Indian Council of Agricultural Research (ICAR), State Agricultural Universities (SAU), and other esteemed research organizations across the Country and abroad. Therefore, it forms our core strength for expanding Brand portfolio as an on-going process for introduction of new eco-friendly world class molecules in India.

In order to fulfil its mandate, the Division is actively engaged in (i) evaluating new and current products in different agro-climatic regions of the Country, (ii) product promotion and creating awareness about newly introduced products amongst different stakeholders, (iii) channelizes information to consumers on safe and judicious use, (iv) develops interface with SAUs, ICAR and its Institutes and other such academic organizations, and (v) imparts training to Development and Marketing staff, Agri-input Dealers and Farmers, etc.

This Division generates data on different parameters for registration of molecules and for expansion of existing label claims on suitable crops, and prepare appropriate proposals as per guidelines of the Govt. of India and submit for approval of the Central Insecticide Board & Registration Committee (CIB & RC),



Govt. of India. Further, it also facilitates registration of pesticides for exports.

Introduction of New Products

One of the important on-going activities of the R&D Division is registration of new molecules of Foreign Collaborators, besides expansion of existing label claims, packaging endorsements, bio-efficacy claims, and registration of products under Section 9(3) and 9(4) of the Insecticides Act, etc.

During 2020-21, Company has obtained approval of the CIB & RC, Govt. of India under section 9(3) of the Insecticides Act for two new fungicides, introduced in India for the first time, Kirari 20 % SC (Amisulbrom 20% SC) for the control of Downy mildew of Grape and Late blight of Potato, Nissodium 5 % EW (Cyflufenamid 5% EW) for the control of Powdery mildew in Grapes and Chilli, Label Expansion of Lustre 37.5% SC (Flusilazole 12.5% + Carbendazim 25% SE) for control of Alternaria blotch and Premature leaf fall in Apple, registration of Quinalofop ethyl 5% EC and Quinalofop ethyl 10% EC for Formulation Indigenous Manufacture. Apart from above, we have also been granted registration of Acephate 90% WDG for Export.

In addition, approval has also been granted for Sulfoxaflor 21.8% w/w SC under Section 9(4) of the Insecticides Act for the control of Jassid, Aphid, Whitefly and Cotton mealybug in Cotton and for the control of Brown Plant Hopper and White Backed Plant Hopper in Rice.

CIB & RC approval has also been accorded under section 9(4) of the Insecticide Act for Oxyfluorfen Technical 97% w/w min., Paraquat Dichloride Technical 42% min., Atrazine Technical 95% min. and Fipronil Technical 95% min. under Technical Import (TI) category.

The registration process being an on-going activity, the proposals are in the pipeline for some new fungicides, insecticides and herbicides. Similarly, data generation is in progress for Herbicides, fungicides and insecticides.

International collaborations

Your Company continues to have technical collaborations with MNCs like M/s Corteva Agri Sciences (a merged Company of M/s Dow Agro Sciences, and M/s DuPont), M/s FMC Corporation and M/s Oro Agri of USA; M/s Arysta Life Science, M/s Hokko Chemical Co. Limited, M/s Mitsui Chemicals, Inc., M/s Nissan Chemical Corporation, M/s. Nippon Soda Co., Ltd. and M/s OAT Agrio Co., Ltd of Japan. This way Dhanuka Agritech Limited has introduced a good number of eco-friendly, highly effective pesticides immensely benefiting the farming community to enhance on-farm income, across the country.

Capacity building of Agri-input dealers

As knowledge is becoming the driving force for success in any enterprise, more so in agriculture, our Group is continuously pursuing upgrading the knowledge of agri-input dealers (over 4 lakh at present), who play an important role of the credible agriculture technology providers. Your Company was the first to join hands with the National Institute of Agricultural Extension Management (MANAGE), Hyderabad under Public-Private Partnership (PPP), and supported its out-reach Diploma in Agricultural Extension for Input Dealers (DAESI), way back in 2002. With positive feedback, on our initiative under public-private partnership (PPP), three State Agricultural Universities (SAU) in Gujarat- Anand Agricultural University, Navsari Agricultural University, and Junagadh Agricultural University, launched one-year Diploma on the pattern of one by MANAGE, as an outreach program, in which your Company met 50% of the fee. We are happy to share that today five State Universities with our PPP are running this program effectively.

The R&D Division continued to publish technical publications (Booklets and Folders) in an easy to comprehend style, which serves a handy source of information for all concerned to provide credible information to the farming community.

The expenditure incurred on R&D during Financial Year 2020-21 and in the preceding year is as below:

(Rs. In Lakhs)

Particulars	2020-21	2019-20
a. Capital	Nil	Nil
b. Recurring	239.03	352.13
c. Total	239.03	352.13
d. Total R&D expenditure as % of total turnover	0.17%	0.31%

Foreign Exchange Earnings and Outgo

Foreign Exchange earned in terms of actual inflows during the year and Foreign Exchange outgo during the year in terms of actual outflows:

(Rs. In Lakhs)

Particular	2020-21	2019-20
Foreign Exchange Earned	1477.85	716.90
Outgo of Foreign Exchange	21681.68	9761.83



Looking beyond

Of-late, the focus of research in crop protection chemicals is continuously expanding and besides developing eco-friendly plant protection molecules, innovative formulation and application technology, enhancing shelf-life are some of the fast-emerging areas. The pesticide research across the world is coming with newer economically viable and environment-

friendly molecules and safer use technology. Your Company's R&D Division has a futuristic look and thus continuously exploring newer opportunities for collaboration and undertaking lab and on-field studies for label expansion on new crops/insects, pests and diseases and also for registration of new molecules.

For and on behalf of the Board

Sd/-
Ram Gopal Agarwal
Chairman
DIN: 00627386

For and on behalf of the Board

Sd/-
Mahendra Kumar Dhanuka
Managing Director
DIN: 00628039

Place: Gurugram
Dated: 21st May, 2021

Annexure 'D'

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2020-2021

1. Brief outline on CSR Policy of the Company.

The CSR Policy recommended by the CSR Committee has been approved by the Board of Directors and is available on the Corporate Website i.e., www.dhanuka.com at the given link <https://www.dhanuka.com/csr>.

Your Company lays special emphasis on promoting education, eradication of hunger, poverty and malnutrition;

conservation of water, deployment of water for agriculture and human use.

The thrust is on training and education of farmers and dealers and transfer of technology to improve food production. The Company's CSR efforts have been to conserve **"Gaon ka paani, gaon mein aur khet ka pani, khet mein"** and will continue to work in this direction.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature Of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
a)	Mr. Ram Gopal Agarwal	Chairman	1	1
b)	Mr. Bajrang Lal, Bajaj	Member-Independent Director	1	1
c)	Mr. Arun Kumar Dhanuka	Member-Whole Time Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company; Website Link: <https://www.dhanuka.com/csr>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

No Impact Assessment has been done during the Financial Year 20-21.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any; NOT APPLICABLE

6. Average net profit of the company as per section 135(5): Rs. 16542.50 Lakhs



7. CSR Obligations:

S.No	Particulars	Amount (Rs. in Lakhs)
a)	Two percent of Average Net Profit of the Company As per section 135(5)	330.85
b)	Surplus arising out of the CSR projects OR programmes or activities of the previous financial years	NIL
c)	Amount required to be set off for the financial year, if any	NIL
	Total CSR obligation for the financial year (7a+7b- 7c).	330.85

8. (a) CSR amount spent for the financial year: Rs. 331.13 Lakhs

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).			
Rs. 331.13 Lakhs	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
	No amount is unspent for the financial Year 2020-21				

(b) Details of CSR amount spent against ongoing projects for the Financial Year: (In Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year(20-21) (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.					Name	CSR Registration number.

NIL

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in Rs.). (In Lakhs)	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation – Through Implementing Agency.	
				State.	District.			Name.	CSR registration number.
1.	Purchase of medical equipment	Preventive Healthcare	Yes	Delhi	New Delhi	2.50	Yes	Arya Samaj	NA
2.	Donation for Children education	Promotion of education	Yes	Delhi	New Delhi	22.00	Yes	Bharat Lok Shiksha Parishad	NA
3	Covind-19 Donation	Preventive Healthcare	Yes	Delhi	Delhi	100.00	No	PM Care Fund	NA
4	Covind-19 Donation	Preventive Healthcare	No	Jammu & Kashmir	Udhampur	5.00	No	UDH Corna Relief Fund	NA
5	Covind-19 Mask Distribution	Preventive Healthcare	No	Bihar	Bihar	0.21	No	Lockdown Mask	NA
6	Covind-19 Ration Distribution	Preventive Healthcare	No	Pan India	Pan India	54.67	No	Lockdown Ration	NA
7	Donation for economically empower the community of adults with intellectually disabilities	Livelihood Enhancement projects	No	Karnataka	Bangalore	1.00	Yes	AMBA	NA
8	Water day art/ Drawing Competition	Environmental Sustainability	No	Pan India	PAN India	2.75	No	Directly	NA
9	Student Fellowship	Promotion of education	No	Madhya Pradesh	Jabalpur	1.30	Yes	J.N.K.V.V., Jabalpur	NA
10	Donation for Village Development	Livelihood Enhancement projects	Yes	Haryana	Panipat,	5.00	Yes	Shri Madhav Jan Seva Nyas	NA
11	Student Fellowship	Promotion of education	No		Jobner	3.10	Yes	SKN College of Agriculture	NA
12	Student Fellowship	Promotion of education	No	Rajasthan	Udaipur	1.20	No	MPUAT Udaipur	NA
13	Student Fellowship	Promotion of education	No	Punjab	Punjab	2.40	No	Punjab Agriculture University	NA
14	Construction of School Building	Promotion of education	No	Rajasthan	Ratnagarh	130	Yes	Kalptaru Real Estate	NA
	TOTAL					331.13			



- d) Amount spent in Administrative Overheads- Nil
 e) Amount spent on Impact Assessment, if applicable- Nil
 f) Total amount spent for the Financial Year (8b+8c+8d+8e)- Rs 331.13 Lakhs
 g) Excess amount for set off, if any - Nil

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

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

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

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

(asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s): Nil
 (b) Amount of CSR spent for creation or acquisition of capital asset: Nil
 (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Nil
 (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Nil
 Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Not Applicable

For and of behalf of the Board of Directors

Sd/-
Ram Gopal agarwal
 (Chairman CSR Committee)
 (Director)
 DIN:00627386

For and of behalf of the Board of Directors

Sd/-
Arun Kumar Dhanuka
 (Member CSR Committee)
 (Director)
 DIN:00627425

Date : 21st May, 2021
 Place: Gurugram

**FORM NO. AOC-2****(Pursuant to clause (h) of sub- Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with Related Parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto.

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

Commission Agreement with M/s. Dhanuka Marketing Company ("DMC").

- (a) **Name(s) of the Related Party and nature of relationship:** M/s. Dhanuka Marketing Company. Mr. Ram Gopal Agarwal, Chairman and Mr. Mahendra Kumar Dhanuka, Managing Director are brothers of Mr. S.N. Agarwal, Partner of DMC.
- (b) **Nature of contracts/ arrangements/ transactions:** Commission agents and care-taker of the Company's operations in the South and East Zone(s).
- (c) **Duration of the contracts/ arrangements/ transactions:** For a period of 3 (Three) Financial Years from FY 2019-20 to FY 2021-22.
- (d) **Salient terms of the contracts or arrangements or transactions including the value, if any:** Payment of Commission to DMC is @1% of the Net Sales of South and East Zone(s), as approved by the Audit Committee and the

For and on behalf of the Board of Directors

Sd/-
Ram Gopal Agarwal
Chairman
DIN: 00627386

Date: 21st May, 2021
Place : Gurugram

Board of Directors of the Company.

- (e) **Justification for entering into such contracts or arrangements or transactions:** DMC has been providing Commission Agents services to M/s. Northern Minerals Limited (presently M/s. Dhanuka Agritech Limited) since 1980. DMC has strong network of dealers/ distributors in South and East Zone(s) and provides various value added services to the Company.
- (f) **Date(s) of approval by the Board:** May 21, 2019
- (g) **Amount paid as advances, if any:** Nil.
- (h) **Date on which the Special Resolution was passed in General Meeting as required under first proviso to Section 188:** August 12, 2019.

2. Details of material contracts or arrangement or transactions at arm's length basis

During the year, the Company had not entered into any contract or arrangement or transaction with Related Parties which could be considered material in accordance with the Policy of the Company on materiality of Related Party Transactions.

- (a) **Name(s) of the Related Party and nature of relationship:** Not Applicable

For and on behalf of the Board of Directors

Sd/-
Mahendra Kumar Dhanuka
Managing Director
DIN: 00628039



Annexure 'F'

Secretarial Audit Report

For the financial year ended 31st March, 2021

To
The Members
Dhanuka Agritech Limited
82, Abhinash Mansion
1st Floor, Joshi Road
Karol Bagh, New Delhi-110005

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 Dhanuka Agritech Limited, a Company incorporated under the provisions of the Companies Act, 1956, vide **CIN:L24219DL1985PLC020126** and having its registered office at 82, Abhinash Mansion, 1st Floor, Joshi Road, Karol Bagh, New Delhi-110005 (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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, 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 March 31, 2021, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed

under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The SEBI (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 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.
 - a. The Insecticide Act, 1968;
 - b. The Legal Metrology Act, 2009;
 - c. The Legal Metrology (Packaged Commodities) Rules, 2011

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 except the following:

- The Company has buy back 10,00,000 equity shares of the Company at a Buy back price of Rs.1,000 each after taking approval from its members in the annual general meeting held on September 15, 2020 in compliance with the provisions of Companies Act, 2013 and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998;
- In terms of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company in its board meeting held on June 10, 2020 and in its annual general meeting held on 15th September, 2020 has approved re-classification of some of its members forming part of the Promoter Group from 'Promoter and Promoter Group Category' to 'Public Category'.
- In the board meeting held on February 2, 2021, approved the dissolution/liquidation of the Wholly Owned Subsidiary Dhanuka Agri-Solutions Private Limited incorporated in Bangladesh.

**For R&D
Company Secretaries**

**Debabrata Deb Nath
Partner
FCS No.: 7775; CP No. : 8612
UDIN: F007775C000351734**

**Place: Delhi
Date: 21.05.2021**

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



'Annexure A'

To
The Members
Dhanuka Agritech Limited
82, Abhinash Mansion
1st Floor, Joshi Road
Karol Bagh, New Delhi-110005

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.

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: 21.05.2021

Annexure 'G'

Secretarial Compliance Report of Dhanuka Agritech Ltd for the year ended 31st March, 2020

Annexure 'F'

We have examined:

- (a) all the documents and records made available to us and explanation provided by **Dhanuka Agritech Ltd** ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2021 in respect of compliance with the provisions of:
 - (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - (b) the Securities Contracts (Regulation) Act, 1956

("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- | | |
|---|--|
| <p>(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;</p> <p>(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;</p> <p>(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;</p> | <p>(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;</p> <p>(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;</p> <p>(i) NA (other regulations as applicable)</p> |
|---|--|

and circulars/ guidelines issued thereunder; and based on the above examination, We hereby report that, during the Review Period

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
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NIL

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under in so far as it appears from our examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
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NIL

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... <i>(The years are to be mentioned)</i>	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
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NIL

**For R&D
Company Secretaries**

**Place: Delhi
Date: 21.05.2021**

**Debabrata Deb Nath
Partner
FCS No.: 7775; CP No. : 8612
UDIN: F007775C000351723**



Annexure 'H'

**Information in accordance with the provisions of
Section 197 of the Companies Act, 2013, read with the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014**

i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year ended 31st March, 2021.**

Name of Director	Nature of Directorship	Ratio to median remuneration of employees*
Mr. R.G. Agarwal	Chairman	130.94
Mr. M.K. Dhanuka	Managing Director	127.05
Mr. A.K. Dhanuka	Whole Time Director	99.90
Mr. Rahul Dhanuka	Whole Time Director	95.95
Mr. Mridul Dhanuka**	Non Executive Director	66.68
Mr. Harsh Dhanuka	Whole Time Director	45.54
Mr. Ashish Saraf	Whole Time Director	5.12

* Median salary of employees during
FY 2020-21: Rs. 4.81 Lacs p.a.
FY 2019-20: Rs. 3.77 Lacs p.a.

** Change in designation of Mr. Mridul Dhanuka from Executive to Non-executive Director on June 29, 2020.

All the Non-executive Directors were paid only sitting fees for attending the Board and Committee meetings, except Mr. Mridul Dhanuka. Hence, their remuneration is not comparable.

ii) **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year 2020-21**

Name of Director	Nature of Directorship	% Increase (decrease) in the remuneration
Mr. R.G. Agarwal	Chairman	33.65%
Mr. M.K. Dhanuka	Managing Director	32.89%
Mr. A.K. Dhanuka	Whole Time Director	43.76%
Mr. Rahul Dhanuka	Whole Time Director	46.40%
Mr. Mridul Dhanuka*	Whole Time Director	22.63%
Mr. Harsh Dhanuka	Whole Time Director	56.53%
Mr. Ashish Saraf	Whole Time Director	15.55%
Mr. V.K. Bansal	Chief Financial Officer	39.19%
Mr. Jitin Sadana**	Company Secretary	-

* Change in designation of Mr. Mridul Dhanuka from Executive to Non-executive Director from June 29, 2020.

** Appointed w.e.f. 13.02.2020, the percentage increase in remuneration not applicable.

iii) The percentage increase in the median remuneration of employees in the Financial Year 2020-21: 27.58%

iv) The number of permanent employees on the rolls of Company as on March 31, 2021: 941

Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last Financial Year i.e. FY 2020-21 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:

Average percentile increase in salaries of employees other than Managerial Personnel is higher than average percentile increase in the managerial remuneration.

v) The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

vi) As per rule 5(3) of the Companies (Appointment and Remuneration) Rules, 2014, employees who draw salary exceeding the limit of Rs. 1.02 Crores is as follows:

There were no employees other than the followings who were in receipt of remuneration in excess of above specified limit during the year 2020-21.

Name & Age	Designation	Remuneration p.a. (Rs. in Crore)	Qualification/ Experience	Date of Joining	Previous Employment & Designation	Percentage of shares held	Relation to any Director or Manager
Mr. Ram Gopal Agarwal (72 years)	Chairman	6.30	B.Com (Hons)/53 Years	Since incorporation	Own Business	0.73%	Brother- Mr. M.K. Dhanuka, Father- Mr. Rahul Dhanuka
Mr. Mahendra Kumar Dhanuka (67 years)	Managing Director	6.11	B.Com (Hons)/ 47 Years	Since Incorporation	Own Business	0.06%	Brother- Mr. R.G. Agarwal, Father- Mr. Mridul Dhanuka and Mr. Harsh Dhanuka
Mr. Arun Kumar Dhanuka (64 Years)	Director (Works)	4.81	B.Com/ 43 Years	23.05.2007	Own Business	0.08%	No
Mr. Rahul Dhanuka (46 years)	Chief Operating Officer	4.62	B.Sc & M.B.A./ 23 Years	01.02.2002	Own Business	0.45%	Son- Mr. R.G. Agarwal
Mr. Mridul Dhanuka (41 years)	Director (Operations)	3.21	B. Tech. & M.B.A./ 17 Years	01.04.2005	Own Business	0.06%	Son- Mr. M.K. Dhanuka Brother- Mr. Harsh Dhanuka
Mr. Harsh Dhanuka (39 years)	Director (Marketing)	2.19	M.B.A./14 Years	21.05.2019	Own Business	0.06	Son- Mr. M.K. Dhanuka Brother- Mr. Mridul Dhanuka
Mr. V.K. Bansal (57 years)	Chief Financial Officer	1.73	Chartered Accountant / 31 Years	01.09.1990	Employment	Nil	No Relationship



Risk Identification, Assessment & Mitigation Document

Risk is the uncertainty associated with the outcome of an event, depending on factors influencing it. Risk is inherent in every form of enterprise, and different risks have different impact on business. Risk in the agricultural-inputs sector is considered to be relatively high due to the dependency on Environmental Factors.

Risk Management

Risk Management is a proactive approach towards better control and Management of an organization. It comprises risk identification, assessment, and mitigation. The first step is to identify all relevant risks - internal and external. The next step is to assess the probable impact of the risks on the business - high, medium, or low. Finally, the Management has to decide its response strategy to manage each risk and take appropriate action.

A formal Risk Management Process and its periodic review help in establishing a culture that results in better business and risk management. It puts Management in a better position to determine the best course of action to mitigate the risks.

Objectives of Risk Mitigation Plan

The objectives of the risk mitigation plan are to decide the risk response strategies for the various risk items which have been identified and assessed during the risk analysis, to enable appropriate action in the right direction to manage risk.

The following three key questions can be posed while planning risk mitigation measures:

1. What options are available and which ones are appropriate for us in current scenario?
2. What are the tradeoffs in terms of costs, benefits and risks among the available options?

A. INTERNAL RISK FACTORS: Internal risks are those which are essentially within the Company's control. We have attempted to cover all relevant internal risks falling under the 7 M's of Management: Man, Money, Machine, Material, Method, Management, and Measurement.

3. What will be the future impact of current decisions?

Risk Response Strategy

A well-defined risk response strategy can help to avoid or reduce the identified risks.

A risk may be:

- Unidentified, unmanaged or ignored (by default).
- Recognized, but no action taken (absorbed as a matter of policy).
- Avoided (by taking appropriate steps).
- Reduced (by an alternative approach).
- Transferred (to others through contract or insurance).
- Retained and absorbed (by prudent strategy).
- Handled by a combination of the above

Risk Management Committee

A Risk Management Committee of the Board of Directors has been constituted in the Board Meeting held on June 10, 2020. Mr. Rahul Dhanuka is appointed as Chairman and Mr. Harsh Dhanuka and Mr. VK Bansal are appointed as Members of the Committee, to identify the elements of risk in different areas of operations and to develop a policy for actions associated to mitigate the risks as well as identify new and emergent risks. This Committee will inform the Board, on a timely basis, about risk assessment and minimization procedures, which in the opinion of the Committee may threaten the existence of the Company, if any.

S. No.	Category	Internal Risk Factors	Risk Assessment: Likelihood (L) / Impact (I)	Risk Response Strategy	Response Actions
1	Man	Mis-handling of hazardous chemical and poisonous substances in the manufacturing process	L:Low I:High	Risk Reduction	Adequate training and safety measures
2	Money	Exposure to Foreign Exchange rate fluctuation	L: Medium I: Low	Risk Transference	The Company has the experience of many years that coverage cost is always more in compare to loss incurred due to foreign exchange rate fluctuation. Therefore, no coverage is taken to cover this risk by the Company. However, frequent reviews, including internal checks and controls, are implemented to review the same at frequent intervals.

3	Money/ Machine	Fixed Assets	L: Low I: Low	Risk Transference	Insurance coverage
4	Material	Development of resistance by pests to Company's products in the long term rendering them ineffective	L: Low I: Low	Risk Reduction	Introduction of new products and tie-ups with International manufacturers of innovative molecules.
5	Material	Dependence on Strategic collaborations for supply of technical.	L: Low I: High	Risk Retention	Maintaining amicable relations and a win-win approach towards existing collaborators and exploring new possibilities through two-pronged approach: a) widening of existing collaborations by adding new products b) exploring opportunities for collaborating with more Companies
6	Material	Increase in raw-material prices	L: Medium I: Low	Risk Reduction	For Principal products, the prices are mutually decided with suppliers, upfront at the beginning of each fiscal for tie-up products with MNCs. And for Generic products, change in price is generally based on demand and supply. We pass the price to the customer.
7	Method	Indiscriminate/ Faulty use of the products by farmers	L: Low I: Medium	Risk Reduction	Dhanuka's Doctors and field staff train and educate farmers
8	Method	Inadequacy of documented plans, policies and process flows, business contingency plan	L: Low I: Low	Risk Reduction	The Company has strong internal audit team, which review these policies and procedures on frequent intervals.
9	Management	Dependence on Key Management Team– Attrition Management, back-ups, and Succession planning	L: Low I: Medium	Risk Reduction	Training and development of the next level are being undertaken. Responsibility for the same is given to HR Head.
10	Measurement	Inaccuracy of forecasts, Inventory & Logistic mismanagement could result in unexpected reduction in sales due to stock-outs or surplus of stocks, wastages, theft, pilferage	L: Low I: High	Risk Reduction	Monthly review/meetings are done for the demand forecasts, inventory and logistic management and corrective actions are taken accordingly .



B. EXTERNAL RISK FACTORS: External risks refer to risks external to the business itself and are largely beyond the Company's control. We have attempted to cover all External relevant risks as per Pest Analysis: Political/Legal, Economic, Social, and Technological. In addition, Environmental factor has also been incorporated, as it has a major impact on our Industry.

S.No.	Category	External Risk Factors	Risk Assessment Likelihood (L) / Impact (I)	Risk Response Strategy	Response Actions
1	Environment	Environmental conditions beyond the control of the Company like floods, droughts, monsoons, etc. can adversely affect operations of the Company	L: Medium I: High	Risk Retention	Usually, rain is not evenly spread out over the country. Hence, even if rains are scarce in one territory, the sales in other territories, which have better rainfall, average out the shortfall in sales
2	Environment	Considering the seasonality of the Company's business, sales may be low during the offseason	L: Medium I: Medium	Risk Reduction	Efforts are made to ensure the availability of adequate stocks during peak season, to maximize sales so that the total turnover meets targeted sales
3	Social	Sales of the Company are to a large extent dependent on the overall area under cultivation and the cropping pattern adopted by the farming community in India; increasing urbanization	L: Low I: Low	Risk Reduction	Products are being introduced which increase productivity per hectare. Also, some products indirectly increase productivity by protecting seeds from soil and seed-borne diseases.
4	Social	The increasing influence of NGO's / media wrt organic foods, side-effects of pesticides on health and environment	L: Low I: Low	Risk Reduction	Educating people about the increasing food needs of an increasing population and the extent of side-effects of pesticide usage. Also, environment-friendly, new low-dosage, but high-efficacy products are introduced to minimize damage to health & the environment. For instance, if 500 gm/ acre weedicide was being used earlier, now only 8 gm/ acre is being used because of advanced chemistry products.
5	Technological	Competition from other established companies and future entrants into the industry, both domestic and international, development of new molecules	L: Medium I: Medium	Risk Reduction	Continuous exploration & strategic collaborations with International companies for new technologically advanced and more effective products
6	Economic	General State of the Economy & Industry	L: Medium I: Medium	Risk Absorption	India is an agriculture-dominated economy, where 58% of the population is dependent on agriculture for livelihood, and ours is an agri-inputs Company. Also, the Company has started to explore new markets through exports.

7	Economic	Farmers' Incomes and Minimum Support Prices	L: Low I: Low	Risk Absorption	Farmers' incomes and Minimum Support Prices are increasing, which is beneficial to our Industry.
8	Political/ Legal	Failure to comply with/ changes in stringent quality norms prescribed by the Government, environmental & other laws/regulations/Policies/litigation	L: Medium I: Medium	Risk Reduction	All due steps are taken to ensure timely compliances
9	Political/ Legal	Changes in Government Policies relating to hazardous Industries	L: Medium I: High	Risk Reduction	The Company is in collaboration with various Industry Association including FICCI and is in touch with the Regulator(s) to safe guard this Industry.



REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Dhanuka's governance framework is driven by enhancing long-term stakeholders' value without compromising ethical standards and Corporate Social Responsibility. Efficient Corporate Governance requires a clear understanding of the roles of the Board of Directors ("**Board**") and the Senior Management and their relationships with others in the Corporate Structure. Sincerity, fairness, good citizenship, and commitment to compliance are key characteristics that drive the Board and Senior Management relationships with other Stakeholders.

Dhanuka's philosophy on Corporate Governance is embedded in the rich legacy of ethical governance practices, committed to value creation by taking principle Business Decisions. Good Corporate Governance results in the enhancement of Shareholders' value and enables the Company to meet its obligations towards all stakeholders with integrity, equity, transparency, fairness, disclosure, accountability, and commitment.

This includes its Corporate Structure and the manner in which it deals with various stakeholders. At Dhanuka, our Corporate Affairs must be managed fairly and transparently, bringing trust, faith, and belief in the system. Therefore, timely and accurate disclosure of information regarding the company's financial situation, performance, ownership, and governance is an integral part of our Corporate Governance.

Dhanuka believes in adopting the 'Best Practices' that are followed in the area of Corporate Governance across the Industry to ensure fiscal accountability and ethical corporate behavior and meet the legal requirements. At Dhanuka, the Board is at the core of our Corporate Governance Practice and considers itself a Trustee of its Shareholders and acknowledges its responsibilities towards creating and safeguarding their wealth.

Dhanuka complies with the requirements of the revised guidelines on Corporate Governance stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

II. BOARD OF DIRECTORS

(a) Composition and Category of Directors:

The Board has an optimum combination of Executive, Non-Executive, and Woman Director. As on March 31, 2021, the Board comprises 14 (Fourteen) Directors, out of which 8 (Eight) are Non-Executive Directors, which consists of 7 (Seven) Independent Directors (including one Woman Independent Director) and Six Executive Directors. Out of the 6 (Six) Executive Directors, 1 (one) is the Executive Chairman, and 1 (one) is the Managing Director. All the Seven Independent Directors are free from any business or other relationship that could materially influence their judgement. All the Independent Directors satisfy the criteria of Independence as defined under the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

(b) Other Directorships and Committee Memberships:

In compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the Directors on the Company's Board is a Director in more than 10 (Ten) Public Limited Companies (including "**Dhanuka Agritech Limited**") or is a Member of more than 10 (Ten) Board Committees (Committees being the Audit Committee and Stakeholders' Relationship Committee) or Chairman of more than 5 Board Committees as on March 31, 2021.

(I) Attendance of each Director at the Meeting of the Board of Directors and the last Annual General Meeting

S. No.	Name of the Directors	Category	No. of Board Meetings during FY 2020-21		Attendance at last AGM held on 15 th September, 2020	Directorship in Public Limited Companies as on 31.03.2021	Membership of Committees (excluding Chairmanship) as on 31.03.2021	Chairmanship of Committees as on 31.03.21
			Held	Attended				
1.	Mr. Ram Gopal Agarwal DIN: 00627386	Executive (Promoter) Non- Independent	4	4	Present	2	0	0
2.	Mr. Mahendra Kumar Dhanuka DIN: 00628039	Executive (Promoter) Non- Independent	4	4	Present	2	1	0
3.	Mr. Arun Kumar Dhanuka DIN: 00627425	Executive (Promoter) Non-Independent	4	4	Present	3	1	0
4.	Mr. Rahul Dhanuka DIN: 00150140	Executive (Promoter) Non- Independent	4	4	Present	2	1	0
5.	Mr. Harsh Dhanuka DIN: 00199516	Executive (Promoter) Non-Independent	4	4	Present	1	1	0
6.	Mr. Ashish Saraf DIN: 07767324	Executive Non Independent	4	4	Present	1	0	0
7.	*Mr. Mridul Dhanuka DIN: 00199441	Non-Executive (Promoter) Non-Independent	4	4	Present	3	1	0
8.	Mr. Priya Brat DIN: 00041859	Non-Executive Independent	4	4	Present	3	2	2
9.	Mr. Sachin Kumar Bhartiya DIN: 02122147	Non-Executive Independent	4	4	Present	3	1	0
10.	Mr. Vinod Kumar Jain DIN: 01185937	Non-Executive Independent	4	4	Present	1	1	0
11.	Mr. Sanjay Saxena DIN: 01257965	Non-Executive Independent	4	4	Present	1	1	1
12.	Mr. BajrangLal Bajaj DIN: 00041909	Non-Executive Independent	4	3	Present	1	0	0
13.	Ms. Namrata Gupta DIN: 08358673	Non-Executive Independent	4	3	Present	1	1	0
14.	#Mr Siraj Ajmat Chaudhry DIN: 00161853	Non-Executive Independent	3	3	Present	5	3	0



*The designation of Mr. Mridul Dhanuka has been changed from Executive Director to Non-Executive Director with effect from June 29, 2020.

#Mr. Siraj Azmat Chaudhry was appointed as an Additional Director (Independent Category) of the Company with effect from July 22, 2020. Further, the Members of the Company at the 35th Annual General Meeting of the Company held on September 15, 2020, regularized his appointment for being a Director of the Company.

Mr. Indresh Narain vacated office with effect from May 20, 2020 as he remains absent from all the Board Meetings held during the Financial Year 2019-2020.

Note:

1. Directorship, Committee Membership/ Chairmanship is inclusive of "Dhanuka Agritech Limited".
2. Only Audit Committee and Stakeholders' Relationship Committee are considered.
3. Directorships do not include Private Limited Companies, LLP and Companies incorporated under Section 8 of the Companies Act, 2013.

(II) Listed Entities where the Directors hold other Directorships in the Company other than Dhanuka Agritech Limited

S. No.	Name of the Directors	Name of Other Listed Entities	Category of Directorship
1	Mr. R.G. Agarwal	1. M/s. Orchid Pharma Limited	1. Non-Executive Director
2	Mr. Arun Kumar Dhanuka	1. M/s. Orchid Pharma Limited	1. Non-Executive Director
3	Mr. Mridul Dhanuka	1. M/s. Orchid Pharma Limited	1. Executive Director
4	Mr. Priya Brat	1. M/s. Dhampur Sugar Mills Limited 2. M/s. South Asian Enterprises Limited	1. Independent Director 2. Independent Director
5	Mr. Sachin Kumar Bhartiya	1. M/s. Stylam Industries Limited	1. Independent Director (nominee)
6	Mr Siraj Azmat Chaudhry	1. M/s Tata Coffee Limited 2. M/s Tata Consumer Products Limited 3. M/s Jubilant Ingrevia Limited	1. Independent Director 2. Independent Director 3. Independent Director

Note: No other Director is holding Directorship in any other Listed Entity.

(c) Board Meetings held during the Financial Year 2020-21:

During the Financial Year, Four Board Meetings were held on June 10, 2020; July 22, 2020; October 30, 2020 and February 02, 2021. The time gap between any of the two Meetings was not more than one hundred and twenty days.

During the year, a separate meeting of the Independent Directors was held on February 2, 2021, to review the performance of the Non-Independent Directors, Chairman of the Board, Committees of the Board and the Board as a whole.

(d) Disclosure of Relationship of Directors Inter-se :

Mr. Ram Gopal Agarwal, Chairman and Mr. Mahendra Kumar Dhanuka, Managing Director, are brothers.

Mr. Rahul Dhanuka, Director-Marketing, is the son of Mr. R.G. Agarwal, Chairman.

Mr. Mridul Dhanuka, Non-Executive Director, is the son of Mr. Mahendra Kumar Dhanuka, Managing Director and Brother of Mr. Harsh Dhanuka.

Mr. Arun Kumar Dhanuka is the cousin Brother of Mr. Ram Gopal Agarwal and Mr. Mahendra Kumar Dhanuka.

Mr. Harsh Dhanuka, Whole-time Director, is the son of Mr. Mahendra Kumar Dhanuka, Managing Director and Brother of Mr. Mridul Dhanuka.

No other Director has any relationship inter se.

(e) Number of Shares and convertible instruments held by Non-Executive Directors:

Mr. Mridul Dhanuka, Non-Executive Director, is holding 28,131 Shares in the Company.

(f) Functioning of the Board and its Meetings:

The Board and its Committees meet at regular intervals for discussion on Agenda circulated well in advance by the Company. All material information is incorporated in the Agenda for facilitating meaningful and focused discussion at the Meeting. Where it is not practical to attach or send the relevant information as a part of agenda papers, the same are tabled at the Meeting. To meet business exigencies, resolutions in respect of urgent matters are



passed by Banking, Finance & Operations Committee.

The Company has proper systems to enable the Board to periodically review Compliance Reports of all laws applicable to the Company, as prepared by the Company, and steps taken by the Company to rectify instances of non-compliances. The Board reviewed Compliance Reports prepared by the Company quarterly.

(g) Presentation by the Management:

The Senior Management of the Company is invited at the Meetings to make presentations to the Board, covering Financial Reports, Marketing update, operations of the businesses of the Company, Budgets, Auditor's Observations, Strategy and Business Plans, New Product Launch, CSR update and to provide clarifications as and when necessary.

(h) Access to Employees:

Directors bring an independent perspective on the issues deliberated by the Board. They have complete and unfettered access to any information of the Company and to any employee of the Company.

(i) Re-appointment of the Directors:

The information/ details pertaining to Directors seeking re-appointment in the ensuing Annual General Meeting (AGM) is provided in the Notice of the AGM. The Notice contains the relevant information, like brief resume of the Directors, nature of their expertise in specific functional areas, and names of the Companies in which they hold Directorship and membership of any Committee of the Board.

(j) Information Flow to the Board:

Information is provided to the Board Members on a continuous and regular basis for their review, suggestions and approvals as and when required. More specifically, our business's Annual Strategic and Operating Plans are presented to the Board for their review, inputs, and approvals. Likewise, Quarterly Financial Statements and Annual Audited Financial Statements are first presented to the Audit Committee and subsequently to the Board for their approval. The detailed presentation on the company's general working and material developments is made before the Board by Mr. Mahendra Kumar Dhanuka, Managing Director of the Company, in every Board Meeting. A detailed presentation about Financial Highlights, Trends, Ratios etc., is made to the Board by Mr. V.K. Bansal, Chief Financial Officer of the Company, at every Board Meeting of Board of Directors of the Company.

In addition, Corporate Laws update, important managerial decisions, material positive/ negative developments and statutory matters are presented to the respective

Committees of the Board and later with the recommendation of such Committees to the Board for their approval. Detailed Agenda for the Board and Committee Meetings along with supporting documents are circulated well in advance to all the Directors to enable them to fully participate in Meetings and provide their suggestions/ inputs and simultaneously to address their queries. Information pertaining to the compliance status of all applicable Laws along with recent amendments is provided to the Board from time to time.

(k) Familiarization Programme and Training for Independent Directors :

The Company regularly provides orientation and business overview to its Directors by way of detailed presentations by various business & functional heads at Board Meetings and through other interactive programs. Such Meetings/ programmes include briefings on the Company's culture, values, business model, the roles and responsibilities of the Directors and Senior Executives. Besides this, the Directors are regularly updated about Company's new projects, R&D initiatives, Product Launch, Litigation update, changes in the regulatory environment and strategic direction. The Board members are also provided relevant documents, reports and internal policies to facilitate familiarisation with the Company's procedures and practices, from time to time.

At the time of appointment, the Company conducts Familiarization Programme for an Independent Director by conducting Meetings with key officials such as Chairman, Managing Director, Chief Financial Officer, Company Secretary, and other Senior Business Leaders. During the Meeting, presentations are made on the roles and responsibilities, duties, and obligations of the Board Members, the Company's business and strategy, financial reporting, governance and compliance, and other related matters. Details regarding the familiarization program are available on the Company's website, i.e., www.dhanuka.com under the "Investors- about Board of Directors" Section.

(l) Code of Conduct for the Board and Senior Management :

The Company has laid down a Revised Code of Conduct for the Board and Senior Management Personnel of the Company, which is effective from 1st April, 2019. The Company has received affirmations from the Board Members and Senior Management confirming their compliance with the earlier Code for Financial Year 2020-21 and confirmation for adherence to Code for Financial Year 2021-22. An Annual Declaration signed by the Managing Director (MD) and Chief Financial Officer (CFO) to this effect forms part of this Report. The Code is available



on the Company's website, i.e., www.dhanuka.com under the "Investors- about Board of Directors" Section.

(m) Code for Prevention of Insider Trading by Designated Persons:

The Company has a Code for Prevention of Insider Trading in line with the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Companies Act, 2013 (as amended from time to time).

The Company also has a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information for Prevention of Insider Trading in line with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Companies Act, 2013 and referred to as the "Fair Disclosure Code."

The Trading Window is closed from the closure/end of the Quarter till 48 hours of publication of Quarterly Financial Results and also before the Board Meeting at which Unpublished Price Sensitive Information is discussed and re-opens after the Public Announcement of this information by the Company, in accordance with the Code. The Company observes a silent period when the Trading Window is closed.

The procedure for dissemination of Unpublished Price Sensitive Information is complied with by the Chief Investors Relations Officer and Authorized Spokes persons, as stated in the Fair Disclosure Code.

(n) Succession Planning for the Board and Senior Management:

• **Board of Directors**

The Nomination and Remuneration Committee (NRC) of the Board shall identify the suitable person for an appointment at the Board level, including the existing Top Management. The NRC shall apply due diligence process to determine the competency of the person(s) being considered for appointment or re-appointment as a Director including Managing Director/ Whole-time Directors of the Company in accordance with the provisions of the Nomination and Remuneration Policy of the Company and the applicable provisions of the Companies Act, 2013 and the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

• **Senior Management**

The Managing Director/ Executive Director(s) are empowered to identify, appoint and remove the Senior Management Personnel in accordance with the provisions of the NRC Policy, and to keep in view the organization's mission, vision, values, goals, and objectives.

A chart or a matrix setting out the skills/expertise/competence of the Board of Directors specifying the following:

A chart or a matrix setting out the skills/expertise/competence of the Board of Directors specifying the following:

(i) List of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board.

Name of the Directors	Qualification	Experience	Competencies
<p>Mr. Ram Gopal Agarwal Chairman</p> <p>Executive- Non Independent</p>	<p>B.Com (Hons)-Sri Ram College of Commerce, Delhi University.</p>	<p>53Years</p>	<p>Mr. Ram Gopal Agarwal has a distinguished business career of more than 53 years. He is a decisive and action-oriented visionary who took over a sick pesticide Company named Northern Mineral Pvt. Ltd. in 1980. He transformed it into 1350 Crores plus Organization called Dhanuka Agritech Ltd. His deep commitment and inspiring leadership in initial turbulent days is an example worth inculcating. His passion to contribute to Indian Agriculture is commendable. His ability to prioritize and deal effectively with a number of tasks simultaneously reinforced with the skills to make effective decisions has transformed the business venture into one of the fastest-growing agrochemical Companies in India, rated thrice as 'Best under a Billion Company' by Forbes magazine. His rich and invaluable experience over the last five decades in Agrochemical Industry has contributed immensely to the company's growth and added much-needed expertise to the Board. He mentors and gives strategic direction to the team. In order to achieve his aspiration of "Transforming India through Agriculture," he has dedicated himself to bring changes in Agrochemicals Industry and the farming community. His contribution to adopting newer farming techniques at the grass-root level, judicious use of agro chemicals in farming and imparting knowledge through his nationwide network of distributors and Dhanuka Doctors in the field has resulted in the overall prosperity of farmers. Shri R G Agarwal has been the past Chairman of CCFI, (Crop Care Federation of India), the apex Chamber of all Indian Agrochemical majors. He is also Chairman Advisory Committee of AGRO Chemicals Federation of India. Shri R G Agarwal, Group Chairman, has been bestowed with many Awards for his tremendous contribution to Agro Industry like the "Life Time Achievement Award" by Agri-Business Summit & Agri Awards 2019, "Distinguished Contribution to Indian Agrochemicals Industry" during India Chem 2016 International Conference organized by FICCI etc. He is also associated with some of the highly recognized establishments of the country as Chairman of Committee on Crop Protection Chemicals of Federation of Indian Chambers of Commerce and Industry (FICCI), Member of Crop Life India.</p>



Name of the Directors	Qualification	Experience	Competencies
Mr. Mahendra Kumar Dhanuka Managing Director Executive- Non Independent	B.Com (Hons) -Sri Ram College of Commerce, Delhi University.	47 Years	<p>Mr. M. K. Dhanuka is working as Managing Director of the Company since its incorporation. He is an eminent personality and has a vast and rich experience of 47 years in the Agrochemicals Industry. He is proficient in Corporate Affairs, and his keen insight and judgment bring excellence to the Company's functioning, its Board, and Committees. He has deep commitments towards the achievement of organizational goals and has also played a key role in introducing Corporate Governance Principles in the functioning of the Company. His foresight and business acumen have helped the Company achieve its goals.</p> <p>Acting as a member of the Audit Committee, he is excellently handling all the Financial Transactions of the Company and maintaining tremendous control over minimizing frauds and malpractices in the Company. In his supervision Company has become debt-free, and there is no Long term borrowing in the Company.</p>
Mr.Arun Kumar Dhanuka Executive- Non Independent Director	B.Com- Delhi University.	43 Years	<p>He has a distinguished corporate career of 43 years. He was responsible for the overall operations of the Gurgaon Factory. After shifting of manufacturing operations of Gurgaon Factory w.e.f. 9th January, 2018, he is taking care of Sanand Factory Operations. With his innovative ideas, able leadership, and utmost sincerity, he has raised the Company to new heights.</p>
Mr. Rahul Dhanuka Chief Operating Officer Executive- Non Independent	Master in Business Administration-S.P. Jain Institute of Management & Research.	23 Years	<p>He has a distinguished Corporate career of more than 23 years. Being Director Marketing, he has tremendously contributed in taking sales to new heights. The Company has a Pan India presence and around 6000 distributors. Due to his excellent Marketing Management Skills, the Company has been able to penetrate the interiors of rural India. He has been instrumental in bringing new systems and policies to the organization, implementing ERP, and strategic business relationships with all the collaborators. As a member of the Stakeholders' Relationship Committee of the Company, he takes a keen interest in ensuring that no effort is spared to maintain good stakeholders' relationships and to address grievances speedily.</p>
Mr. Mridul Dhanuka <i>Acted as Director (Operations) till June 28, 2020</i> Non-Executive- Non Independent	B.Tech(Cheical Engineering)-Pune University MBA-NITIE, Mumbai.	16 Years	<p>He has a distinguished corporate career of 16years. He is associated with Dhanuka since 2005. His technical expertise has supported to enlargement of the product base of Dhanuka. He helped the Company in smoothening the production, procurement, and logistic functions and established quality control. His new initiatives include improving the efficiency and functioning of the Company and thus improving profitability. As Director Operations,he is instrumental in driving various initiatives with the support of senior leadership teams to achieve the set milestones of the organization. Under his exuberant personality and ambitious leadership, the Company expanded its production facilities, setting up state of the art world-class manufacturing facility at Keshwana. He was responsible for successfully realigning the entire supply chain vertical from procurement to sales. He has successfully improved the efficiency and productivity of all the manufacturing facilities of Dhanuka, thereby making a positive contribution to the company's profitability. Continuing the legacy, he ledthe organization's major projects, bringing Dhanuka closer to its aspiration of "Transforming India through Agriculture."</p>

Name of the Directors	Qualification	Experience	Competencies
Mr. Priya Brat- Non-Executive Independent Director	M.Sc (Hons)-Physics; Fellow Member- Indian Institute of Bankers, Diploma(International Finance)-Development Management Institute, Geneva Diploma(Banking, Finance and Accountancy)-The Indian Institute of Bankers, Mumbai.	52 Years	He has a distinguished career in the State Bank of India and headed various important assignments related to Industrial Credit, Forex Management, Project Appraisal, Loan Syndication and Merchant Banking. Mr. Brat has been associated with Dhanuka for more than 17 years and plays a vital role in the Board's effective functioning and has made commendable suggestions from time to time. Being from a Banking background and having rich experience in the financial sector, Mr. Brat is heading Audit Committee and Nomination and Remuneration Committee of the Company as Chairman and has been instrumental in maintaining high standards of accuracy and efficiency in all financial transactions, Audit, internal controls etc.
Mr. Indresh Narain Non-Executive Independent Director <i>Mr. Narain vacated office with effect from 20th May, 2020 as he remains absent from all the Board meetings held during 12 months.</i>	Bachelor of Arts (Hons)-AIB London.	41 Years	Mr. Indresh Narain has a rich experience of 41 years in Banking and has retired as Head of Compliance and Legal, HSBC Group. He was earlier Director on the Boards of Cholamandalam Investment & Finance Limited, Intex Technologies Limited, Mindteck (India) Ltd., PineBridge Investments Trustee Company (India) Private Limited, and member of the Board of Governors of the Indian Public Schools Society, Dehra Dun, and its Hony Treasurer. He was responsibly acting as a member of the Audit Committee and ensured that the Audit Committee effectively performing its functions as per the charter entrusted to it. Being Chairman of the Stakeholders' Relationship Committee and Member of Corporate Social Responsibility Committee, he ensured that Shareholder's grievances, requests etc. are addressed in a proper and timely manner and that minority shareholders interests are protected.
Mr. Sachin Kumar Bhartiya Non-Executive - Independent Director	Fellow Chartered Accountant B.Com- University of Calcutta	20Years	He is a Partner at Lighthouse Funds, an India dedicated mid-market focused private equity fund. At Lighthouse, Mr.Sachin leads Agri and consumer verticals. He presently sits on the Boards of Bikaji Foods (one of the largest ethnic snacks Companies in India), Indian Herbs (the largest herbal medicine and feed supplement Company in India mainly focusing on cattle and poultry), Stylam Industries (premium laminates maker), and Capital Trust Ltd (lending to MSME enterprises). He was also involved in Fund's investments in Shaily Engineering (plastic product Company), Unibic Biscuits (premium cookies Company) and Suraksha Diagnostics (eastern India focused diagnostics chain) and held Board positions there.
Mr. Vinod Kumar Jain Non-Executive Independent Director	B.Com -Sri Ram College of Commerce, Delhi University.	46 Years	He is having rich and multifaceted experience of more than 46 years. With his innovative ideas and skills, he has taken his business of cotton yarn to new heights. He is also Secretary of Cotton Yarn Merchant Association. He has added value to the Company's systems by giving his valuable suggestions and recommendations to the Board in critical areas. He is also acting as a member of the Audit Committee and provides his valuable guidance relating to the Company's business operations and financial matters.



Name of the Directors	Qualification	Experience	Competencies
Mr. Ashish Saraf Executive Director- Non Independent	Mr. Ashish Saraf, aged 50 years, is a Commerce graduate from DU, with schooling from Modern School, Vasant Vihar.	27 Years	He has garnered accolades and business management expertise as the promoter & CEO of M/s. Narayan International, New Delhi, (International Trade, Consultancy & Liaisoning) from 1988 to 2013. After which he contributed his skills and holistic acumen to M/s. Mauria Udyog Ltd. (Terry Towel) as a COO, Management Consultant and liaisoned with various Govt. Dept. / Ministries from October'13 to January'17. He is empowered with an astute understanding of various industries and their dynamics through his expertise, that spans over three decades in several corporate and business segments. In March'17 he came aboard Dhanuka Agritech Ltd. as a whole time Director.
Mr. Harsh Dhanuka Executive Non- Independent	MBA- Monash Graduate Business School, Monash University, Melbourne, Australia.	14 Years	Mr. Harsh Dhanuka has been associated as Vice President –Marketing in the past and associated with Dhanuka for the past 14 years. He is instrumental in driving many key initiatives under various facets of the Company, directly impacting its Sales. He has a BBA degree specializing in Marketing and HR and a Masters Degree in International Business from Monash University, Melbourne, Australia. He undertook training in various departments of the Company like Accounts, Finance, HR and R&D, before moving to Sales Division, where he spent 7+ years. He handled multiple roles in the sales division, such as Sales Manager, Regional Manager and Zonal Manager, before moving into his current role. Mr. Harsh is responsible for all the International Relationships of Dhanuka and working on getting new patented products and technologies to benefit Indian farmers. He has initiated and pioneered the Sales Excellence department, which is now a key function for performance management of the Sales Department and supports in Farmer outreach. He is also working on expanding Dhanuka's business by tying up with Indian Corporates and other Institutional Customers to add a new Revenue stream for the Company.
Mr. Sanjay Saxena Non-Executive Independent Director	<ul style="list-style-type: none"> • Cost and Management Accountant-Institute of Cost & Management Accountants of India (ICMA) • B.Com- Delhi University • PG Diploma(Urban Management and Planning with distinction) Institute for Housing and Urban Development Studies (IHS), Erasmus University, Rotterdam, The Netherlands 	27 Years	He is having 27 years of experience of international working as a Development Sector Consultant, Areas–Governance, e-Governance, Public Financial Management (PFM) and Monitoring & Evaluation (M&E). He has applied this subject matter expertise across a range of diverse sectors such as Urban Development, Tourism Development, Rural Development, Infrastructure Development, Water and Sanitation, Skills Development, Education, Health, etc. He has also worked on over a hundred development sector projects in over 23 Countries, and also worked over the last 14 years, on numerous donor funded projects, where his scope of work ranged from providing technical inputs for initial project design and program planning, to implementation support and monitoring, to post-implementation review.

Name of the Directors	Qualification	Experience	Competencies
	<ul style="list-style-type: none"> Diploma in Advance Software Application - Computers Point, New Delhi. 	27 Years	<p>Mr. Saxena is associated with Dhanuka for the past three years. He is a member of the Stakeholders' Relationship Committee and Nomination and Remuneration Committee. His diversified experience has proved very beneficial for the Board. He has made valuable suggestions on various operational, financial matters. As a Stakeholders' Relationship Committee member, he ensures that the Company/RTA speedily addresses transfer/ transmission/ demat/ remat requests.</p> <p><i>After the vacation of office of Mr. Indresh Narain, Mr. Sanjay Saxena was appointed as Chairman of Stakeholders' Relationship Committee at the Board Meeting held on June 10, 2020.</i></p>
<p>Ms. Namrata Gupta</p> <p>Non-Executive Independent Director</p>	<ul style="list-style-type: none"> M.Com-Kurukshetra University M.A.-Psychology PGD-(Psychological Counselling) and M. Phil- (Organisational Behaviour) -Institute of Psychotherapy and Management Sciences Member- International Association for Counselling (IAC). 	11 Years	<p>She has over 11 years of experience in Relationship Counselling, Master practitioner of the Neuro Linguistic program, and worked with people individually and in groups and helped them develop a strong positive self-image, improve communication, and resolve conflicts.</p> <p><i>After the vacation of office of Mr. Indresh Narain, Ms. Namrata Gupta was appointed as a member of the Stakeholders' Relationship Committee at the Board Meeting held on June 10, 2020.</i></p>
<p>Mr. Bajrang Lal Bajaj</p> <p>Non-Executive Independent Director</p>	<ul style="list-style-type: none"> Fellow Chartered Accountant (Rank Holder) Fellow Company Secretary (Gold Medalist) Fellow Member of Indian Management Association Association with the Chambers of Commerce & Industry (Present/Past) FICCI- Industry Committee FICCI- Finance and Banking Committee FICCI- Foreign trade Committee Several Committees of PHDCCI 	21 Years	<p>He has over 21 years of rich experience in Corporate Finance, Cross Border Business Development, M & M&A & General Management, Offers advisory services.</p> <p>He is the Managing Director of M/s. Dynamic Orbits Consultancy, looking for mergers/acquisitions/JVs and cross-border business development to Indian and global Corporate.</p> <p>Industry Experience- Automobiles, Chemicals, Power, Textile, IT, Services, International Business and Investment Banking. Handled functions like-Strategy, Business Development, Operations, and CEO position.</p> <p><i>After the vacation of office of Mr. Indresh Narain, Mr. Bajrang Lal Bajaj was appointed as a member of the Corporate Relationship Committee at the Board Meeting held on June 10, 2020.</i></p>



Name of the Directors	Qualification	Experience	Competencies
Mr Siraj Azmat Chaudhry	<ul style="list-style-type: none"> • MBA from the Indian Institute of Foreign Trade (IIFT) • Graduate from Shri Ram College of Commerce, University of Delhi • Association with the Chambers of Commerce & Industry (Present/Past) • Present Co Chairman – FICCI Committee on Agriculture • Past Chairman of the National Committee on Food Processing at FICCI • Past President of Food Industry Skill Council under NSDC 	32 Years	<p>Mr. Siraj Azmat Chaudhry is an industry expert, thought leader, and innovator in the agriculture and food industry. He is a key voice on the issues concerning agriculture, food safety and nutrition and has worked extensively with industry, the social sector and the Government on related projects.</p> <p>Mr. Siraj has over 32 years of experience building, turning around, acquiring, and divesting businesses.</p> <p>Presently, he is Managing Director & CEO of National Collateral Management Services Limited and serves as an Independent Director on Tata Consumer Products Limited, Tata Coffee Limited and Jubilant Ingrevia Limited. Before this, Mr. Siraj was the Chairman of Cargill India, the Indian arm of Cargill Inc, where he pioneered edible oil fortification as a practice, recognized by Fortune Magazine as a Change The World activity.</p> <p>He is currently the Co-Chairman – FICCI Committee on Agriculture. He has also been the Past Chairman of the National Committee on Food Processing at FICCI and the National Alliance for Edible Oil Fortification, a joint initiative by CII and GAIN to address malnutrition through food fortification.</p> <p>He has also been past President of the Food Industry Skill Council under the NSDC. He has chaired the Agriculture and Food Committee at the American Chambers of Commerce and the Agriculture and Food Committee of USIBC in India.</p> <p>Mr. Siraj is an eminent industry spokesperson and is a sought-after key note speaker at prestigious events organized by FICCI, CII, IIM and other entities.</p> <p>He was appointed as an Independent Director of the Company w.e.f. 22nd July, 2020.</p>

Expertise/ Skills of Directors

S. No.	Name of Director	Expertise / Skills
1	Mr. Ram Gopal Agarwal	Wide Management and Leadership Experience, Functional and Managerial Experience, Diversity and Personal Values, Education and Research, Social Reforms and betterment of the nation in areas of Trade and Industry and Decision Making.
2	Mr. Mahendra Kumar Dhanuka	Wide Management and Leadership Experience, Business Development, Finance and Banking matters, standardization of systems and processes across the organization, Corporate Governance, Investor Relation, Supply Chain and Decision Making.
3	Mr. Arun Kumar Dhanuka	Administrative reforms and strategy, New Technologies and Innovations, Finance and Banking matters.
4	Mr. Rahul Dhanuka	Strategic Marketing, Brand transformation, Business development and spearheading new projects, IT reforms, Human Resources and Decision Making.
5	Mr. Mridul Dhanuka*	Standardization of systems and processes across the organization, Contract Drafting & Negotiations, Litigation Management Dispute Resolution, M&A Statutory Compliances and Intellectual Property Rights (IPR) etc.
6	Mr. Harsh Dhanuka	Technical-procurement planning and foreign alliances, Technology matters and Business Administration, Supply Chain, Corporate Quality and Safety Functions and Spreading New Projects.
7	Mr. Ashish Saraf	Human Resources, Supply Chain and Business Administration.
8	Mr. Priya Brat	Finance and allied fields, Contract Drafting and Negotiations, Litigation Management Dispute Resolution, Finance and Banking Matters.
9	Mr. Sachin Kumar Bhartiya	Strategic private equity investment and Business Management, Investment Banking, Corporate Advisory and Project Appraisal.
10	Mr. Vinod Kumar Jain	Business development, Human Resource and Supply Chain Management.
11	Mr. BajrangLal Bajaj	Corporate Governance, Banking and Finance matter, Capital Market Activity and Investor Relation.
12	Mr. Sanjay Saxena	IT reforms, Human Resources, Education and Research and Social Reforms.
13	Ms. Namrata Gupta	Human Resources, Advanced Management and Skill Development.
14	Mr. Indresh Narain**	Investor Relations, Contract Drafting and Negotiations, Litigation Management Dispute Resolution, M&A Statutory Compliances.
15	Mr. Siraj Azmat Chaudhry	Wide Management and Leadership experience, Technical planning, Business development and spearheading new projects

The Designation of Mr. Mridul Dhanuka has been changed from Executive Director to Non-Executive Director with effect from June 29, 2020.

**Mr. Indresh Narain vacated office with effect from May 20, 2020 as he remained absent from all the Board Meetings held during last 12 months.

- (i) Confirmation that in the opinion of the Board, the Independent Directors fulfill the **conditions** specified in these Regulations and are Independent of the Management.

The Board has confirmed that all the Independent Directors fulfill all the conditions specified in the Listing Regulations and are Independent of the Management. All the Independent Directors have also given confirmation stating that they meet the Criteria of Independence.

- (ii) Detailed reasons for the Resignation of an Independent Director who resigns before the expiry of his tenure along with a confirmation by such Director that there are no other material reasons other than those provided.

No, Director other than Mr. Indresh Narain has vacated the office pursuant to Section 167(1)(b) of the Companies Act, 2013 as he remains absent from all the Board meetings held during the Financial Year 2019-20..

- (iii) Changes among Directors:



There being no changes among the Board of Directors of the Company, except the following:-

Name of Director	Effective Date	Cessation
Mr. Indresh Narain	May 20, 2020	Vacation of Director's office as he remains absent from all the Board meetings held during 12 months, Financial Year 2019-20, from the date of last Board Meeting he attended.
Mr. Mridul Dhanuka	June 29, 2020	Change in designation from Executive to Non-Executive Director of the Company.
Mr. Siraj Azmat Chaudhry	July 22, 2020	Appointed as an Independent Director for First Term of 5 (Five) consecutive years w.e.f July 22, 2020

(o) Re-appointment of Directors Proposed at upcoming AGM:

- Following Directors are liable to retire by rotation and are eligible for re-appointment at the forthcoming AGM:
 1. Mr. Mahendra Kumar Dhanuka
 2. Mr. Harsh Dhanuka
 3. Mr. Ashish Saraf

Brief resume, nature of expertise in specific functional areas, Directorships, and Membership of the Board Committees of all the proposed appointees/re-appointees are given in the Explanatory Statement attached to the Notice of 36th AGM of the Company.

(p) Committees of the Board of Directors:

The Board Committees play a crucial role in the Governance structure of the Company and have been assigned specific areas/activities that need closer review. They are set up under the formal approval of the Board, to carry out their clearly defined roles.

Currently, the Board has the following Committees(s):

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Banking, Finance and Operations Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Buy Back Committee

• **Audit Committee:**

The Audit Committee of the Company is constituted in line with the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 and the Rules notified by the Central Government in this regard. The Board decides the Membership and terms of reference of the Audit Committee within the framework laid down by SEBI. Four Meetings of the Committee were held during the financial year 2020-21 on June 10, 2020; July 22, 2020; October 30, 2020 and February 02, 2021. The necessary quorum was present during all the Meetings.



Terms of Reference:

- 1) Recommend to the Board the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors, including filling of a casual vacancy, fixation of audit fee/ remuneration, terms of appointment and also provide prior approval of the appointment of and the fees for any other services rendered by the Statutory Auditors. The Committee will recommend to the Board the name of the audit firm who may replace the incumbent Auditor on the expiry of their term.
- 2) To review and monitor the information provided by the audit firm relating to the independence of such firm and, among other things, information relating to the non-audit services provided and expected to be provided by the Statutory Auditors.
- 3) Review with the Statutory Auditors their plans for and the scope of their annual audit and other examinations.
- 4) Discuss with the Statutory Auditors the matters required to be discussed for the conduct of the audit.
- 5) Review and examination with the Statutory Auditors the proposed Report on the annual audit, areas of concern and the accompanying management letter.
- 6) Review and examination of the Company's financial Reporting process and the disclosure of its financial information to ensure that the Financial Statements are accurate, sufficient, and credible and evaluation of internal financial controls and risk management systems.
- 7) The Audit Committee will review with appropriate officers of the Company and the Statutory Auditors, the Annual Financial Statements of the Company before submission to the Board or public release thereof, focusing primarily on:
 - ❖ Matters required to be included in the Directors' Responsibility Statement
 - ❖ In the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013.
 - ❖ Any changes in accounting policies and practices and reasons for the same.
 - ❖ Major accounting entries based on exercise of judgement.
 - ❖ Qualifications in draft Audit Report.
 - ❖ Significant adjustments made in the Financial Statements arising out of audit.
 - ❖ The going concern assumption.
 - ❖ Compliance with accounting standards.
 - ❖ Compliance with Listing and other legal requirements concerning Financial Statements.
- ❖ Disclosure of Related Party Transactions, i.e. transactions of the Company with its subsidiaries, promoters or the management, or their relatives, etc. that may have conflict with the interest of the Company at large.
- ❖ Contingent liabilities.
- ❖ Status of litigations by or against the Company.
- ❖ Claims against the Company and their effect on the accounts.
- ❖ Modified opinion(s) in the draft audit report.
- 8) Reviewing with the Management, the annual/ quarterly/interim Financial Statements before recommending to the Board for approval.
- 9) Review with the management the performance of the Internal Auditors and the existence, adequacy and effective functioning of the internal control systems including internal control system over financial reporting.
- 10) Oversight of the Company's Financial Reporting process and the disclosure of its financial information to ensure that the Financial Statements are correct, sufficient and credible.
- 11) Review the adequacy of the Internal Audit function, including the structure of the Internal Audit department, adequate staffing and the qualifications, experience, authority and autonomy of the person heading the department, the Reporting structure, coverage and frequency of Internal Audit.
 - The plans and the scope of their ongoing audit activities.
 - The periodic Reports of the findings of the audit Reports and the necessary follow up.
 - Review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of the internal control system of a material nature and ensure that proper corrective action is taken.
 - The adequacy of the Company's internal financial controls as defined in Section 134 of the Companies Act, 2013.
- 12) Review with the senior Internal Audit executive and appropriate members of the staff of the Internal Audit department
 - The plans and the scope of their ongoing audit activities.
 - The periodic Reports of the findings of the audit Reports and the necessary follow up.
 - Review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of the internal control system of a material nature and ensure that proper corrective action is taken.
 - The adequacy of the Company's internal financial controls as defined in Section 134 of the Companies Act, 2013.
- 13) Direct access to Chairman of the Audit Committee under Vigil mechanism/Whistle Blower Policy of the Company to provide adequate safeguards against victimization of all persons.
- 14) Review such other matters in relation to the accounting, auditing and financial Reporting practices and procedures of the Company as the Committee may, in its own discretion, deem desirable in connection with the review functions described above.



- 15) Report its activities to the Board in such manner and at such times, as it deems appropriate.
- 16) Authority to investigate any matter in relation to the items specified in Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose; it will have full access to the information contained in the records of the Company. It may also investigate any activity within its term of reference. It has the authority to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (for non-payment of declared dividends) and creditors, if any and any other instance of a failure of legal compliance.
- 17) The Committee may seek information from any employee and may obtain from external independent sources any legal or other professional advice it considers necessary in the performance of its duties. It may also secure attendance of independent professional persons with suitable qualifications and relevant experience in specific matters, if it considers this necessary.
- 18) Approval for appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc.
- 19) Review and monitor, with the management, the statement of uses/ application of funds raised through an issue (public, rights 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 utilization of proceeds of the public issue or rights issue, and make appropriate recommendations to the Board.
- 20) Review of other Informations:
 1. Management Discussion and Analysis of financial condition and results of operation.
 2. Statement of Related Party Transactions submitted by the Management.
 3. Internal Audit Reports relating to internal control weaknesses.
 4. Inter- corporate loans and investments.
 5. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
 6. Valuation of undertakings and assets of the Company, whenever necessary
- 21) Omnibus approval for Related Party Transactions.
- 22) Review and approval of all Related Party Transactions.
- 23) The Chairman of the Audit Committee will attend the Annual General Meeting of the Company and provide clarifications on matters relating to its scope sought by the members of the Company.
- 24) The Committee will review the Financial Statements, in particular the inter-corporate loans and investments made by or in the Subsidiary Companies.
- 25) In case the Auditor has sufficient reason to believe that an offence involving fraud is being or has been committed against the Company by employees of the Company or by the Company, the Auditor will forward his Report to the Committee and the Committee will send its reply or observations to the Auditor and such matters will be reported to the Board by the Committee. The Statutory Auditors of the Company shall have a right to be heard in the Audit Committee Meetings and they will participate in discussions related to the audit and review of the annual Financial Statements of the Company and any other matter that in the opinion of the Statutory Auditors needs to be brought to the notice of the Committee or any matter in which they are invited by the Committee to participate.
- 26) The Committee will take into consideration the qualifications and experience of the person proposed for appointment as the Cost Auditor and recommend such appointment to the Board, together with the remuneration to be paid to the Cost Auditor.
- 27) The Committee will carry out all other duties, as may be prescribed by Listing Agreement with Stock Exchanges, Companies Act, 2013, Rules made thereunder and all other applicable laws.
- 28) To review the utilization of loans and/ or advances from/ investment by the Company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the Subsidiary, whichever is lower including existing loans/ advances/ investments existing with the Company.
- 29) To review compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively.
- 30) To Review the Report presented by Compliance officer with regard to compliance of Internal Code of Conduct of the Company to Regulate, Monitor and Report Trading by Designated Persons.

Composition and Attendance

Name	Designation and Category	Meeting(s) Held during Tenure	Meetings Attended
Mr. Priya Brat	Chairman - Non-Executive Independent	4	4
Mr. Mahendra Kumar Dhanuka	Member - Executive Non Independent	4	4
Mr. Vinod Kumar Jain	Member - Non-Executive Independent	4	4
Mr. Sachin Kumar Bhartiya	Member - Non-Executive Independent	4	2
Mr. Indresh Narain (Uptill May 20, 2020)	Member - Non-Executive Independent	4	0

Company Secretary being secretary to the Committee, attended all the Meetings.

All the Members of the Audit Committee are financially literate, and Mr. Priya Brat, Chairman of the Committee, has expertise in finance.

Reporting of Internal Auditors : The Internal Auditors of the Company attend Meetings of Audit Committee on a regular basis and findings of internal audits as well as action taken thereon are reported directly to the Audit Committee.

► **Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee formulates the criteria for remuneration of Directors, Senior Management and Key Managerial Personnel and, after evaluation, recommends

the same to the Board of Directors. This Committee also evaluates the performance of Independent Directors and Board of Directors from time to time-based upon descriptive performance evaluation forms. Non-Independent Directors conduct a detailed evaluation of the performance of Independent Directors based upon a pre-filled questionnaire setting out expectations from Independent Directors and their actual performance on same. During the year ended March 31, 2021, two Committee meetings were held on July 22, 2020 and February 02, 2021. The necessary quorum was present during both the Meetings.

Constitution and Attendance:

Name	Designation and Category	Meeting(s) Held during Tenure	Meetings Attended
Mr. Priya Brat	Chairman- Non-Executive Independent	2	2
Mr. Sachin Kumar Bhartiya	Member- Non-Executive Independent	2	1
Mr. Sanjay Saxena	Member- Non-Executive Independent	2	2

Company Secretary of the Company being Secretary to the Committee attended both the Meetings

Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee:

- (1) Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out the evaluation of every Director's performance;
- (2) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- (3) To Formulate criteria for performance evaluation of Independent Directors and the Board;
- (4) Devise a Policy on Board diversity;
- (5) Evaluate whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation of Independent Directors.
- (6) Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time;
- (7) Any other matter, as may be required by the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014 and Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any



other law for the time being in force or as directed by the Board of Directors.

REMUNERATION POLICY

The Company's Remuneration Policy represents the overarching approach of the Company to the remuneration of Directors and Senior Management. The objective of the Company's Remuneration Policy is to ensure that all employees, including Executive Directors and Key Managerial Personnel, are sufficiently incentivized for enhanced performance. The Nomination and Remuneration Committee takes into account various factors to determine this Policy and amend it from time

to time. The Policy ensures that due regard is given to the Company's financials and interest of Shareholders and that levels of remuneration are sufficient to attract and retain exceptional employees who can take the Company forward.

The Nomination and Remuneration Policy of the Company has been revised and approved by Nomination & Remuneration Committee in their meeting held on February 22, 2021. It was further approved by the Board of Directors of the Company in their meeting held on February 2, 2021. The said Policy is available at its website i.e., www.dhanuka.com under the Investors Section.

Remuneration paid During Financial Year 2020-21

❖ To Non-Executive Directors

S. No.	Name of the Directors	Commission (Rs. in Lacs)	Sitting Fee (Rs. in Lacs)
1.	Mr. Priya Brat	Nil	2.80
2.	Mr. Vinod Kumar Jain	Nil	2.40
3.	Mr. Siraj Ajmat Chaudhry	Nil	1.20
4.	Mr. Sanjay Saxena	Nil	2.20
5.	Mr. Sachin Kumar Bhartiya	Nil	2.20
6.	Ms. Namrata Gupta	Nil	1.40
7.	Mr. Bajrang Lal Bajaj	Nil	1.80
8.	Mr Mridul Dhanuka	300.96	1.20

❖ To Executive Directors:

As per the remuneration policy, the remuneration paid to Executive Directors is recommended by the NRC and approved by the Board, subject to subsequent approval by shareholders at the General Meeting and such other authorities, as the case may be. The remuneration is arrived at after considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry and the financial position of the Company.

Rs in Crore

S. No.	Name of the Directors	Salary and Allowances	Commission	Superannuation	P.F.	Total
1.	Mr. Ram Gopal Agarwal Chairman	2.46	3.76	-	0.07	6.29
2.	Mr. Mahendra Kumar Dhanuka Managing Director	2.27	3.76	-	0.07	6.10
3.	Mr. Arun Kumar Dhanuka Whole-time Director	0.98	3.76	-	0.07	4.81
4.	Mr. Rahul Dhanuka Whole-time Director	0.78	3.76	-	0.07	4.61
5.	Mr. Mridul Dhanuka Whole-time Director (uptill June 28, 2020)	0.18	3.01	-	0.02	3.21
6.	Mr. Harsh Dhanuka Whole-time Director	0.62	1.50	-	0.07	2.19



7.	Mr. Ashish Saraf Whole-time Director	0.24	-	-	0.01	0.25
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❖ **Details of Equity Shares Held by Directors as on 31st March, 2021**

Name of the Directors	Number of Equity Shares
Mr. Ram Gopal Agarwal	342642
Mr. Rahul Dhanuka	205250
Mr. Mahendra Kumar Dhanuka	28131
Mr. Mridul Dhanuka	28131
Mr. Arun Kumar Dhanuka	37200
Mr. Harsh Dhanuka	28131

The Company has not issued any ADR/GDR/Warrants/ any kind of convertible Securities or Employee Stock Option.

None of the Non-Executive Directors hold any Equity Shares of the Company, except Mr.Mridul Dhanuka, who holds 28131 (Twenty Eight Thousand One Hundred & Thirty-One) Equity Shares.

➤ **Stakeholders' Relationship Committee:**

During the Financial Year 2020-21, One Stakeholders' Relationship Committee Meeting was held on October 30, 2020. The necessary quorum was present during the Meeting.

Constitution and Attendance:

Name	Designation and Category	Meeting(s) Held during Tenure	Meetings Attended
Mr. Sanjay Saxena (Appointed Chairman w.e.f June 10, 2020)	Chairman Non-Executive Independent	1	1
Ms. Namrata Gupta (Appointed Member w.e.f June 10, 2020)	Member- Non-Executive Independent	1	1
Mr. Rahul Dhanuka	Member- Executive Non Independent	1	1
Mr. Harsh Dhanuka	Member- Executive Non Independent	1	1

Company Secretary of the Company, being Secretary to the Committee, attended the said Meeting.

Terms of Reference:

The Stakeholders' Relationship Committee:

- (1) Review for the timely redressal of investors' complaints and to consider measures in the larger interest of investors;
- (2) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new/duplicate certificates, General Meeting etc.;
- (3) Review of measures taken for effective exercise of voting rights by shareholders;
- (4) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- (5) 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.



Name, designation and address of Compliance Officer:

Ms. Jitin Sadana, Company Secretary/ Compliance Officer
Dhanuka Agritech Limited (CIN:L24219DL1985PLC020126)
Global Gateway Towers, MG Road,
Near Guru Dronacharya Metro Station,
Gurgram , Haryana-122002

Number of Shareholders Complaints received: During the Financial Year 2020-21, the Company has received 100 correspondences and NIL Complaints. 7 correspondences were received by RTA (including nil complaint) from the Shareholders. At the end of the Financial Year, no complaint was pending, and all were resolved.

► **Banking, Finance and Operations Committee:**

During the Financial Year 2020-21, Ten (10) Meetings of the Banking, Finance and Operations Committee of the Board of Directors were held on:

12/05/2020; 10/06/2020; 05/08/2020; 09/09/2020; 19/10/2020; 21/11/2020; 06/01/2021; 27/01/2021; 02/03/2021 and 16/03/2021.

The necessary quorum was present during all the Meetings.

Constitution and Attendance:

Name	Designation and Category	Meeting(s) Held during Tenure	Meetings Attended
Mr. Ram Gopal Agarwal	Chairman-Executive Non Independent	10	10
Mr. Mahendra Kumar Dhanuka	Member- Executive Non Independent	10	10
Mr. Arun Kumar Dhanuka	Member- Executive Non Independent	10	10
Mr. Rahul Dhanuka	Member- Executive Non Independent	10	10
Mr. Mridul Dhanuka	Member- Executive Non Independent	10	10

Company Secretary of the Company, being Secretary to the Committee, attended all the Meetings.

Terms of Reference :

- (1) Approval for opening/closing bank accounts, including modification of authorities for operating them;
- (2) Approval of all borrowings, including those from banks/financial institutions etc., including availing ad-hoc funds for working capital purpose, accepting sanction of loans and giving security for the same;
- (3) Approval for investing surplus funds of the Company;
- (4) Approval for applying for licenses, registrations, etc. to all Central and State Government departments, to deal with and represent the Company before various Regulatory Authorities, to initiate and defend legal proceedings, by/against the Company, to execute Power of Attorney;
- (5) Approval for acceptance of security deposits in the routine course of business of the Company for the performance of the contract for the supply of goods;
- (6) Approval for financing Bank guarantees;
- (7) Any other activity relating to aforesaid matters subject to all applicable laws including power to delegate such of its functions, from time to time, as may be considered necessary.



► **Corporate Social Responsibility Committee:**

Keeping in view the requirements of Section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board has constituted the Corporate Social Responsibility Committee (“CSR Committee”) in its Meeting held on February 6, 2014.

During the Financial Year 2020-21, CSR Committee Meeting was held on February 02, 2021. All the members were present in the Meeting. The Committee comprises Mr. Arun Kumar Dhanuka, Mr. BajrangLal Bajaj as its Members and Mr. Ram Gopal Agarwal as its Chairman.

Constitution and Attendance:

Name	Designation and Category	Meeting(s) Held during Tenure	Meetings Attended
Mr. Ram Gopal Agarwal	Chairman- Executive Non Independent	1	1
Mr. Arun Kumar Dhanuka	Member- Executive Non Independent	1	1
Mr. BajrangLal Bajaj w.e.f. June 10, 2020	Member- Non Executive Independent	1	1

Company Secretary of the Company, being Secretary to the Committee, attended the Meeting.

Terms of Reference:

- Formulate and recommend to the Board a Corporate Social Responsibility (“CSR”) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on CSR activities; and
- Monitor the CSR Policy of the Company from time to time.

During the Financial Year 2020-21, One Committee Meeting was held on 02nd February, 2021. All the members were present in the Meeting.

The Company is involved in various CSR activities.

The objective of CSR Policy is to lay down guidelines to bring effectiveness in its CSR activities which are being undertaken to assist in the sustainable development of the society. The Company strives to actively contribute to the social and economic development of the communities in which it operates. The Company believes in making sustained efforts towards promoting education and health care, eradicating hunger, poverty, and malnutrition, conservation of water, deployment of water for agriculture and human use.

The thrust is on training and educating farmers and dealers and the transfer of technology to improve food production. The Company's CSR efforts have been to conserve “Gaon ka paani gaon mein, aur khet ka paani, khet mein” and will continue its CSR activities in this direction.

The Company undertakes CSR activities that aim at improving the lives of agricultural and rural communities holistically. The Company's CSR Policy is available on the Company's website and other details about CSR spend are part of the Directors' Report.

Further, the Ministry of Corporate Affairs has notified the Companies (Corporate Social Responsibility Policy) Amendment Rules 2021 and also notified the CSR provisions brought by the Companies (Amendment) Act, 2020 vide its notification dated 22nd January 2021.

► **Risk Management Committee:**

Keeping in view of the provision of Clause 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top 500 listed entities, determined based on market capitalization, as at the end of the immediate previous Financial Year, shall constitute a Risk Management Committee, wherein the majority of members shall consist of members of the Board of Directors. This Committee shall meet at least once a year. The Board shall define the role and responsibility of the Risk Management Committee and may delegate monitoring and reviewing of the Risk Management Plan to the Committee.

The Committee comprises Mr. Vinod Kumar Bansal, Mr. Harsh Dhanuka as Members, and Mr. Rahul Dhanuka as its Chairman.

During the Financial Year 2020-21, One Committee Meeting was held on 02nd February, 2021. All the members were present in the Meeting.



Company Secretary of the Company being Secretary to the Committee attended the Meeting.

Terms of Reference:

- (a) Formulate, monitor and review risk management policy and plan, inter-alia, covering investment of surplus funds, management of foreign exchange risks, cyber security risks.
- (b) Approve addition/ deletion of banks and other financial intermediaries and recognized exchanges from time to time for carrying out Treasury Transactions and delegate the said power to such person as may be deemed fit.
- (c) Carry out any other function as is referred by the Board from time to time or required under the relevant provisions of applicable laws, regulations and various circulars issued by the regulatory authorities, from time to time.”

► **Buyback Committee:**

The Board of Directors constituted the Buyback Committee in their Meeting held on July 22, 2020 for operational ease for the

Buyback of Equity Shares of the Company.

The Buyback Committee comprises 5 (Five) Members, namely Mr. Ram Gopal Agarwal, Mr. Mahendra Kumar Dhanuka, Mr. Rahul Dhanuka, Mr. Harsh Dhanuka, and Mr. Vinod Kumar Bansal.

During the Financial Year 2020-21, Four Committee Meetings were held on September 16, 2020, October 15, 2020, October 30, 2020 and November 11, 2020. All the Members were present in the Meeting(s).

Company Secretary of the Company, being Secretary to the Committee, attended the said Meetings.

Further, after the Completion of Buyback of Equity Shares of the Company, the aforesaid Committee was dissolved by the Board of Directors in their Meeting held on February 02, 2021.



III. GENERAL BODY MEETINGS/POSTAL BALLOT:

The details of date, venue and time of the last three Annual General Meetings, Extra-ordinary General Meeting, Court Convened Meetings held and Special Resolutions passed are as under:

35th ANNUAL GENERAL MEETING (2019-20) – September 15, 2020 at 11:00 AM (IST)

Venue: Held Through Video Conferencing

Special Resolutions Passed-

1. Loan to M/s. Dhanuka Laboratories Limited (DLL).
2. Change in designation of Mr. Mridul Dhanuka (DIN:00199441) as Non-executive Director of the Company and to approve the change in his remuneration.
3. Re-appointment of Mr. Sachin Kumar Bhartiya as an Independent Director for Second Term of 5 years.
4. Buyback of Equity Shares of the Company through Tender Offer route.

34th ANNUAL GENERAL MEETING (2018-19) – August 12, 2019 at 10:30 AM

Venue: “D Imperia Hotel”, 417, M.G. Road, Ghitorni, New Delhi- 110 030

Special Resolutions Passed-

1. Re-appointment of Mr. Mahendra Kumar Dhanuka (DIN: 00628039) as Managing Director of the Company;
2. Appointment of Mr. Harsh Dhanuka (DIN: 00199516) as Whole time Director of the Company;
3. Revision in terms and conditions of Agreement with M/s. Dhanuka Marketing Company;
4. Borrowing Limits of the Company;
5. Creation of Security(ies) for Borrowings;

SPECIAL RESOLUTION PASSED VIA POSTAL BALLOT- 20th December, 2018

1. Approval for Buy-Back of Equity Shares of the Company;
2. Continuation of appointment of Mr. Ram Gopal Agarwal as Whole time Director under designation of Chairman of the Company even after attaining age of 70 years and to consider and approve his remuneration in terms of SEBI Amended Regulations;
3. Approval of remuneration to Mr. Mahendra Kumar Dhanuka as Whole time Director of the Company in terms of regulation 17(6)(e) of SEBI Amended Regulations for the remaining tenure of his appointment;
4. Approval of remuneration to Mr. Rahul Dhanuka as Whole time Director of the Company in terms of regulation 17(6)(e) of SEBI Amended Regulations for the remaining tenure of his appointment;
5. Approval of remuneration to Mr. Mridul Dhanuka as Whole time Director of the Company in terms of regulation 17(6)(e) of SEBI Amended Regulations for the remaining tenure of his appointment;
6. Approval of remuneration to Mr. Arun Kumar Dhanuka as Whole time Director of the Company in terms of regulation 17(6)(e) of SEBI Amended Regulations for the remaining tenure of his appointment;
7. Continuation of Directorship of Mr. Priya Brat (Non-Executive Director) for current term expiring on May 19, 2019 and Second Term starting from May 20, 2019 notwithstanding that he has attained the age of 75 Years;
8. Continuation of Directorship of Mr. Om Prakash Khetan (Non-Executive Director) for current term expiring on May 19, 2019 and Second Term starting from May 20, 2019 notwithstanding that he has attained the age of 75 Years;
9. Continuation of Directorship of Mr. Indresh Narain (Non-Executive Director), for Second Term starting from May 20, 2019 notwithstanding that he has attained the age of 75 Years.

PERSON WHO CONDUCTED THE POSTAL BALLOT

Ms. Pragnya Parimita Pradhan, Practicing Company Secretary from Pragnya Pradhan & Associates acted as scrutinizer to Postal ballot Process. The Process was conducted via Remote e-voting as well as physical Postal ballot.

33RD ANNUAL GENERAL MEETING (2017-18) – 10th August, 2018 at 10:30 AM

Venue: Mapple Emerald Hotel, Rajokri, National Highway-8, New Delhi - 110 038

Special Resolutions Passed-7

1. To re-appoint Mr. Arun Kumar Dhanuka as Whole time Director;
2. To re-appoint Mr. Priya Brat, as an Independent Director for Second Term;
3. To re-appoint Mr. Vinod Kumar Jain as an Independent Director for Second Term;
4. To re-appoint Mr. Indresh Narain as an Independent Director for Second Term;
5. To re-appoint Mrs. Asha Mundra as an Independent Director for Second Term;
6. To re-appoint Mr. Om Prakash Khetan as an Independent Director for Second Term;
7. To consider and approve granting of Loan u/s 185 to M/s Dhanuka Laboratories Limited

*The Company offered E-voting facility to its Members pursuant to the provisions of the Companies Act, 2013 as an alternate voting mechanism that enabled them to cast their votes electronically.



IV. MEANS OF COMMUNICATION:

- a) **Results:** Unaudited Standalone, as well as Consolidated Quarterly as well as Annual Audited Financial Results of the Company, are approved and taken on record by the Board of Directors of the Company within 45 days (for I, II, III quarter)/ 60 days (for IV quarter) from the end of the quarter. The Approved Results are communicated to Stock Exchanges where Company is listed and also published within 48 hours in Financial Express/Business Standard i.e. English Newspaper and Jansatta/Business Standard i.e. Hindi leading Newspaper.
- b) **Website:** The Company's website (www.dhanuka.com) provides comprehensive information on Company's profile, its business lines, Management, Corporate Governance, news releases etc. An exclusive section is dedicated to Investors, where all information related to quarterly/yearly results, Annual Report, Quarterly filing, Share /Dividend Transfer Details to IEPF etc. are pasted from time to time. It provides all the information as prescribed under Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Public Announcements made by the Company from time to time are also displayed on the Company's website. Corporate Presentations made to the Institutional Investors and analysts after the declaration of the quarterly, half-yearly and Annual Audited Financial Results are also displayed on the Company's website (www.dhanuka.com).
- c) **Annual Report:** Annual Report containing, inter alia Consolidated & Standalone Financial Statements, Cash Flow Statement, Auditor's Report, Directors' Report, Notice of Annual General Meeting and other important information is circulated to Members and others entitled thereto. In accordance with the Green initiatives of the MCA, all important communication to shareholders, including the Annual Reports are sent via e-mail to those Shareholders, whose e-mail id is registered with the Depository Participants. As per MCA General Circular No. 20/2020 issued on May 5, 2020, New circular No 02/2021-13/1/2021 in view of the prevailing situation, 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), such statements shall be sent only by email to the members and all other person so entitled. Therefore, the

Company will not dispatch the physical copy of the Annual Report. The Annual Report of the Company is also available on the Company's website in a user-friendly and downloadable form.

- d) **Management Discussion and Analysis (MDA) Report :** The Report on MDA forms part of the Annual Report.
- e) **Intimation to the Stock Exchanges :** All Price Sensitive information and material events are disclosed to the Stock Exchange(s), in accordance with its Materiality Policy on disclosure of Material Events.

The objective of the Materiality Policy is to ensure timely and adequate disclosure of material events and price-sensitive information under Regulations 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the Company. All such disclosures are signed by the Chairman or Managing Director, or Compliance Officer. This information is also pasted on the website of the Company.

V. GENERAL SHAREHOLDERS' INFORMATION:

- a) **36th Annual General Meeting for the Financial Year ended March 31, 2021**
Day & Date: Thursday, 29th July 2021
Time: 11:00A.M
Via video Conferencing
- b) **Date of Book Closure: Saturday, 17th July, 2021 to Thursday, 29th July, 2021(both days inclusive).**
- c) **Financial Year:** April 1, 2020 to March 31, 2021
- d) **Dividend**
In its meeting held on May 21, 2021, the Board has proposed a Dividend @100% i.e. Rs. 2/- per Equity Share for each Equity Share having Face Value of Rs. 2/- for the FY 2020-21. The said Dividend is subject to Shareholders' approval in the 36th Annual General Meeting scheduled on July 29, 2021.
- e) **Transfer to Investor Education and Protection Fund(IEPF):**
Dividend Transferred:
During the Financial Year under review, the Company has transferred Unclaimed Final Dividend for the FY 2012-13 amounting to Rs. 4,35,298/- (Rupees Four Lakh Thirty Five Thousand Two Hundred Ninety Eight only) and Interim

Dividend for FY 2013-14 amounting to Rs. 6,32,572/- (Rupees Six Lakh Thirty Two Thousand Five Hundred and Seventy Two only) to the Investors Education and Protection Fund (IEPF) of the Central Government of India.

f) Due Dates for Transfer of Unclaimed Dividend to Investors Education and Protection Fund (IEPF)

Pursuant to Section 124 of the Companies Act, 2013, Final Dividend for the Financial Year 2012-13 and Interim Dividend for 2013-14, which remained unpaid/ unclaimed for a period of Seven Years from the date of such transfer shall be transferred by the Company to the Investors Education and Protection Fund (IEPF) of the Central Government. The Dividend for the following years (see table below), which remains unclaimed for Seven years from the

date of such transfer in the Unpaid Dividend Account, will be transferred to the IEPF in accordance with the schedule given below. Shareholders who have not en-cashed their Dividend warrants relating to the Dividends specified below are requested to immediately send their request for the issue of duplicate warrants/payment of Unpaid Dividend. The details of Dividends specified below are available on the website of the Company (www.dhanuka.com). Once Unclaimed Dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company. However, shareholders may claim their unclaimed amount as per the procedures/ guidelines issued by the Ministry of Corporate Affairs (MCA). For details, investors can visit the website of IEPF Authority viz. www.iepf.gov.in.

Due Date for Transfer of Unpaid/ Unclaimed Dividend to IEPF

S. No.	Financial Year	Type of Dividend	Date of declaration	Percentage	Unpaid Dividend Balance as on 31.03.2021 (Amount in Rs.)	Tentative Date for Transfer
1.	2013-14	Final	17.09.2014	100%	608,718.00	23.10.2021
2.	2014-15	Final	29.12.2015	225%	13,94,955.00	04.02.2023
3.	2015-16	Interim	09.02.2016	125%	8,24,,465.00	17.03.2023
4.	2015-16	Interim	17.03.2016	200%	11,73,044.00	22.04.2023
5.	2016-17	Final	10.08.2017	30%	2,27,927.00	15.09.2024
6.	2017-18	Interim	14.02.2018	100%	5,42,618.00	22.03.2025
7.	2017-18	Final	10.08.2018	175%	10,04,990.00	17.09.2025
8.	2018-19	Final	12.08.2019	30%	2,06,651.60	19.09.2026
9.	2019-20	Interim	13.02.2020	600%	27,19,476.00	21.03.2027
					87,02,844.60	

During the current Financial year, unpaid Final Dividend for the Financial Year 2013-14 - shall be transferred to Investors Education and Protection Fund (IEPF).

g) Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of Unpaid/ Unclaimed Dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which Dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited

to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.



Details of Shares Transferred to IEPF till date is as follows:

S. No.	No. of Shares Transferred	Date of Transfer
1	82,500 Shares for the year 2008-2009	05.12.2017
2	26,800 Shares for the year 2009-2010	28.09.2018
3	13,882 Shares for the year 2010-2011	09.10.2018
4	7,750 Shares for the year 2011-12	13.09.2019
5	20 Shares for the year 2012-13	11.03.2020
6	4500 Equity Shares for the year 2012-13	05.11.2020

Details of such shares are available on the website of the Company under the Investors Section. Shares that have been transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Therefore, it is in the interest of shareholders to regularly claim the Dividends declared by the Company.

In Financial Year 2021-22 the following unclaimed Shares are due to be transferred to IEPF Account:

500 Equity Shares – Tentative Date for Transfer October 23, 2021

Complete detail of such shares is available on the website of the Company at www.dhanuka.com

h) Securities Listed on Stock Exchange(s):

BSE Limited

PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbai-400 001

Scrip Code: **507717**

National Stock Exchange of India Limited

Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051.

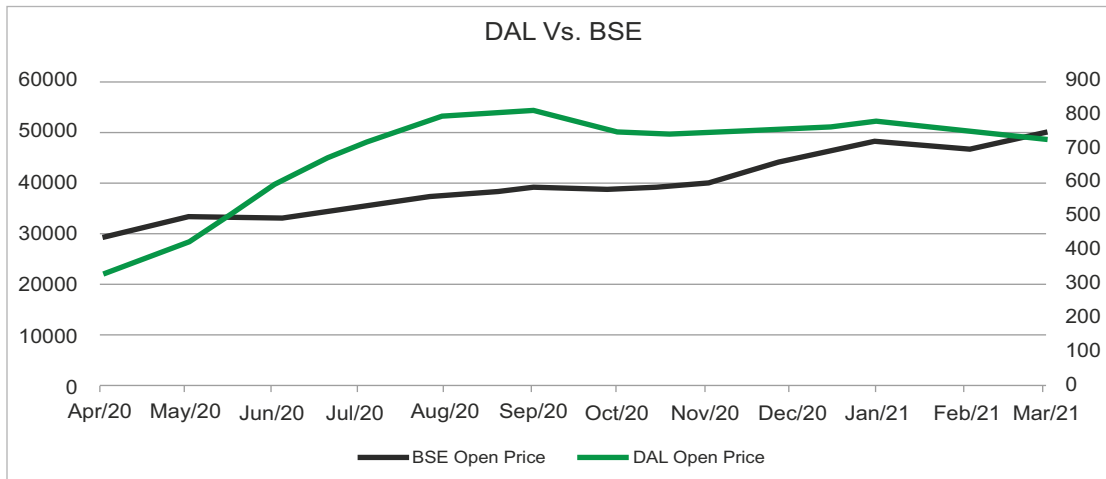
Scrip Code: **DHANUKA**

Annual listing fees for the Financial Year 2021-22 have been paid to the above Stock Exchange(s).

i) Market Price Data:

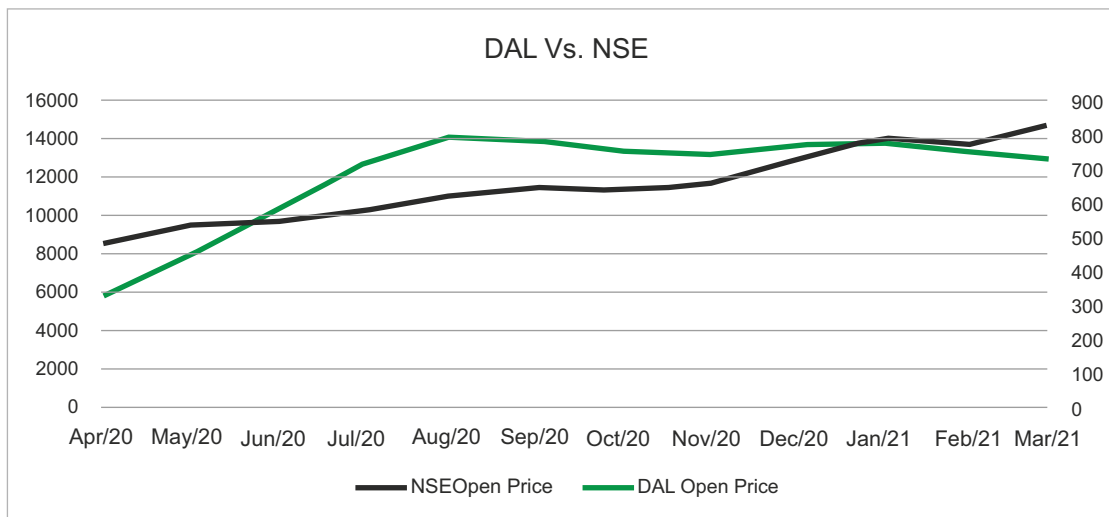
(1) BSE:

Month	DAL Open Price	BSE Open Price	% Change in BSE Price	% Change in DAL Price
Apr-20	330	29505.33	10.99%	28.64%
May-20	424.5	32748.14	0.48%	37.81%
Jun-20	585	32906.05	6.39%	21.37%
Jul-20	710	35009.59	7.39%	11.78%
Aug-20	793.65	37595.73	3.08%	1.88%
Sep-20	808.6	38754	-0.89%	-7.25%
Oct-20	750	38410.2	3.83%	-1.27%
Nov-20	740.45	39880.38	11.42%	1.97%
Dec-20	755	44435.83	7.54%	2.59%
Jan-21	774.55	47785.28	-2.44%	-3.43%
Feb-21	748	46617.95	6.71%	-2.41%
Mar-21	730	49747.71	0.24%	-4.91%



(2) NSE:

Date	DAL Open Price	% Change in DAL Price	NSE Open Price	% Change in NSE Price
Apr-20	334.85	32.90%	8584.1	11.06%
May-20	445	30.57%	9533.5	2.03%
Jun-20	581.05	22.02%	9726.85	6.14%
Jul-20	709	12.05%	10323.8	7.11%
Aug-20	794.45	-1.45%	11057.55	3.68%
Sep-20	782.95	-3.70%	11464.3	-0.87%
Oct-20	754	-1.33%	11364.45	2.93%
Nov-20	744.00	2.82%	11697.35	11.67%
Dec-20	765.00	1.04%	13062.2	7.15%
Jan-21	772.95	-3.24%	13996.1	-1.70%
Feb-21	747.90	-2.78%	13758.6	6.86%
Mar-21	727.10	-4.28%	14702.5	0.65%





j) Financial Calendar

Financial reporting for the First Quarter ending on 30 th June, 2021;	Within 45 days of the end of the quarter
Financial reporting for the Second Quarter ending on 30 th September, 2021;	Within 45 days of the end of the quarter
Financial reporting for the Third Quarter ending on 31 st December, 2021;	Within 45 days of the end of the quarter
Financial reporting for the Financial Year ending on 31 st March, 2022;	Within 60 days of the end of the Financial Year*
Annual General Meeting for the Financial Year ending on 31 st March, 2022.	Within 6 months of the end of the Financial Year

k) Share Transfer System:

M/s. Abhipra Capital Limited is the Registrar and Transfer Agent (RTA) of the Company and carries out the process of share transfers and transmissions. Stakeholders' Relationship Committee takes note of the transfers and transmissions executed by RTA. The RTA also receives shares for dematerialization from the Shareholders. RTA dematerializes such Shares within the stipulated time, and a monthly Demat Statement is sent to the Company.

l) Investor's Correspondence:

All inquiries relating to share transfer/ transmission, change of address, loss of share certificate etc. should be addressed to the RTA-M/s. Abhipra Capital Limited.

The queries relating to the non-receipt of Dividend and Annual Reports should be addressed to the Company Secretary at the Corporate Office of the Company or e-mailed to investors@dhanuka.com.

The queries relating to the non-receipt of Dividend and Annual Reports should be addressed to the Company Secretary at the Corporate Office of the Company or e-mailed to investors@dhanuka.com.

a) Registrar and Transfer Agents:

M/s. Abhipra Capital Limited,
Ground Floor, Abhipra Complex,
Dilkhush Industrial Area, A-387,
G.T. Karnal Road, Azadpur,
Delhi- 110033, India
Phone Nos.: (+91)(011)27127362,
27249773/4, 42390708, 42390783
Website: www.abhipra.com
E-mail: info@abhipra.com, rta@abhipra.com

b) Plant(s) Locations:

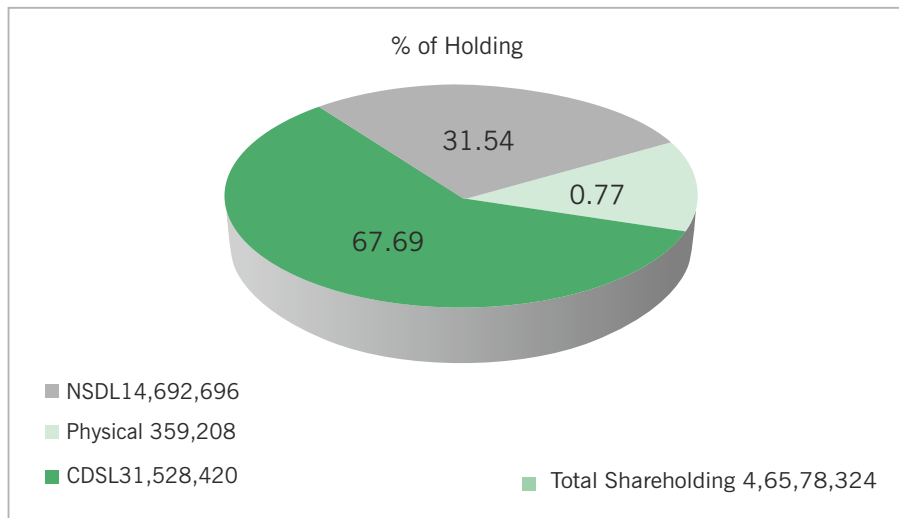
1. Ajanta Industrial Estate, Vasnalyava, Sanand, District Ahmedabad, Gujarat.
2. SIICOP Industrial Estate, BattalBallian, Udhampur(J&K)
3. Keshwana Industrial Area, Kotputli, Jaipur, Rajasthan.

o) Dematerialization of Shares and Liquidity:

In compliance with the SEBI Circular dated 30th September, 2011, 100% of the Company's Promoters and Promoter - Group Shareholding is in demat mode. As on 31st March, 2021, 4,62,19,116 Equity Shares of the Company were held in dematerialized form. The Company's Equity Shares are actively traded on the BSE Ltd. and National Stock Exchange of India Limited in demat form. All the requests for nomination, change of address, change of Bank mandate/ Bank particulars and dematerialization of Shares etc. are to be made only to the Depository Participant with whom the Shareholders have opened their Demat Account.

RECONCILIATION OF SHARE CAPITAL AS ON 31.03.2021

Segments	Holding	% of Holding
NSDL	14,690,696	31.54%
CDSL	31,528,420	67.69%
Demat- (NSDL + CDSL)	46,219,116	99.23%
Physical	359,208	0.77%
Total Shareholding	4,65,78,324	100%



The Company's total numbers of Equity Shares are 4,65,78,324, having a Face Value of Rs.2/- each.

SHAREHOLDING PATTERN AS ON 31st MARCH, 2021:

Class of Investors	No. of Shares held	% of Paid-Up Capital
Promoters & Promoters Group	3,49,33,632	75.00
Mutual Funds/UTI	58,97,253	12.66
Indian Public	41,37,348	8.88
Foreign Institutional Investors	0	0
Foreign Corporate Bodies	4,88,892	1.03
Financial Institution	563	0.00
Corporate Bodies	3,56,549	0.77
Non-Resident Indians	2,76,633	0.59
Others	4,87,454	1.07
TOTAL	4,65,78,324	100.00



DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2021:

Range	Shareholders		Value		
	Numbers	Percentage (%)	Rs.	Percentage (%)	
Upto 2,500	38,653	98.7	58,88,448	6.32	
2,501 - 5,000	298	0.761	10,89,060	1.17	
5,001 - 10,000	101	0.258	7,13,674	0.77	
10,001 - 20,000	46	0.117	6,73,566	0.72	
20,001 - 30,000	15	0.038	3,66,980	0.39	
30,001 - 40,000	3	0.008	1,06,752	0.12	
40,001 - 50,000	5	0.013	2,29,432	0.25	
50,001 - 1,00,000	16	0.041	10,00,690	1.07	
1,00,001 & Above	25	0.064	8,30,88,046	89.19	
TOTAL	39,162	100	9,31,56,648	100.00	

a) Foreign Exchange Risk

1. The Company's derivative instruments comprise forward contracts which are not intended for trading or speculation purposes and are used only to hedge Company's import liabilities.
2. During the year, the Company has managed foreign exchange risk and hedged to the extent considered necessary. Net open exposures are reviewed regularly and covered through forward contracts. The details of foreign currency exposure are disclosed at Page No. [*] to the Standalone Financial Statements.

b) Credit Ratings

The Company continues to remain debt-free due to robust Financial Management. ICRA has accorded (ICRA) AA- (with positive outlook) rating for fund-based limits and (ICRA) A1+ (with positive outlook) rating for non-fund-based limits of the Company.

VI. DISCLOSURES:

a) Related Party Transactions:

Pursuant to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015, necessary approvals for transactions with Related Parties were obtained from the Audit Committee, the Board and the Members, during the Financial Year 2020-21.

The Revised Policy for Related Party Transactions, effective from 13th February, 2020, is available on the Company's website at the following link
<https://www.dhanuka.com/corporate-governance>.

b) Disclosures on materially significant Related Party Transactions that may have potential conflict with the interest of the Company at large:

The disclosures with regard to transactions with Related Parties are given in the Notes to Accounts of the Audited Financial statements for the Financial Year ended

March 31, 2021. These transactions are not in conflict with the Company's interest. There was no material Related Party Transaction during the year ended March 31, 2021 except with Dhanuka Marketing Company.

c) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to the Capital Markets during the last three years:

The Company has been strictly adhering to the applicable Rules and Regulations made by SEBI. No penalties or strictures were imposed on the Company by the BSE/NSE or SEBI or any other Statutory Authority on any matter related to the capital markets during the last three years.

d) Disclosure of Accounting Treatment:

The Financial statements are prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') as per the Companies

(Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') as amended time to time and rules and other relevant provisions of the Act to the extent applicable.

e) Compliance Certificate

The Compliance Certificate as stipulated in Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was placed before the Board along with the Financial Statements for the Financial Year ended March 31, 2021 and the Board reviewed the same. The said Certificate is annexed to this Report.

f) Whistle Blower Policy and affirmation that no personnel have been denied access to Audit Committee:

The Company has well planned Whistle Blower mechanism for any stakeholder to report concerns about unethical behavior or actual or suspected fraud of all kinds, including alleged fraud by or against the Company, abuse of authority, whether made by a named complainant or anonymously. No person has been denied access to the Chairman of the Audit Committee. The Policy is available on the Company's website at the following link <https://www.dhanuka.com/corporate-governance>. No complaint under this head was reported during the year.

g) Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has constituted Internal Complaints Committee ("ICC") in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, which is comprising of the following Persons:

Ms. Shubha Minz (Presiding Officer),
Mr. Sudhir Sharma (Member),
Ms. Puja Gogia (Member)
Ms. Isha Thakur (Member)

Status of Complaints is as follows:

Number of Complaints Filed during Financial Year 2020-21- Nil

Number of Complaints disposed of during Financial Year 2020-21- Nil

Number of Complaints pending at the end of Financial Year 2020-21- Nil

The Policy framed for the prevention of Sexual Harassment of Women at the Workplace is available on the Company's

website at the following link

<https://www.dhanuka.com/corporate-governance>.

h) Details of the familiarization programme of the Independent Directors are available on the website of the Company <https://www.dhanuka.com/investors>.

i) A Certificate from Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by SEBI BOARD/ Ministry of Corporate Affairs or any other such authority

M/s. Himanshu Sharma & Associates, Company Secretaries in Practice has duly verified and checked that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI BOARD/ Ministry of Corporate Affairs or any other such authority. Based on the above verification, they have given a Certificate in this regard which is annexed to this Report.

j) Total Fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis to Statutory Auditors and all entities in the network Firm/ Network entity to which the Statutory Auditors is a part

During Financial Year 2020-21, Rs. 20.12 Lacs have been paid to Statutory Auditors M/s S.S. Kothari Mehta & Co.

*The above amount is exclusive of GST and inclusive of out-of-pocket expenses. All payments have been made for the Company only and no payments have been made for its subsidiary Company.

k) Weblink for various Policies

The details of various other policies applicable to the Company are available in the Corporate Governance Section under the Investors tab on the Company's website. (<https://www.dhanuka.com/corporate-governance>).

l) Compliance Certificate from Statutory Auditors for Compliance of Conditions of Corporate Governance

Compliance Certificate from the Statutory Auditors for Compliance of Conditions of Corporate Governance in terms of Part E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been annexed to the Directors' Report of the Company.

m) Secretarial Audit Report and Secretarial Compliance Report

In terms of Provisions of Section 204 of the Companies Act, 2013 and in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018, Secretarial Audit Report and Secretarial Compliance Report for Financial Year 2020-21 issued by M/s R & D, Company Secretaries are annexed to the Directors' Report.



VI. CORPORATE GOVERNANCE COMPLIANCE:

Compliance with mandatory & non-mandatory requirements

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company has fulfilled the following non-mandatory requirements as prescribed in Schedule II, PART E of Regulation 27(1) of (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A) Audit Qualifications

It has always been the Company's endeavor to present Unqualified Audited Financial Statements. There is no Audit Qualification/adverse remark in the Statutory Audit Report, Secretarial Audit Report, and Secretarial Compliance Report of the Company for the Financial Year ended 31st March, 2021.

B) Separate posts of Chairman and Managing Director

The Company has assigned separate posts for Chairman and Managing Director. Mr. Ram Gopal Agarwal is Chairman of the Company and Mr. Mahendra Kumar Dhanuka is Managing Director of the Company.

C) Reporting of Internal Auditor

The Internal Auditor's reporting is direct to the Audit Committee.

D) The Company has a Wholly Owned Subsidiary. However, it is not a Material Subsidiary Company.

E) The Company has complied with all the requirement of Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except regulation 24(1), which does not apply to the Company.

DECLARATION BY CHIEF EXECUTIVE OFFICER/MANAGING DIRECTOR PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Mahendra Kumar Dhanuka, Managing Director of M/s. Dhanuka Agritech Limited ("the Company") confirms that as provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Code of Conduct ("Code") for its Board Members and Senior Management Personnel and the Code is available on the Company's website www.dhanuka.com.

I, further confirm that the Company has received from its Board Members as well as Senior Management Personnel affirmation in respect of the Financial Year ended 31st March, 2021, as to compliance with the Code of Conduct.

Mahendra Kumar Dhanuka

Managing Director

DIN: 00628039

Date: May 21, 2021

Place: Gurugram



CERTIFICATE IN RELATION TO DIN STATUS OF DIRECTOR AS ON 31ST MARCH 2021

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

UDIN: F009529C000300908

To,
The Members,
DHANUKA AGRITECH LIMITED
82, Abhinash Mansion, 1st Floor Joshi Road,
Karol Bagh New Delhi,
Delhi-110005
Corporate Office: Global Gateway Towers MG Road,
Near Guru Dronacharya Metro Station
Gurgaon 122002 HR IN

I have examined the relevant registers, records, forms, and disclosures received from the Directors of DHANUKA AGRITECH LIMITED having CIN : L24219DL1985PLC020126 and having registered office at 82, Abhinash Mansion, 1st Floor Joshi Road, Karol Bagh, New Delhi, Delhi-110005 and Corporate office at Global Gateway Towers MG Road, Near Guru Dronacharya Metro Station Gurgaon 122002 HR IN (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(I) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I have Conducted online verification & examination of records as facilitated by the Company due to Covid 19 and subsequent lockdown Situation, for the purpose of issuing this certificate.

On the Basis of all relevant document as considered necessary furnished to me by the Company & its officers and after going through Directors Identification (DIN) status of all directors at the portal www.mca.gov.in. I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by Ministry of Corporate Affairs, by the Securities and Exchange Board of India .



List of Director as on 31st March 2021

S. No.	DIN	Name of Director	Designation	Date of Appointment	DIN Status as per MCA Portal under Tab (Enquire DIN Status)
1	00041859	Priya Brat	Director	28/10/2002	Approved
2	00041909	Bajrang Lal Bajaj	Director	21/05/2019	Approved
3	00150140	Rahul Dhanuka	Whole time Director	28/01/2002	Approved
4	00199441	Mridul Dhanuka	Director	23/05/2011	Approved
5	00199516	Harsh Dhanuka	Whole time Director	21/05/2019	Approved
6	00161853	Siraj Azmat Chaudhry	Director	22/07/2020	Approved
7	00627386	Ram Gopal Agarwal	Whole Time Director	10/03/1992	Approved
8	00627425	Arun Kumar Dhanuka	Whole time Director	23/05/2007	Approved
9	00628039	Mahendra Kumar Dhanuka	Managing Director	13/02/1985	Approved
10	01185937	Vinod Kumar Jain	Director	24/03/2005	Approved
11	01257965	Sanjay Saxena	Director	22/05/2018	Approved
12	02122147	Sachin Kumar Bhartiya	Director	09/02/2016	Approved
13	07767324	Ashish Saraf	Whole time Director	24/03/2017	Approved
14	08358673	Namrata Gupta	Director	21/05/2019	Approved

While issuing this Certificate, We have ensured to Comply all norms/direction in relation to Confidentiality Norms, best professional Standards and Practice issued by ICSI time to time .

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.

Dated: 14-05-2021
Place: New Delhi

For Himanshu Sharma & Associates
CS Himanshu Sharma
COP. NO. : 11553
M. No. : 9529
UDIN: F009529C000300908



Independent Auditors' Certificate on Corporate Governance

To
The Members of,
Dhanuka Agritech Limited

We have examined the compliance of conditions of Corporate Governance by DHANUKA AGRITECH LIMITED ("the Company") for the year ended March 31, 2021, as stipulated in Regulations 17 to 27 and clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations').

Management's Responsibility

The compliance 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 ensure the compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibilities

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

We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2021.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2021.

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

Restriction on use

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not

For S. S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No. 000756N

Sd/-
Yogesh K. Gupta
Partner
Membership No. 093214
UDIN: 21093214AAAACR4225

Place: Faridabad
Dated: 21st May 2021



**COMPLIANCE CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND
CHIEF FINANCIAL OFFICER (CFO) PURSUANT TO SEBI
(LISTING OBLIGATIONS AND DISCLOSURE
REQUIREMENTS) REGULATIONS, 2015**

We, Mahendra Kumar Dhanuka, Managing Director and Vinod Kumar Bansal, Chief Financial Officer of Dhanuka Agritech Limited ("the Company"), hereby certify that:

- A. We have reviewed Financial Statements and the Cash Flow Statement of the Company for the Financial Year ended March 31, 2021 and that to the best of our knowledge and belief:
1. These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Year which are fraudulent, illegal or violates of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to Financial reporting and we have disclosed to the Auditors and the Audit Committee deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
1. Significant changes in internal control over financial reporting during the Year ended March 31, 2021;
 2. Significant changes in accounting policies during the Year and that the same have been disclosed in the notes to the Financial Results; and
 3. Instances of significant fraud of which we 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 Dhanuka Agritech Limited

Sd/
M.K. Dhanuka
Managing Director

Place: Gurugram
Date: May 21, 2021

For Dhanuka Agritech Limited

Sd/-
V.K. Bansal
Chief Financial Officer



INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
DHANUKA AGRITECH LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **DHANUKA AGRITECH LIMITED ("the Company")**, which comprise the Standalone Balance Sheet as at 31st March 2021, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Cash Flows and Standalone Statement of changes in Equity for the Financial Year ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("**Act**") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit (including other comprehensive income), changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Ind AS Financial Statements 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 Standalone Ind AS Financial Statements section of our Report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements for the financial year ended March 31, 2021. These Matters were addressed in the context of our audit of the Standalone Ind AS 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:

Key Audit Matter	Auditor's Response
<p>Estimation of provision for sales returns, discounts, rebates, schemes and incentives on sales impacting revenue from sale of products</p> <p>Revenue from sale of products is presented net of returns, discounts, rebates, schemes and incentives in the Standalone Ind AS Financial Statements.</p> <p>The Company's management determines provision for sales return, discounts, rebates, schemes and incentives on the basis of various factors such as the current and expected operating environment, sales return variability and expected achievement of targets against various ongoing schemes floated.</p> <p>We determined the estimates associated with sales returns, discounts, rebates, schemes and incentives on sale of products as a key audit matter in view of it having significant impact on the recognised revenue and the involvement of management judgement in estimating the amounts at which these are expected to be settled.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Understanding the policies and procedures applied to estimate the sales returns, discounts, rebates, schemes and incentives including evaluation and testing of the design and operating effectiveness of controls related to these estimates. • Obtained management's calculations for the respective estimates and assessed the reasonableness of assumptions used by the management in determining the amount of provisions based on understanding of the market conditions. • Assessed the reasonableness of estimates made by the management in the past by comparing the provisions recognised in the earlier financial year with their subsequent settlement, ratio analysis of sales returns, discounts, rebates, schemes and incentives as a percentage of sale of last few years. • Verified, if any credit notes were issued and/or adjustments made after the balance sheet date and their impact if any on the Reported amounts.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report 2020-



21, but does not include the Standalone Ind AS Financial Statements and our Auditor's Report thereon.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibility of Management for Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in Equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone 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 Standalone Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about

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

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 Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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)(l) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to Financial Statements 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 Standalone Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our Report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

- (d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act; read with rule 7 of the companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the Directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 as at March 31, 2021 on its financial position in its Standalone Ind AS Financial Statements – Refer Note 37 to the Standalone Ind AS Financial Statements.
 - ii. The Company did not have any material foreseeable losses on its long-term contracts, the Company did not have any long-term derivative contracts; and

There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

For **S S KOTHARI MEHTA & COMPANY**

Chartered Accountants
Firm Reg. No. 000756N

Sd/-
Yogesh K. Gupta
Partner
Membership No.093214

UDIN: 21093214AAAACP8882

Place: Faridabad
Date: May 21, 2021



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report to the Members of Dhanuka Agritech Limited of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The Company has a program of physical verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
(c) According to the information and explanation given to us and on the basis of examination of title deeds / sale deed / transfer deed / conveyance deed / possession letter / allotment letter and other relevant records evidencing title/possession provided, we Report that the title deeds of the immovable properties are held in the name of the Company.
- ii. The inventories of the Company (except stock in transit) have been physically verified by the management at reasonable intervals. In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable in relation to the size of the Company and nature of its business. The discrepancies noticed on such physical verification of inventory as compared to book records were not material.
- iii. According to the information and explanations given to us, Company has granted unsecured loan to one body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'), in respect of which:
 - (a) The terms and conditions of loan granted by the Company, in our opinion, prima facie are not prejudicial to interest of the Company.
 - (b) The unsecured loan granted to the Company and the interest thereon is repayable as per contractual terms of the loan agreement. The borrower has been regular in payment of principal and interest as per the contractual terms.
 - (c) There is no amount overdue for more than 90 days as on the date of Balance Sheet.
- iv. According to the information, explanations and representations provided by the Management and based upon audit procedures performed, we are of the opinion that in respect of loans and investments the Company has complied with the provisions of the Section 185 and 186 of the Companies Act, 2013. The Company has not provided any guarantees or security as specified under Section 185 and 186 of the Companies Act, 2013.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for the maintenance of cost records under sub-section 1 of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed records and accounts have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determining whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Goods and Service Tax, Duty of Customs, Cess and any other material statutory dues to appropriate authorities, though there have been delays in few cases.
(b) According to the information and explanations given to us and on the basis of examination of the records of the Company there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at March 31st, 2021.
(c) According to the records and information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, duty of excise, goods and service tax, duty of custom, or value added tax which have not been deposited on account of any dispute except as given below:

Name of the Statute	Nature of dues	Period	Amount (Rs. In lacs)	Amount deposited (Rs. In lacs)	Forum where pending
The Central Excise Act, 1994	Excise Duty	1996	9.41	NIL	Additional/ Deputy Commissioner
The Central Excise Act, 1994	Excise Duty	Jan 2014- Sep 2015	357.31	46.90	CESTAT, Chandigarh
The Central Excise Act, 1994	Excise Duty	April 2012-Sep 2016	132.70	23.80	CESTAT, Ahmedabad
The Central Excise Act, 1994	Excise Duty	Oct 2015- March 2016	103.23	10.32	CESTAT, Chandigarh
The Central Excise Act, 1994	Excise Duty	June 2010-Jan 2014	105.85	10.59	CESTAT, Chandigarh
The Service Tax Act, 1994	Service Tax	Jan 2005 to Aug 2007	140.25	65.20	Additional/ Deputy Commissioner, Delhi
The Service Tax Act, 1994	Service Tax	Oct 2008 to March 2009	36.00	1.80	Additional/ Deputy Commissioner, Delhi
The Central Sales Tax Act, 1944 and State VAT Act	VAT	2012-13	138.15	46.00	Joint Commissioner, Gujarat
The Foreign Trade (Development & Regulation) Act, 1992	Terminal Excise Duty	2015-16 and 2016-17	2980.00	NIL	Gujarat High Court
Income Tax Act, 1961	Income Tax	2016-17	168.64	168.64	Appeal to ITAT, Delhi is yet to be filed

- i. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loan or borrowing to any banks or financial institutions during the year. The Company has not obtained any loans from debenture holders or government.
- ii. According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- iii. 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, we have
 - iv. neither come across any instance of 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 such case by the Management.
 - v. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
 - vi. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.



- vi. According to the information and explanations given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under section 133 of the Act.
- vii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- viii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- ix. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable.

For **S S KOTHARI MEHTA & COMPANY**

Chartered Accountants
Firm Reg. No. 000756N

sd/-
Yogesh K. Gupta
Partner
Membership No. 093214

UDIN: 21093214AAAACP8882

Place: Faridabad
Date: May 21, 2021

“Annexure B” to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of DHANUKA AGRITECH LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements'

We have audited the internal financial controls over financial Reporting of **DHANUKA AGRITECH LIMITED** (“the Company”) as of March 31, 2021 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient

conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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



material respects.

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

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

Meaning of Internal Financial Controls with reference to Ind AS Financial Statements

A Company's internal financial control with reference to Financial Statements 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 with reference to Financial Statements 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2021, based on the internal control with reference to Financial Statements 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 **S S KOTHARI MEHTA & COMPANY**

Chartered Accountants

Firm Registration No. 000756N

Sd/-

Yogesh K. Gupta

Partner

Membership No.093214

UDIN: 21093214AAAACP8882

Place: Faridabad

Date: May 21, 2021



Standalone Statement of Profit & Loss for the year ended March 31, 2021

(₹ In lacs)

	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
I	Assets			
1	Non-current assets			
a	Property, Plant and Equipment	4	16,501.18	11,510.89
b	Capital work in progress	5	759.40	366.94
c	Other Intangible assets	6	192.92	234.22
d	Financial Assets			
i)	Investments	7	9,029.72	9,914.81
ii)	Loans	8	411.78	389.65
iii)	Other financial assets	9	-	2,217.54
e	Other non-current assets	14	391.56	1,960.40
	Total Non-Current assets		27,286.56	26,594.45
2	Current assets			
a	Inventories	10	29,550.34	24,985.70
b	Financial Assets			
i)	Investments	7	18,768.00	5,971.91
ii)	Trade receivables	11	24,266.38	24,240.86
iii)	Cash and cash equivalents	12	61.31	2,522.47
iv)	Bank balances other than (iii) above	12	87.03	106.37
v)	Loans	8	4,021.54	3,144.67
vi)	Other financial assets	9	5,028.07	1,214.69
c	Current Tax Assets (Net)	13	-	457.15
d	Other current assets	14	4,044.85	3,992.95
	Total Current assets		85,827.52	66,636.77
	Total Assets		1,13,114.08	93,231.22
II	EQUITY AND LIABILITIES			
1	Equity			
a	Equity Share Capital	15	931.57	951.57
b	Other Equity	16	78,699.08	69,818.19
	Total equity		79,630.65	70,769.76
	LIABILITIES			
2	Non-current liabilities			
a	Financial Liabilities			
i)	Other financial liabilities	19	4,968.95	1,600.38
b	Provisions	20	100.12	568.85
c	Deferred tax liabilities (Net)	21	829.47	533.91
	Total non-current liabilities		5,898.54	2,703.14
3	Current liabilities			
a	Financial Liabilities			
i)	Borrowings	17	835.84	798.49
ii)	Trade payables	18		
	-Total Outstanding dues of Micro Enterprises and Small Enterprises		619.39	693.34
	-Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		10,243.47	10,627.76
iii)	Other financial liabilities	19	10,461.85	5,993.80
b	Other current liabilities	22	4,818.37	1,619.35
c	Provisions	20	24.71	25.58
d	Current Tax Liabilities (Net)	23	581.26	-
	Total current liabilities		27,584.89	19,758.32
	Total Equity and Liabilities		1,13,114.08	93,231.22

Accompanying notes form an integral part of the financial statements As per our report of even date attached

As per our report of even date attached

For and on behalf of the Board of Directors

For **S.S. KOTHARI MEHTA & COMPANY**

Chartered Accountants
Firm Registration No: 000756N

Sd/-

YOGESH K GUPTA

Partner
Membership No : 093214

Place : Faridabad (Haryana)

Dated : 21st May, 2021

Sd/-

M.K. DHANUKA

Managing Director
DIN: 00628039

Sd/-

V.K. BANSAL

Chief Financial Officer
M.No.: 86263

Place : Gurugram (Haryana)

Dated : 21st May, 2021

Sd/-

RAHUL DHANUKA

Executive Director
DIN: 00150140

Sd/-

JITIN SADANA

Company Secretary
FCS No.: F 7612



Standalone Statement of Profit & Loss for the year ended March 31, 2021

(₹ In lacs)

	Particulars	Note No.	For the Year ended March 31, 2021	For the Year ended March 31, 2020
I	Revenue from Operations	24	1,38,746.87	1,12,007.08
II	Other Income	25	3,370.27	2,508.84
III	Total Revenue (I+II)		1,42,117.14	1,14,515.92
IV	EXPENSES			
	Cost of materials consumed	26	75,710.06	58,244.88
	Purchase of Stock In Trade	27	14,120.65	14,060.05
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	28	(3,499.59)	(1,135.83)
	Employee Benefit Expenses	29	11,826.69	10,522.81
	Finance Costs	30	269.38	155.69
	Depreciation and Amortization Expense	31	1,518.00	1,635.89
	Other Expenses	32	13,678.28	12,968.23
	Total Expenses		1,13,623.47	96,451.72
V	Profit Before Exceptional Items and Tax (III-IV)		28,493.67	18,064.20
VI	Exceptional items		-	-
VII	Profit before Tax (V-VI)		28,493.67	18,064.20
VIII	Tax Expenses	33		
	Current Tax		7,142.10	4,604.46
	Tax of earlier year provided / (written back)		-	-
	Deferred Tax		295.56	(686.76)
IX	Profit for the year		21,056.01	14,146.50
X	Other Comprehensive Income	34		
A	(i) Items that will not be reclassified to profit or loss		129.82	(371.62)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	Total Comprehensive Income (IX+X)		21,185.83	13,774.88
XII	Earnings per Equity Share			
	1) Basic (in ₹)	35	44.61	29.73
	2) Diluted (in ₹)	35	44.61	29.73

Accompanying notes form an integral part of the financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For **S.S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm Registration No: 000756N

Sd/-
YOGESH K GUPTA
Partner
Membership No : 093214

Place : Faridabad (Haryana)
Dated : 21st May, 2021

Sd/-
M.K. DHANUKA
Managing Director
DIN: 00628039

Sd/-
V.K. BANSAL
Chief Financial Officer
M.No.: 86263

Sd/-
RAHUL DHANUKA
Executive Director
DIN: 00150140

Sd/-
JITIN SADANA
Company Secretary
FCS No.: F 7612



Standalone Statement of Changes in Equity for the year ended March 31, 2021

(₹ In lacs)

a. EQUITY SHARE CAPITAL	Particulars	As at March 31, 2021		As at March 31, 2020	
		No of shares	Amount	No of shares	Amount
	Balance at the beginning of the reporting period	4,75,78,324.00	951.57	4,75,78,324.00	951.57
	Changes in equity share capital during the year (Refer Note-15)	(10,00,000.00)	(20.00)	-	-
	Balance at the end of the reporting period	4,65,78,324.00	931.57	4,75,78,324.00	951.57

b. OTHER EQUITY	Particulars	Reserves & Surplus			Total
		Capital Reserve	Capital Redemption Reserve	Retained earnings	
	Balance as at April 1, 2019	95.47	48.82	63,126.16	63,270.45
	Total comprehensive income for the year ended 31 March, 2020				
	-Profit for the year	-	-	14,146.50	14,146.50
	-Other comprehensive income for the year	-	-	(371.62)	(371.62)
	Total comprehensive income	-	-	13,774.88	13,774.88
	-Dividend paid during the year	-	-	(5,994.87)	(5,994.87)
	-Dividend Distribution Tax (DDT)	-	-	(1,232.27)	(1,232.27)
	Balance as at March 31, 2020	95.47	48.82	69,673.90	69,818.19
	Balance as at April 1, 2020	95.47	48.82	69,673.90	69,818.19
	Total comprehensive income for the year ended 31 March, 2021				
	-Profit for the year	-	-	21,056.01	21,056.01
	-Other comprehensive income for the year	-	-	129.82	129.82
	Total comprehensive income	-	-	21,185.83	21,185.83
	-Amount Utilised for Buy back of equity shares (Refer Note-15)	-	-	(9,980.00)	(9,980.00)
	-Amount Transferred to Capital Redemption Reserve on Buy back of equity shares (Refer Note-15)	-	20.00	(20.00)	-
	-Tax paid on Buy back of Equity Shares (Refer Note-15)	-	-	(2,324.94)	(2,324.94)
	Balance as at March 31, 2021	95.47	68.82	78,534.79	78,699.08

As per our report of even date attached

For and on behalf of the Board of Directors

For **S.S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm Registration No: 000756N

Sd/-
YOGESH K GUPTA
Partner
Membership No : 093214

Place : Faridabad (Haryana)
Dated : 21st May, 2021

Sd/-
M.K. DHANUKA
Managing Director
DIN: 00628039

Sd/-
V.K. BANSAL
Chief Financial Officer
M.No.: 86263

Sd/-
RAHUL DHANUKA
Executive Director
DIN: 00150140

Sd/-
JITIN SADANA
Company Secretary
FCS No.: F 7612

Standalone Statement of Cash Flow for the year ended March 31, 2021

(₹ In lacs)

	PARTICULARS	For the Year ended March 31, 2021	For the Year ended March 31, 2020
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit / (Loss) Before Tax	28,493.67	18,064.20
	Adjustments for:		
	Depreciation, amortization and impairment expenses	1,518.00	1,635.89
	Net (Gain)/Loss on Sale of Property, Plant and Equipment	(22.84)	(8.91)
	Finance Costs	269.38	155.69
	Interest Income	(1,569.53)	(1,124.69)
	Dividend Income from Investments	-	(291.10)
	Net (Gain)/Loss on Sale of Investments	(335.87)	(83.58)
	Net (Gain)/Loss on Investments measured at fair value through profit or loss	(1,129.71)	(380.77)
	Allowance for Bad and Doubtful debts & Advances	351.50	450.06
	Liabilities No Longer Required, Written Back	(11.37)	(249.53)
	Forex Fluctuation on Translation of Assets & Liabilities	(39.25)	109.36
	Operating Profit/(loss) before Working Capital changes	27,523.98	18,276.62
	(Increase) / Decrease in Trade Receivables	(25.52)	(2,504.32)
	(Increase) / Decrease in Current financial assets - Loans	173.13	(56.25)
	(Increase) / Decrease in Non Current financial assets - Loans	(49.96)	(160.78)
	(Increase) / Decrease in Other Current financial assets	(451.49)	5,329.22
	(Increase) / Decrease in Other Non Current financial assets	-	32.88
	(Increase) / Decrease in Other Current assets	(51.89)	(1,563.10)
	(Increase) / Decrease in Other Non Current assets	(171.97)	12.39
	(Increase)/ Decrease in Inventories	(4,564.64)	(4,302.69)
	Increase / (Decrease) in Trade Payables	(417.47)	3,702.51
	Increase / (Decrease) in Other Current Financial Liabilities	4,379.81	1,431.36
	Increase / (Decrease) in Other Non Current Financial Liabilities	(2.50)	57.10
	Increase / (Decrease) in Other Current Provisions	(0.87)	(1.97)
	Increase / (Decrease) in Other Non Current Provisions	(338.91)	(45.75)
	Increase / (Decrease) in Other Current Liabilities	3,208.31	(362.39)
	Cash generated (used) in /from Operations before tax	29,210.01	19,844.83
	Net Direct Taxes paid (Net of Refunds)	(6,103.69)	(3,634.67)
	Net cash flow (used) in/ from Operating Activities	23,106.32	16,210.16
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Acquisition of Property, Plant and Equipment (Including Adjustment on account of Intangible Assets, Capital work in Progress, Capital Creditors and Capital Advances)	(1,261.71)	(1,371.95)
	Proceeds from sale of Property, Plant and Equipment	36.16	333.48
	Loan given to Corporate and Other	(1,900.00)	(4,500.00)
	Repayment of Loan given to Corporate and Other	500.00	4,600.00
	Investment in Bank Deposits	(1,152.20)	(1,265.98)
	Purchase and sale of Investments (Net)	(10,445.43)	(3,614.74)
	Interest Received	1,561.53	1,096.12
	Dividend Income from Investments	-	291.10
	Net cash flow (used) in/ from Investing Activities	(12,661.65)	(4,431.97)
	Net cash (used) in/ from Operating and Investing Activities	10,444.67	11,778.19



Standalone Statement of Cash Flow for the year ended March 31, 2021

(₹ In lacs)

PARTICULARS	For the Year ended March 31, 2021	For the Year ended March 31, 2020
C. CASH FLOW FROM FINANCING ACTIVITIES		
Short Term Borrowings (Net)	37.35	(1,422.76)
Payment of Principal portion of Lease Liabilities	(348.86)	(495.62)
Payment of Dividend	-	(5,994.87)
Taxes on Dividend	-	(1,232.27)
Buy Back of Shares	(10,000.00)	-
Taxes on Buy Back of Shares	(2,324.94)	-
Interest Paid	(269.38)	(155.69)
Net cash (used) in/ from Financing Activities	(12,905.83)	(9,301.21)
Net cash (used) in/ from Operating, Investing & Financing Activities	(2,461.16)	2,476.98
Opening balance of Cash and Cash equivalent	2,522.47	45.49
Closing balance of Cash & Cash equivalent	61.31	2,522.47

Note: Cash and cash equivalents included in the Cash Flow Statement comprise of the following (refer note no.12):-

i) Cash Balance on Hand	54.63	102.10
ii) Balance with Banks :		
-In Current Accounts	6.68	216.29
-In Fixed Deposits	-	2,201.54
- Cheques in hand	-	2.54
Total	61.31	2,522.47

Change in liability arising from financing activities

Particulars	Current Borrowings	Interest Paid	Lease Liabilities	Buy Back of Equity Shares	Dividend Paid Including DDT
Balance as at April 1, 2019	2,221.25	-	-	-	-
Cash Flows	(1,422.76)	(91.31)	(560.00)	-	(7,227.14)
Lease Liabilities Accruals	-	-	984.64	-	-
Dividend Distribution Tax (Including DDT) Accruals	-	-	-	-	7,227.14
Finance Cost Accruals	-	91.31	64.38	-	-
Balance as at March 31, 2020	798.49	-	489.02	-	-
Cash Flows	37.35	(67.72)	(550.52)	(12,324.94)	-
Lease Liabilities Accruals	-	-	3,866.99	-	-
Buy Back of Equity Shares Accruals	-	-	-	12,324.94	-
Finance Cost Accruals	-	67.72	201.66	-	-
Balance as at March 31, 2021	835.84	-	4,007.15	-	-

As per our report of even date attached

For and on behalf of the Board of Directors

For **S.S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm Registration No: 000756N

Sd/-
YOGESH K GUPTA
Partner
Membership No : 093214

Place : Faridabad (Haryana)
Dated : 21st May, 2021

Sd/-
M.K. DHANUKA
Managing Director
DIN: 00628039

Sd/-
V.K. BANSAL
Chief Financial Officer
M.No.: 86263

Place : Gurugram (Haryana)
Dated : 21st May, 2021

Sd/-
RAHUL DHANUKA
Executive Director
DIN: 00150140

Sd/-
JITIN SADANA
Company Secretary
FCS No.: F 7612



Notes to Standalone Financial Statement for the year ended March 31, 2021

1. CORPORATE INFORMATION

Dhanuka Agritech Limited ("DAL" or "the Company") is a public limited company incorporated under The Companies Act, 1956, domiciled in India and has its registered office at New Delhi. The shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange.

DAL manufactures a wide range of agro-chemicals like herbicides, insecticides, fungicides, plant growth regulators in various forms – liquid, dust, powder and granules. The Company has a Pan-India presence through its Branch offices/Depots in all major states in India.

The Registered office of the company situated at 82, Abhinash Mansion, 1st Floor, Joshi Road, Karol Bagh, New Delhi-110005 and the corporate office is situated at Global Gateway Towers, MG Road, Near Guru Dronacharya Metro Station, Gurugram-122002.

2. BASIS OF PREPARATION

a. Statement of compliance

The financial statements are prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') as amended through rules and other relevant provisions of the Act to the extent applicable.

These financial statements were authorized for issue by the Board of Directors on May 21, 2021.

b. Basis of measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following:

- Certain financial assets and liabilities that is measured at fair value;
- Defined benefit plans - plan assets measured at fair value.

c. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates

("the functional currency"). The financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional and presentation currency. All amounts have been rounded to the nearest lacs, unless otherwise indicated.

d. Current or Non-current classification

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

e. Critical accounting judgements and key source of estimation uncertainty

The preparation of standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Although the Company regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

Application of accounting policies that require critical accounting estimates and assumption judgements having the most significant effect on the amounts recognized in the financial statements are:

- Measurement of defined benefit obligations;
- Recognition of deferred tax assets & minimum alternative tax credit entitlement;



Notes to Standalone Financial Statement for the year ended March 31, 2021

- Useful life and residual value of Property, plant and equipment and intangible assets;
- Impairment test of financial and non-financial assets;
- Measurement of fair value of financial instrument; and
- Recognition and measurement of provisions and contingencies.
- Recognition and measurement of provision for discounts and rebates.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

a. Property, plant and equipment

I. Recognition and measurement

On transition to Ind AS, the Company had elected to continue with the carrying value of all its property, plant and equipment recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Freehold land is carried at cost. All other items of Property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, after deducting trade discount and rebates, and including import duties, non-refundable purchase taxes, any directly attributable cost of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any directly attributable cost of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are included in cost to the extent they relate to the period till such assets are ready for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of

property, plant and equipment. The cost of replacing part of an item of property, plant and equipment or major inspections performed, are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of all other repairs and maintenance are recognized in the Statement of Profit & Loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under construction as at the balance sheet date.

An item of property, plant and equipment is derecognized when no future economic benefits are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal is recognized in statement of profit & loss.

II. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, recognized in the statement of profit and loss. Depreciation on property, plant and equipment is provided on Written Down Value Method (WDV) at the rate and in the manner based on the useful life of the assets as estimated by the management which coincide with the useful life specified under Schedule II of the Companies Act, 2013, which are as follows:

- | | |
|--|-------------|
| • Building including factory building- | 30-60 years |
| • General plant and machinery- | 15 years |
| • Plant and Machinery-Vessel/Storage tank- | 20 years |
| • Furniture and Fittings- | 10 years |
| • Motor Vehicles- | 8-10 years |
| • Office Equipment- | 5 years |
| • Computers and data processing units- | 3-6 years |
| • Wind Mill- | 22 years |
| • *Solar Plant- | 25 years |

*The useful life considered above is on the basis of the agreement with third party regarding sale of electricity generated from this plant.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively. Depreciation on additions to or



Notes to Standalone Financial Statement for the year ended March 31, 2021

on disposal of assets is calculated on pro-rata basis i.e. from (upto) the date on which the property, plant and equipment is available for use (disposed off).

Assets having cost upto ₹5000/- have been fully depreciated in the year of acquisition by leaving Re.1 as a nominal value for its identity in fixed assets register.

b. Intangible assets

On transition to Ind AS, company has elected to continue with the carrying value of all of its intangible assets recognized as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Intangible assets are measured at cost less any accumulated amortization and impairment losses, if any.

Cost of an item of intangible asset comprises its purchase price, after deducting trade discount and rebates, and including import duties, non-refundable purchase taxes, any directly attributable cost of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Amortization is recognized on a straight line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The estimated useful lives are as follows:

Computer Software	10 years
-------------------	----------

An intangible asset is derecognized when no future economic benefits are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal is recognized in statement of profit & loss.

c. Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine

whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash flows are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units ('CGUs').

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

In respect of assets for which impairment loss has been recognized in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. After impairment, depreciation or amortization is provided on the revised carrying amount of the assets over its remaining useful life.

d. Financial instruments

I. Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially recognized at fair value plus transaction costs directly attributable to its acquisition. The transaction costs incurred for the purchase of financial assets held at fair value through profit and loss are expensed in the statement of profit and loss immediately.

II. Subsequent measurement



Notes to Standalone Financial Statement for the year ended March 31, 2021

1) Financial assets carried at amortized cost

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

2) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in statement of profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the statement of profit and loss.

Equity instruments are subsequently measured at fair value. On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. Fair value gains and losses recognized in OCI are not reclassified to the statement of profit and loss.

3) Financial assets at fair value through profit and loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit and loss.

4) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the

Balance Sheet date, the carrying amounts is approximate to the fair value due to the short maturity of these instruments.

5) Investment in subsidiaries

Investment in subsidiaries is carried at cost less impairment, if any, in the separate financial statements.

III. Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. Except trade receivables, expected credit losses are measured at an amount equal to the twelve month expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime ECL.

In case of trade receivables, the Company follows the simplified approach which requires expected lifetime losses to be recognized from the initial recognition of the trade receivables. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

IV. Derecognition

1) Financial Assets

Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

2) Financial Liabilities

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired.



Notes to Standalone Financial Statement for the year ended March 31, 2021

V. Reclassification of Financial Assets and Financial liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the company reclassifies financial assets, it applies prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

VI. Derivative financial instruments

The company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are recognized immediately in the statement of profit and loss.

VII. Offsetting

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

e. 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 market participants at the measurement date, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the

measurement date.

Fair value for measurement and/ or disclosure purposes are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 - This includes financial instruments measured using quoted prices (Unadjusted) in active markets for identical assets and liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

f. Inventories

Inventories (including Stock-in-transit) of Finished Goods, Stock in Trade, Work in progress, Raw materials, packing materials and Stores & Spares are stated at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Cost of Raw Materials, Packing Materials, Stores and Spares, Stock in Trade and other products are determined on First in first out (FIFO) basis and are net of GST.

Cost of Work in progress and Finished Goods is determined on First in first out (FIFO) basis considering



Notes to Standalone Financial Statement for the year ended March 31, 2021

direct material cost and appropriate portion of manufacturing overheads based on normal operating capacity.

Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and wherever necessary, the same are written off or provision is made for such inventories. Finished goods and work in progress are written down if anticipated net realizable value declines below the carrying amount of the inventories and such write down to inventories are recognized in statement of profit & loss. When reason for such write down ceases to exist, then write down is reversed through statement of profit and loss account.

g. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

h. Revenue Recognition

I. Sale of goods

Revenue is generated primarily from sale of agrochemicals.

Revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects

to receive in exchange for those goods.

Revenue from the sale of goods is recognized at the point in time when control is transferred to the customer which is usually on delivery.

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

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 3(d) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

II. Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is included in other income in the statement of profit and loss.

III. Dividends



Notes to Standalone Financial Statement for the year ended March 31, 2021

Dividend income is recognized when the Company's right to receive dividend is established, and is included in other income in the statement of profit and loss.

IV. Revenue from electricity generation

Revenue from electricity generation is recognized on the basis of electricity units generated and invoice raised on monthly basis.

V. Insurance claims

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

VI. Government Grants

Government grants and subsidies are recognised where there is reasonable assurance that the grant/subsidies will be received and all attached conditions will be complied with. The Grants are presented under the head other operating income.

i. Employee Benefits

I. Short Term Employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

II. Defined contribution plans

Employees benefits in the form of the Company's contribution to Provident Fund, Pension scheme, Superannuation Fund, National Pension scheme and Employees State Insurance are defined contribution schemes. The Company recognizes contribution payable to these schemes as an expense, when an employee renders the related service. If the contribution payable exceeds contribution already paid, the deficit payable is recognized as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the Company recognize that excess as an asset

(prepaid expense) to the extent that the prepayment will lead to reduction in future payments or a cash refund.

III. Defined benefit plans

Retirement benefits in the form of gratuity are considered as defined benefit plans. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The company contributes to the gratuity fund, which are recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet.

When the calculation results in a potential asset for the company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in statement of profit & loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on



Notes to Standalone Financial Statement for the year ended March 31, 2021

curtailment is recognized immediately in statement of profit & loss. The company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

IV. Other long term employee benefits

Other long term Employee benefits includes earned leaves and sick leaves. The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement are recognized in statement of profit & loss in the period in which they arise.

The liability for long term compensated absences are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

j. Foreign currency transactions

The financial statements are presented in Indian rupee, which is the company's functional and presentation currency, unless stated otherwise. A company's functional currency is that of the primary economic environment in which the company operates.

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transaction. Foreign exchange gains/losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in the statement of profit and loss.

k. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

l. Income Tax

Income tax expense comprises current and deferred tax. It is recognized in statement of profit & loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income

I. Current Tax

Current tax comprises the expected tax payable on the taxable income for the year after taking credit of the benefits available under the Income Tax Act and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

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

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

II. Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax assets/liabilities are generally recognized for all taxable temporary differences, the carry forward balance of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, the carry forward balance of unused tax credits and unused tax losses can be utilized.

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

Deferred tax is measured at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets



Notes to Standalone Financial Statement for the year ended March 31, 2021

reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- i) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

m. Segment Reporting

An operating segment is defined as a component of the entity that represents business activities from which it earns revenues and incurs expenses and for which discrete financial information is available. The operating segments are based on the company's internal reporting structure and the manner in which operating results are reviewed by the Chief Operating Decision Maker (CODM).

The Chairman, Managing Director, Executive directors and CFO have been identified as CODM by the Company. Refer Note 39 for segment information.

n. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

o. Statement of cash flows

Cash flow statements are prepared in accordance with "Indirect Method" as explained in the Ind AS on Statement of Cash Flows (Ind AS - 7). The cash flows from operating, financing and investing activity of the company are segregated.

p. Lease

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

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

Company as a lessee

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

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

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

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a



Notes to Standalone Financial Statement for the year ended March 31, 2021

corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

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

Company as a lessor

I. Operating Lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

II. Finance Lease

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases.

Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

q. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the period.

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

r. Dividend to Equity Shareholders

Dividend to equity shareholders is recognized as a liability and deducted from shareholders' Equity, in the period in which the dividends are approved by the equity shareholders in the general meeting.

s. Research and Development Expenses

Research and Development Expenses of revenue nature are charged to the Statement of Profit and Loss.

Notes to Standalone Financial Statements for the year ended March 31, 2021

4. PROPERTY, PLANT AND EQUIPMENT

(₹ In lacs)

Particulars	Land-Freehold	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Power Gen. Plant	Right-of-use Asset	Total
Gross Carrying Amount									
As at April 01, 2019	3,010.51	7,290.01	2,913.26	171.91	352.85	475.39	950.74	-	15,164.67
Additions	369.21	-	288.92	2.52	59.62	118.08	-	1,155.20	1,993.55
Disposals/Adjustments	-	(410.58)	(14.76)	(0.13)	(32.95)	(9.70)	-	-	(468.12)
Balance as at March 31, 2020	3,379.72	6,879.43	3,187.42	174.30	379.52	583.77	950.74	1,155.20	16,690.10
Balance as at April 1, 2020	3,379.72	6,879.43	3,187.42	174.30	379.52	583.77	950.74	1,155.20	16,690.10
Additions	7.20	2,315.73	117.68	4.49	6.93	116.47	-	3,910.11	6,478.61
Disposals/Adjustments	-	(3.80)	(12.17)	(0.47)	(11.18)	(12.12)	-	(477.15)	(516.89)
Balance as at March 31, 2021	3,386.92	9,191.36	3,292.93	178.32	375.27	688.12	950.74	4,588.16	22,651.82
Accumulated Depreciation									
As at April 01, 2019	-	1,724.57	1,203.59	96.62	111.41	327.63	266.48	-	3,730.30
Depreciation for the year	-	451.12	327.73	20.82	78.56	91.55	79.13	543.56	1,592.47
Disposals/Adjustments	-	(106.14)	(8.35)	(0.07)	(23.55)	(5.45)	-	-	(143.56)
Balance as at March 31, 2020	-	2,069.55	1,522.97	117.37	166.42	413.73	345.61	543.56	5,179.21
Depreciation for the year	-	440.12	301.84	16.91	65.68	98.62	69.97	480.93	1,474.07
Disposals/Adjustments	-	(0.80)	(7.69)	(0.34)	(8.53)	(9.00)	-	(476.28)	(502.64)
Balance as at March 31, 2021	-	2,508.87	1,817.12	133.94	223.57	503.35	415.58	548.21	6,150.64
Net carrying amount									
Balance as at March 31, 2020	3,379.72	4,809.88	1,664.45	56.93	213.10	170.04	605.13	611.64	11,510.89
Balance as at March 31, 2021	3,386.92	6,682.49	1,475.81	44.38	151.70	184.77	535.16	4,039.95	16,501.18

Notes:

- Refer note 17(a) for information on movable assets which are pledged as security by the Company to banks
- Right-of-use Asset includes (Refer Note-38) :-

Particulars	Right-of-use Asset		
	Buildings	Vehicles	Total
Gross Carrying Amount			
Balance as at April 1, 2019	-	-	-
Additions on account of adoption of Ind AS 116 "Leases"	935.05	220.16	1,155.20
Disposals/Adjustments	-	-	-
Balance as at March 31, 2020	935.05	220.16	1,155.20
Balance as at April 1, 2020	935.05	220.16	1,155.20
Additions	3,910.11	-	3,910.11
Disposals/Adjustments	(424.29)	(52.86)	(477.15)
Balance as at March 31, 2021	4,420.87	167.29	4,588.16
Accumulated Depreciation			
Balance as at March 31, 2019	-	-	-
Depreciation for the year on account of adoption of Ind AS 116 "Leases"	460.55	83.01	543.56
Disposals/Adjustments	-	-	-
Balance as at March 31, 2020	460.55	83.01	543.56
Depreciation for the year	416.10	64.83	480.93
Disposals/Adjustments	(423.42)	(52.86)	(476.28)
Balance as at March 31, 2021	453.24	94.98	548.21
Net carrying amount			
Balance as at March 31, 2020	474.50	137.14	611.64
Balance as at March 31, 2021	3,967.63	72.31	4,039.95

- Refer note-40 for transactions with Related Party



Notes to Standalone Financial Statements for the year ended March 31, 2021

5. CAPITAL WORK IN PROGRESS

(₹ In lacs)

Particulars	Amount
As at April 01, 2019	98.91
Additions	461.33
Less: Amount capitalized in Property, Plant and Equipment	(193.30)
Balance as at March 31, 2020	366.94
As at April 01, 2020	366.94
Additions	860.46
Less: Amount capitalized in Property, Plant and Equipment	(468.00)
Balance as at March 31, 2021	759.40

6. OTHER INTANGIBLE ASSETS

(₹ In lacs)

Particulars	(Computer Software) Amount
Gross Carrying Amount	
As at April 01, 2019	372.94
Additions	23.01
Balance as at March 31, 2020	395.95
Additions	2.63
Balance as at March 31, 2021	398.58
Accumulated Amortization	
As at April 1, 2019	118.31
Charge for the year	43.42
Balance as at March 31, 2020	161.73
Charge for the year	43.93
Balance as at March 31, 2021	205.66
Net Carrying Amount	
Balance as at March 31, 2020	234.22
Balance as at March 31, 2021	192.92



Notes to Standalone Financial Statements for the year ended March 31, 2021

7. INVESTMENTS

(₹ In lacs)

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares/Units	Amount	No. of Shares/Units	Amount
NON CURRENT				
Investment in Equity Instruments				
a. Unquoted- At Fair Value through Profit & Loss				
Units of India Build Out Fund-Venture Captial Fund	-	-	1,177.16	17.39
b. Unquoted-Investment in Subsidiary at cost				
Shares of M/s Dhanuka Agri-solutions Pvt. Ltd.	1,500.00	0.09	1,500.00	0.09
Investment in Preference Shares				
a. Quoted- At Fair Value through Profit & Loss				
Preference shares of Tata Motors Finance Ltd.	2,50,000.00	568.27	2,50,000.00	530.08
Investment in debentures or bonds				
a. Quoted- At Fair Value through Profit & Loss				
NCD - Face Value of ₹ 100000/- each in Edelweiss Finvest Pvt. Limited	-	-	294.00	300.39
NCD - Face Value of ₹ 100000/- each in IIFL Wealth Finance Limited	-	-	300.00	304.47
NCD - Face Value of ₹ 100000/- each in Edelweiss Finvest Pvt. Limited	-	-	1,000.00	1,000.00
NCD - Face Value of ₹ 1000000/- each in India Grid Trust	50.00	564.55	50.00	508.85
NCD - Face Value of ₹ 1000000/- each in Mindspace Business Parks REIT	50.00	522.20	-	-
Perpetual Bonds- Face Value of ₹ 1000000/- each in State Bank of India	25.00	259.51	-	-
Perpetual Bonds- Face Value of ₹ 1000000/- each in HDFC Bank	25.00	274.49	-	-
b. Quoted- At Amortised Cost				
7.35% Bonds - Face Value of ₹ 1000/- each in Indian Railway Finance Corporation Limited	5,878.00	58.78	5,878.00	58.78
7.28% Bonds - Face Value of ₹ 1000/- each in Indian Railway Finance Corporation Limited	30,200.00	302.00	30,200.00	302.00
7.35% Bonds - Face Value of ₹ 1000/- each in National Highway Authority of India	14,285.00	142.85	14,285.00	142.85
7.39% Bonds - Face Value of ₹ 1000/- each in National Highway Authority of India	7,709.00	77.09	7,709.00	77.09
7.49% Bonds - Face Value of ₹ 1000/- each in Indian Renewable Energy Development Agency Ltd	34,060.00	340.60	34,060.00	340.60
7.39% Bonds - Face Value of ₹ 1000/- each in Housing and Urban Development Corp Ltd	7,007.00	70.07	7,007.00	70.07
7.35% Bonds - Face Value of ₹ 1000/- each in National Bank for Agriculture and Rural Development	5,010.00	50.10	5,010.00	50.10
7.11% Bonds - Face Value of ₹ 1000/- each in Power Finance Corporation Limited	2,567.00	25.67	2,567.00	25.67
18.50% NCD - Face Value of ₹ 1000000/- each of Manyata Developers Private Limited	-	-	20.00	86.39
c. Unquoted- At Amortised Cost				
Units of Annuities In Senior Secured Estate Fund	2,91,839.78	291.84	3,23,058.69	323.06
Units of IIFL Real Estate Fund-Series 2	47,09,658.52	255.43	47,09,658.52	314.60
Units of Religare Credit Investment Trust	-	0.88	-	0.88
Units of ICICI Prudential Real Estate	62,020.81	69.57	63,430.94	70.75
Units of IIFL Real Estate Fund-Series 3	18,50,000.00	72.09	18,50,000.00	79.18
d. Unquoted- At Fair Value through Profit & Loss				
Units of UTI Structured Debt Opportunities Fund	35,53,459.28	381.20	1,57,59,785.40	496.90



Notes to Standalone Financial Statements for the year ended March 31, 2021

(₹ In lacs)

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares/Units	Amount	No. of Shares/Units	Amount
Investment in Mutual Funds				
a. Quoted- At Fair Value through Profit & Loss				
Units of Reliance Fixed Horizon Fund-XXXV-Series 13	-	-	30,00,000.00	357.59
Units of UTI Fixed Term Income Fund Series-1204 Days	-	-	30,00,000.00	357.14
Units of ICICI Prudential Fixed Maturity Plan Series 82-1203 Days	-	-	30,00,000.00	356.94
Units of ICICI Prudential Fixed Maturity Plan Series 82-1215 Days	-	-	30,00,000.00	357.42
Units of Aditya Birla Sun life Fixed Term Plan Series PB-1190 Days	-	-	30,00,000.00	356.49
Units of Aditya Birla Sun life Fixed Term Plan Series PC-1169 Days	-	-	30,00,000.00	356.61
Units of DSP FMP Series 219-40M	-	-	30,00,000.00	355.88
Units of DSP FMP Series 220-40M	-	-	30,00,000.00	355.88
Units of Aditya Birla Sun life Fixed Term Plan Series QX-1103 Days	-	-	30,00,000.00	345.30
Units of Aditya Birla Sun life Fixed Term Plan Series RA-1100 Days	-	-	20,00,000.00	231.14
Units of DSP FMP Series 243-36M	-	-	15,00,000.00	171.03
Units of UTI Fixed Term Income Fund Series XXX-I-1104 Days	-	-	15,00,000.00	155.54
Units of Reliance Fixed Horizon Fund-XXXIX-Series 2	20,00,000.00	258.02	20,00,000.00	236.32
Units of Bharat Bond ETF	1,00,000.00	1,134.37	1,00,000.00	1,040.34
Units of Bharat Bond ETF	99,994.00	1,018.23	-	-
Units of Edelweiss NIFTY PSU Bond Plus SDL Index Fund	99,99,500.03	1,010.82	-	-
Investment in DEBT instruments				
a. Unquoted- At Amortised Cost				
FDR with LIC Housing Finance Ltd.	-	500.00	-	-
FDR with Housing Development Finance Corporation Ltd.	-	500.00	-	-
FDR with ICICI Home Finance Company Ltd.	-	500.00	-	-
Total Non Current Investment		9,248.72		10,133.81
Less: Allowance for doubtful debts		219.00		219.00
Total Non Current Investment		9,029.72		9,914.81
Aggregate amount of quoted investments and Market Value thereof		6,677.62		8,830.96
Aggregate amount of quoted investments and Book Value thereof		6,677.62		8,830.96
Aggregate amount of unquoted investments		2,571.10		1,302.85
Aggregate amount of impairment in value of investments		219.00		219.00



Notes to Standalone Financial Statements for the year ended March 31, 2021

(₹ In lacs)

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares/Units	Amount	No. of Shares/Units	Amount
CURRENT				
Investment in Equity Instruments				
a. Unquoted- At Fair Value through Profit & Loss				
Units of DSP India Enhanced Equity SatCore Fund	2,00,000.00	238.70	2,00,000.00	219.00
b. Quoted- At Fair Value through Profit & Loss				
Units of ABSL Arbitrage Fund-Direct Growth Plan	46,28,412.48	1,008.13	-	-
Units of Axis Arbitrage Fund-Direct Growth Plan	65,27,983.62	1,008.10	-	-
Units of Edelweiss Arbitrage Fund-Direct Growth Plan	63,98,901.91	1,007.65	-	-
Units of ICICI Prudential Equity Arbitrage Fund-Direct Growth Plan	35,78,534.88	1,003.86	-	-
Units of Kotak Equity Arbitrage Fund-Direct Growth Plan	33,28,717.29	1,007.97	-	-
Units of Nippon India Arbitrage Fund-Direct Growth Plan	46,05,984.41	1,005.35	-	-
Units of Tata Arbitrage Fund-Direct Growth Plan	87,67,722.67	1,005.66	-	-
Units of UTI Arbitrage Fund-Direct Growth Plan	35,41,939.97	1,007.84	-	-
Investment in debentures or bonds				
a. Quoted- At Fair Value through Profit & Loss				
NCD - Face Value of ₹ 100000/- each in Edelweiss Finvest Pvt. Limited	294.00	332.78	-	-
NCD - Face Value of ₹ 100000/- each in IIFL Wealth Finance Limited	300.00	428.32	-	-
NCD - Face Value of ₹ 100000/- each in Edelweiss Finvest Pvt. Limited	1,000.00	1,343.65	-	-
Investment in Mutual Funds				
a. Quoted- At Fair Value through Profit & Loss				
Units of Reliance Fixed Horizon Fund-XXXV-Series 13	30,00,000.00	380.31	-	-
Units of UTI Fixed Term Income Fund Series-1204 Days	30,00,000.00	378.80	-	-
Units of ICICI Prudential Fixed Maturity Plan Series 82-1203 Days	30,00,000.00	379.05	-	-
Units of ICICI Prudential Fixed Maturity Plan Series 82-1215 Days	30,00,000.00	380.40	-	-
Units of Aditya Birla Sun life Fixed Term Plan Series PB-1190 Days	30,00,000.00	378.80	-	-
Units of Aditya Birla Sun life Fixed Term Plan Series PC-1169 Days	30,00,000.00	379.49	-	-
Units of DSP FMP Series 219-40M	30,00,000.00	376.46	-	-
Units of DSP FMP Series 220-40M	30,00,000.00	378.96	-	-
Units of Aditya Birla Sun life Fixed Term Plan Series QX-1103 Days	30,00,000.00	367.48	-	-
Units of Aditya Birla Sun life Fixed Term Plan Series RA-1100 Days	20,00,000.00	245.02	-	-
Units of DSP FMP Series 243-36M	15,00,000.00	187.27	-	-
Units of UTI Fixed Term Income Fund Series XXX-I-1104 Days	15,00,000.00	178.40	-	-
Units of UTI Fixed Term Income Fund Series-1113 Days	-	-	30,00,000.00	336.61
Units of UTI Liquid Cash Plan-Direct Growth Plan	17,982.55	606.10	1,14,279.58	3,715.73
Units of UTI Overnight Fund-Direct Growth Plan	-	-	14,632.14	400.06
Units of Axis Liquid Fund-Direct Growth Plan	1,29,247.23	2,953.03	58,997.76	1,300.51
Units of ABSL Liquid Fund-Direct Growth Plan	2,41,429.59	800.42	-	-
Total Current Investment		18,768.00		5,971.91
Aggregate amount of quoted investments and Market Value thereof		18,529.30		5,752.91
Aggregate amount of quoted investments and Book Value thereof		18,529.30		5,752.91
Aggregate amount of unquoted investments		238.70		219.00
Aggregate amount of impairment in value of investments		-		-



Notes to Standalone Financial Statements for the year ended March 31, 2021

(₹ In lacs)

8. LOANS

Unsecured, Considered good unless otherwise stated	As at March 31, 2021	As at March 31, 2020
Non Current		
Loans to employees	11.40	15.28
Loan to Subsidiary#	11.56	11.56
Security Deposits		
Unsecured, Considered good	388.82	362.81
Doubtful	1.50	-
Less: Allowance for doubtful debts	(1.50)	-
	411.78	389.65
Break up of Security Details		
Loans considered good-Secured	-	-
Loans considered good-Unsecured	411.78	389.65
Loans which have significant increase in Credit Risk	-	-
Loans-Credit impaired	1.50	-
Total	413.28	389.65
Less : Allowance	(1.50)	-
Total	411.78	389.65
Current		
Loans to employees	68.46	92.37
Security Deposits	53.08	202.30
Loans to corporates and others		
Unsecured, Considered good*	3,900.00	2,600.00
Doubtful	645.71	545.71
Less: Allowance for doubtful debts	(645.71)	(295.71)
	4,021.54	3,144.67
Break up of Security Details		
Loans considered good-Secured	-	-
Loans considered good-Unsecured	4,021.54	2,894.67
Loans which have significant increase in Credit Risk	450.00	350.00
Loans-Credit impaired	195.71	195.71
Total	4,667.25	3,440.38
Less : Allowance	(645.71)	(295.71)
Total	4,021.54	3,144.67
Footnotes :		
a.	#The same is in the nature of advance. Refer Note-40.	
b.	*Includes amount due to related parties amounting to ₹ 3900.00 Lacs (March 31, 2020 and ₹ 2500 Lacs). Refer Note-40.	
c.	There is no amount due from director, other officer of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.	

Notes to Standalone Financial Statements for the year ended March 31, 2021

9. OTHER FINANCIAL ASSETS

(₹ In lacs)

Unsecured, Considered good unless otherwise stated		As at March 31, 2021	As at March 31, 2020
Non Current			
	Fixed Deposits with Banks*	-	2,217.54
		-	2,217.54
Current			
	Fixed Deposits with Banks*	3,369.74	-
	Interest Accrued on Loans and Investment	43.65	51.50
	Claim Receivable	1,614.68	1,163.19
		5,028.07	1,214.69
Footnotes :			
a.	*Includes interest accrued thereon. Lien marked against the Overdraft facility taken from bank as shown under the head "Borrowings"		
b.	There is no amount due from director, other officer of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.		

10. INVENTORIES

(₹ In lacs)

		As at March 31, 2021	As at March 31, 2020
	Raw materials*	8,579.04	7,875.38
	Packing materials**	1,926.11	1,547.09
	Work in Progress	596.56	689.12
	Finished Goods***	13,974.21	11,265.37
	Stock in Trade****	4,419.21	3,535.90
	Store and spares	55.21	72.84
	TOTAL	29,550.34	24,985.70
Footnotes :			
a.	The mode of valuation of inventories has been stated in note no 3(f)		
b.	Refer note 17(a) for information on Inventories pledged as security by the Company to banks		
c.	*: Stock of Raw Materials includes value of goods in transit of ₹ 2042.68 lacs [March 31,2020 : ₹ 1036.32 lacs]		
d.	**: Stock of Packing Materials includes value of goods in transit of ₹ 23.27 lacs [March 31,2020 : ₹ 61.45 lacs]		
e.	***: Stock of Finished Goods includes value of goods in transit of ₹ 318.42 lacs [March 31,2020 : ₹ 462.50 lacs]		
f.	****: Stock in Trade includes value of goods in transit of ₹ 259.12 lacs [March 31,2020 : ₹ 137.36 lacs]		
g.	Cost of Inventories recognized as an expense during the year amount to ₹ 89504.52 lacs [P.Y. ₹ 74095.82 lacs]		



Notes to Standalone Financial Statements for the year ended March 31, 2021

11. TRADE RECEIVABLES

(₹ In lacs)

	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered good*	24,730.04	24,704.52
Less: Allowance for doubtful debts (expected credit loss allowance)	(463.66)	(463.66)
TOTAL	24,266.38	24,240.86
Break up for Security Details		
Trade Receivables considered good-Secured	-	-
Trade Receivables considered good-Unsecured	24,730.04	24,704.52
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables-Credit impaired	-	-
TOTAL	24,730.04	24,704.52
Less: Allowance for doubtful debts (expected credit loss allowance) (Refer Note-43)	(463.66)	(463.66)
TOTAL	24,266.38	24,240.86
Footnotes :		
a. *Of the above, trade receivable from related parties are given below :		
Unsecured, considered good (Refer note-40)	-	2.93
b. Refer note 17(a) for information on Trade Receivable pledged as security by the company to banks		
c. There is no amount due from director, other officer of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.		

12. CASH & CASH EQUIVALENTS

(₹ In lacs)

	As at March 31, 2021	As at March 31, 2020
Cash & Cash Equivalents		
Balance With Banks In Current Account	6.68	216.29
Cash on Hand	54.63	102.10
Cheques / Drafts In Hand	-	2.54
Fixed Deposits With Banks*	-	2,201.54
	61.31	2,522.47
Bank Balance other than Cash and Cash Equivalents		
Balance With Banks In Unpaid Equity Dividend Account**	87.03	106.37
	87.03	106.37
Footnotes :		
a. *Includes interest accrued thereon		
b. **Earmarked against the corresponding unclaimed dividend liabilities as shown under the head "Other financial liabilities"		

13. CURRENT TAX ASSETS

(₹ In lacs)

	As at March 31, 2021	As at March 31, 2020
Advance Income Tax (Net of Provision for Income Tax)	-	457.15
	-	457.15



Notes to Standalone Financial Statements for the year ended March 31, 2021

14. OTHER ASSETS

(₹ In lacs)

Unsecured, Considered good unless otherwise stated		As at March 31, 2021	As at March 31, 2020
Non Current			
	Capital Advance	43.45	1,784.26
	Receivables from Govt. Authorities	70.57	80.34
	Deposits with Public Authorities	58.40	58.06
	Prepaid expenses	209.38	29.33
	Other Advances	9.76	8.41
		391.56	1,960.40
Current			
	Prepaid expenses	29.63	315.67
	Advances To Vendor	793.09	1,814.22
	Receivables from Govt. Authorities	3,193.91	1,760.79
	Other Advances*	28.22	102.27
		4,044.85	3,992.95
Footnotes :			
a.	*Includes advances given to employees		

15. EQUITY SHARE CAPITAL

(₹ In lacs)

		As at March 31, 2021	As at March 31, 2020
Authorized Share capital			
	14,21,00,000 equity shares of ₹2/- each	2,842.00	2,842.00
Issued, subscribed and fully paid up			
	4,65,78,324 equity shares of ₹2/- each	931.57	951.57
	[Last Year 4,75,78,324 equity shares of ₹2/- each]	931.57	951.57
Notes:			



Notes to Standalone Financial Statements for the year ended March 31, 2021

a. Reconciliation of the shares outstanding at the beginning and at the end of the year

(₹ In lacs)

	As at March 31, 2021		As at March 31, 2020	
	No of shares	Amount	No of shares	Amount
Opening	4,75,78,324	951.57	4,75,78,324	951.57
Issued during the period	-	-	-	-
Shares Extinguished on buy back*	10,00,000	20.00	-	-
Closing at the end of the year	4,65,78,324	931.57	4,75,78,324	951.57

*The Board of Directors of the Company in its Meeting held on 22nd July, 2020, has approved the proposal for Buyback of 10,00,000 (Ten Lakhs) Equity Shares of the Company for an amount not exceeding ₹ 100.00 Crores (Rupees One Hundred Crore Only) at a maximum price not exceeding ₹ 1,000/- (Rupees One Thousand only) per Equity Share, which was further approved by the Members at the 35th Annual General Meeting of the Company held on 15th September, 2020. The Buy Back Committee in its Meeting held on 16th September, 2020 determined the Buy Back Price of ₹ 1,000/- (Rupees One Thousand only) per Equity Share.

Pursuant to above, Offer for Buy Back of Equity Shares of the Company were opened from 20th October, 2020 to 3rd November, 2020. The Company bought back 10,00,000 (Ten Lakhs) Fully Paid-up Equity Shares of the Face Value of Rs. 2 each from Eligible Shareholders of the Company as on September 28, 2020 i.e. the Record Date and accordingly the Company has extinguished 10,00,000 (Ten Lakhs) Equity Shares on November 13, 2020 in terms of SEBI (Buy Back of Securities) Regulations, 2018. Consequent to above Buy Back, Paid up Share Capital of the Company have been reduced by ₹ 20,00,000/- (Twenty Lakhs Only)

b. Terms/Rights attached to Issued Equity Shares

1	The Company has only one class of Equity Shares having at par value of ₹2/- per share. Each Equity share is entitled to one vote.
2	In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts.
3	The distribution will be in proportion to the number of Equity Shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares (In Lacs)	% holding	No. of Shares (In Lacs)	% holding
M/s Triveni Trust	284.25	61.03%	290.35	61.03%
M/s Pushpa Dhanuka Trust	50.74	10.89%	51.84	10.90%
M/s DSP Blackrock Trustee Co. Pvt Ltd	30.71	6.59%	34.84	7.32%

As per the records of the Company, including its Register of Shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

d. The Company does not have any holding / ultimate holding company

Notes to Standalone Financial Statements for the year ended March 31, 2021

16. OTHER EQUITY

(₹ In lacs)

Reserves and Surplus	As at March 31, 2021	As at March 31, 2020
Capital Reserve		
Balance at the beginning of the Financial year	95.47	95.47
Addition during the Financial year	-	-
Deduction during the Financial year	-	-
	95.47	95.47
Capital Reserve includes profit on merger of entities		
Capital Redemption Reserve		
Balance at the beginning of the Financial year	48.82	48.82
Addition during the Financial year	20.00	-
Deduction during the Financial year	-	-
	68.82	48.82
Capital Redemption Reserve created on redemption of Equity shares		
Retained Earnings		
Balance at the beginning of the Financial year	69,673.90	63,126.16
Addition during the Financial year	21,056.01	14,146.50
Less: Amount Utilised for Buy back of Equity shares	(9,980.00)	-
Less : Amount Transferred to Capital Redemption Reserve on Buy back of equity shares	(20.00)	-
Less : Tax Paid on Buy back of equity shares	(2,324.94)	-
Add/ (Less):		
Remeasurements of the defined benefit plans through OCI	129.82	(371.62)
Dividend paid including Dividend Distribution Tax (DDT)	-	(7,227.14)
	78,534.79	69,673.90
Total	78,699.08	69,818.19
Retained Earnings represents undistributed profits of the company which can be distributed to its Equity Shareholders in accordance with the requirements of Companies Act, 2013.		
Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.		

(₹ In lacs)

Detail of Dividend Paid	As at March 31, 2021	As at March 31, 2020
a.) Dividend Paid		
Final Dividend Declared for F.Y. 2018-19 [Dividend Paid ₹ 0.60/- per share]	-	285.47
Dividend Distribution Tax	-	58.68
Interim Dividend Declared for F.Y. 2019-20 [Dividend Paid ₹12.00/- per share]	-	5,709.40
Dividend Distribution Tax	-	1,173.59
	-	7,227.14
b.) Proposed Dividend		
After the reporting date, the Board of Directors of the Company has recommended a final dividend of ₹ 2.00 per Equity share amounting to ₹ 931.57 Lacs excluding applicable taxes for the financial year 2020-21.		
The dividend proposed by the Directors are subject to approval at the Annual General Meeting. The dividend including tax has not been recognised as liability. The same will be recognised as a liability and deducted from shareholder's equity in the period in which the dividends are approved by the equity shareholders in the general meeting.		



Notes to Standalone Financial Statements for the year ended March 31, 2021

17. BORROWINGS (CURRENT)

(₹ In lacs)

	As at March 31, 2021	As at March 31, 2020
Secured		
From Banks-Loan Repayable on Demand		
Cash Credit limits from Banks	-	0.82
Over Draft Against Pledge of FDR	835.84	797.67
	835.84	798.49
Footnotes :		
a.	Cash Credit Limits from Banks are secured by hypothecation of stocks of raw materials, work in process, finished goods, book debts and other movable assets on pari-passu basis and by joint and several guarantee of the Directors of the Company. Loan from Banks are repayable on demand and carried interest @ 7.85% to 10.00% p.a.	
b.	Overdraft facilities has been taken from bank against Lien mark of Fixed Deposits as shown under the head "Other Current Financial Assets"	

18. TRADE PAYABLES

(₹ In lacs)

	As at March 31, 2021	As at March 31, 2020
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	619.39	693.34
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises*	10,243.47	10,627.76
	10,862.86	11,321.10
Footnotes :		
a.	*Includes amount due to related parties amounting to ₹ 689.20 Lacs (March 31, 2020 ₹ 688.85 Lacs)-Refer Note-40	
b.	Refer note 41 for information on total outstanding dues of micro enterprises and small enterprises	

19. OTHER FINANCIAL LIABILITIES

(₹ In lacs)

	As at March 31, 2021	As at March 31, 2020
Non Current		
Security Received from Customers*	1,339.66	1,342.43
Lease Liability	3,629.29	257.95
	4,968.95	1,600.38
Current		
Unclaimed Dividend**	87.03	106.37
Capital Creditors	29.59	68.52
Other Payable***	9,967.37	5,587.84
Lease Liability	377.86	231.07
	10,461.85	5,993.80
Footnotes :		
a.	*Security Received from Customers includes Security Received from C&F Agents	
b.	**There are no outstanding dues to be paid to Investor Education & Protection Fund.	
c.	***Other payables includes Employee related costs and provision of Expenses and discounts and rebates on sale.	

Notes to Standalone Financial Statements for the year ended March 31, 2021

20. PROVISIONS

(₹ In lacs)

	As at March 31, 2021	As at March 31, 2020
Provision For Employee Benefits		
Non Current		
Provision for Gratuity	33.60	496.84
Provision for Compensated absences	66.52	72.01
	100.12	568.85
Current		
Provision for Compensated absences	24.71	25.58
	24.71	25.58
Footnotes :		
a. Refer note 36(b) for information on Defined benefit plans-Gratuity		

21 DEFERRED TAX LIABILITIES (NET)

(₹ In lacs)

	As at March 31, 2021	As at March 31, 2020	
Deffered Tax Liabilities	1,109.98	786.83	
Deffered Tax Assets	(280.51)	(252.92)	
	829.47	533.91	
	As at April 1, 2019	Recognized in P&L	As at March 31, 2020
Deferred tax (assets)/ liabilities are attributable to the following items :			
Deferred Tax Liabilities			
Property, plant and equipment & Intangible assets	1,095.33	(491.89)	603.44
Investments	311.67	(128.28)	183.39
	Total-(A)	(620.17)	786.83
Deferred Tax Assets			
Amalgamation Expenses	(1.72)	1.72	-
Trade Receivable	(184.61)	(61.62)	(246.23)
Lease Liability	-	(6.69)	(6.69)
	Total-(B)	(66.59)	(252.92)
Net Deferred Tax Liability	(A+B)	(686.76)	533.91
	As at April 1, 2020	Recognized in P&L	As at March 31, 2021
Deferred tax (assets)/ liabilities are attributable to the following items :			
Deferred Tax Liabilities			
Property, plant and equipment & Intangible assets	603.44	50.10	653.54
Investments	183.39	273.05	456.44
	Total-(A)	323.15	1,109.98
Deferred Tax Assets			
Trade Receivables	(246.23)	-	(246.23)
Lease Liability	(6.69)	(27.59)	(34.28)
	Total-(B)	(27.59)	(280.51)
Net Deferred Tax Liability	(A+B)	295.56	829.47



Notes to Standalone Financial Statements for the year ended March 31, 2021

22. OTHER LIABILITIES

(₹ In lacs)

	As at March 31, 2021	As at March 31, 2020
Non Current		
Advances from customers	-	-
	-	-
Current		
Advances from customers	3,193.63	1,026.14
Statutory dues payable	1,624.74	593.21
	4,818.37	1,619.35

23. CURRENT TAX LIABILITIES (NET)

	As at March 31, 2021	As at March 31, 2020
Income Tax payable (Net of advance)	581.26	-
	581.26	-

24. REVENUE FROM OPERATIONS

(₹ In lacs)

		For the Year ended March 31, 2021	For the Year ended March 31, 2020
a. Revenue From Operations			
Sales of products			
Finished Goods			
-Agrochemical		1,20,465.38	94,983.67
Traded Goods			
-Agrochemical		16,736.46	15,878.24
	(A)	1,37,201.84	1,10,861.91
Other operating revenues			
Income From Power Generation Plant		154.22	171.78
Scrap Sales		237.76	317.77
Tax Incentive from Govt.		1,153.05	655.62
	(B)	1,545.03	1,145.17
Total Revenue	(A) + (B)	1,38,746.87	1,12,007.08
b. Reconciliation of Revenue from contract with customers :			
Revenue as per contracted price		1,50,328.06	1,24,393.66
Less : Discounts & Rebates		11,581.19	12,386.57
Revenue from contract with customers		1,38,746.87	1,12,007.08

c. Contract balances :

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers :

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivables*	24,266.38	24,240.86
	24,266.38	24,240.86
Contract Liabilities	-	-
	3,193.63	1,026.14
Advances from Customers	3,193.63	1,026.14

* Trade receivables are non-interest bearing and are generally on terms of 90 to 120 days.

Notes to Standalone Financial Statements for the year ended March 31, 2021

(₹ In lacs)

d. The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) is as follows :

	As at March 31, 2021	As at March 31, 2020
Advances from customers	3,193.63	1,026.14
	3,193.63	1,026.14

25. OTHER INCOME

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest Income on Financial Assets at amortised cost	1,569.53	1,124.69
Dividend Income	-	291.10
Net Gain on sale of investments	335.87	83.58
Net Gain on Investments measured at fair value through profit or loss	1,129.71	380.77
Other Non-Operating Income		
Rent Received	9.14	9.83
Miscellaneous Receipts	39.39	360.43
Net Gain On Foreign Currency Transactions	252.42	-
Net Profit on disposal of property, plant and equipment	22.84	8.91
Liabilities No Longer Required, Written Back	11.37	249.53
	3,370.27	2,508.84
a. Refer note-40 for transactions with Related Party		

26. COST OF MATERIALS CONSUMED

		For the Year ended March 31, 2021	For the Year ended March 31, 2020
Raw Materials			
Inventories at the beginning of the financial year		7,875.38	4,479.71
Add : Purchases		68,645.32	54,980.10
Less : Inventories at the end of the financial year		(8,579.04)	(7,875.38)
Cost of Raw Material Consumed	(A)	67,941.66	51,584.43
Packing Materials			
Inventories at the beginning of the financial year		1,547.09	1,742.59
Add : Purchases		8,147.42	6,464.95
Less : Inventories at the end of the financial year		(1,926.11)	(1,547.09)
Cost of Packing Materials Consumed	(B)	7,768.40	6,660.45
	(A)+(B)	75,710.06	58,244.88

27. PURCHASE OF STOCK IN TRADE

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Agrochemical	14,120.65	14,060.05
	14,120.65	14,060.05



Notes to Standalone Financial Statements for the year ended March 31, 2021

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

(₹ In lacs)

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Inventories at the end of the period		
Stock in Trade	4,419.21	3,535.90
Work in Progress	596.56	689.12
Finished Goods	13,974.21	11,265.37
	18,989.98	15,490.39
Inventories at the beginning of the period		
Stock in Trade	3,535.90	2,480.58
Work in Progress	689.12	810.11
Finished Goods	11,265.37	11,063.87
	15,490.39	14,354.56
(Increase)/Decrease in Inventories	(3,499.59)	(1,135.83)

29. EMPLOYEE BENEFIT EXPENSES

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Salaries, wages and bonus	10,798.42	9,435.89
Contribution to Provident & Other funds	388.50	428.03
Gratuity	163.44	125.26
Compensated absences	226.38	289.00
Staff Welfare Expenses	249.95	244.63
	11,826.69	10,522.81
Footnotes :		

- Refer note 36(a) for information on Defined Contribution plan
- Refer note 36(b) for information on Defined benefit plan-Gratuity
- Refer note 36(c) for information on Other employee benefits-Compensated absences
- Refer note-40 for transactions with Related Party

30. FINANCE COSTS

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest on bank overdraft & working capital limits	11.45	19.21
Interest On lease liability	201.66	64.38
Interest on Security Deposits & others	56.27	72.10
	269.38	155.69

31. DEPRECIATION AND AMORTIZATION EXPENSES

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Depreciation on Property, Plant & Equipment (Refer Note-4)	1,474.07	1,592.47
Amortization of Intangible Assets (Refer Note-6)	43.93	43.42
	1,518.00	1,635.89

Notes to Standalone Financial Statements for the year ended March 31, 2021

32. OTHER EXPENSES

(₹ In lacs)

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Power,fuel,electricity & water charges	168.60	164.21
Consumable Stores	115.01	78.93
Packing Charges	399.46	221.39
Repair & Maintenance, Machinery	99.32	147.47
Repair & Maintenance, Factory Building	88.03	27.01
Incineration Charges	2.01	1.35
Security Charges	58.23	52.46
Laboratory expenses	32.46	30.78
ISI Marking Fees	5.48	5.71
R&D expenses	239.03	352.13
Travelling and conveyance	506.44	1,086.83
Communication Expenses	122.42	109.09
Postage and Telegram	26.93	30.56
Printing and Stationery	48.24	49.72
Office and Godown Rent	241.59	113.33
Rates and Taxes	78.14	56.88
Insurance Charges	662.71	315.60
Legal and Professional Charges	522.15	447.41
Repair & Maintenance-Building	672.56	232.99
Repair & maintenance-Other	247.05	285.34
Security Charges-Offices	34.80	37.08
Electricity & Water Charges	57.25	65.47
Books and Periodicals	1.91	3.07
Recruitment Expenses	64.86	37.88
Fees and Subscription	39.36	38.64
Charity and Donation	1.21	14.15
Bank Charges	15.15	15.12
Miscellaneous Expenses	4.28	8.83
Directors' Sitting Fee	15.20	9.00
Payment To Auditors (Refer Note 32.1)	20.12	17.14
Vehicles Hiring & Maintenance	1,048.45	1,035.37
Net Loss On Foreign Currency Transactions	-	42.00
Loss On Insurance Claim Received	-	26.87
CSR Expenses (Refer Note 32.2)	331.13	323.17
Education and Seminar	182.55	656.01
Advertisement and Publicity	985.08	488.42
Business Promotion Expenses	84.18	156.53
Allowance for Bad and Doubtful Debts & Loans (Net)	511.96	425.58
Freight & Cartage on STV & Sales	3,814.45	3,361.90
Field Assistant Expenses	1,095.22	1,363.55
C&F Commission	1,035.26	1,033.26
	13,678.28	12,968.23



Notes to Standalone Financial Statements for the year ended March 31, 2021

(₹ In lacs)

		For the Year ended March 31, 2021	For the Year ended March 31, 2020
32.1	Payment to Auditors		
	Statutory Auditors		
	Audit Fees	13.00	11.00
	Limited Review Fees	3.00	3.00
	Tax Audit Fees	2.00	2.00
	Certification & Other Matters	2.00	-
	Reimbursement of expenses	0.12	1.14
	TOTAL	20.12	17.14

		For the Year ended March 31, 2021	For the Year ended March 31, 2020
32.2	Amount Spent on CSR Activities		
	Gross amount required to be spent by the company during the year	330.85	322.49
	Amount spent during the year		
	Promotion of Education	160.00	240.10
	Preventive Healthcare	162.38	26.34
	Eradicating Hunger	-	1.08
	Rural Development	5.00	-
	Livelihood Enhancement Projects	1.00	33.50
	Facilities for Senior Citizens	-	0.50
	Environmental Sustainability	2.75	21.65
		331.13	323.17

33. INCOME TAX EXPENSE			
a.	Income tax recognized in profit or loss		
		For the Year ended March 31, 2021	For the Year ended March 31, 2020
	Current tax expense		
	Current Tax	7,142.10	4,604.46
	Tax of earlier year provided / (written back)	-	-
	Deferred tax expense		
	Origination and reversal of temporary differences	295.56	(686.76)
		7,437.66	3,917.70
b.	Reconciliation of effective tax rate		



Notes to Standalone Financial Statements for the year ended March 31, 2021

(₹ In lacs)

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Profit before tax	28,493.67	18,064.20
Tax using the Company's domestic tax rate i.e. 25.168%	7,171.29	4,546.40
Effect of Expenses not deductible for tax purpose	176.19	95.62
Effect of Income Exempt from tax	(23.76)	(107.70)
Effect of Concessions and Tax incentives	(0.61)	(0.66)
Effect of Lower tax Rate for the capital gains	(15.12)	(66.78)
Other	32.67	(93.53)
Adjustment in respect of Deferred tax related to earlier years	97.00	(455.65)
Income tax Expenses recognised in the statement of profit and loss	7,437.66	3,917.70

34. OTHER COMPREHENSIVE INCOME

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
(i) Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	129.82	(371.62)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-
(i) Items that will be reclassified to profit or loss	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
	129.82	(371.62)

35. Earnings per share (EPS)

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Net Profit for Basic & diluted EPS (₹ In Lacs)	21,056.01	14,146.50
Number of Equity Shares at the beginning of the year	4,75,78,324.00	4,75,78,324.00
Add: Shares issued during the year	-	-
Less : Shares bought back during the year	10,00,000.00	-
Total Number of Shares outstanding at the end of the year	4,65,78,324.00	4,75,78,324.00
Weighted Average number of Equity Shares outstanding during the year	4,71,97,502.08	4,75,78,324.00
Earnings Per Share - Basic (₹)	44.61	29.73
Earnings per share - Diluted (₹)	44.61	29.73
Face value per share (₹)	2.00	2.00

36. EMPLOYEE BENEFITS

The company participates in defined contribution and benefit schemes, the funded assets of which are held in separately administered funds. For defined contribution schemes the amount charged to the statements of profit & loss is the total of contributions payable in the year.

a. Defined Contribution Plans

The Company has Defined Contribution Plans for post-employment benefits namely Provident Fund, Superannuation Fund and National Pension Scheme, which are administered by appropriate Authorities.

The Company contributes to a Government administered Provident Fund, Employees' Deposit Linked Insurance Scheme and Employee Pension Scheme, on behalf of its employees and has no further obligation beyond making its contribution.

The Superannuation Fund and National Pension Scheme applicable to certain employees is a Defined Contribution Plan as the Company contributes to these Schemes which are administered by an Insurance Company and has no further obligation beyond making

the payment to the Insurance Company.

The Company contributes to State Plans namely Employees' State Insurance Fund and has no further obligation beyond making the payment to them.

The Company's contributions to the above funds are charged to revenue every year.

The company has recognized an expense of ₹ 387.14 lacs (Previous year ₹ 426.14 lacs) towards the defined contribution plans.

b. Defined Benefit Plans

In accordance with the payment of Gratuity Act, 1972, the Company has a Defined Benefit Plan namely "Gratuity Plan" covering its employees. The Gratuity scheme is funded through Group Gratuity-cum-Life Assurance Scheme and the liability for the Gratuity plan is provided based on an actuarial valuation at the year-end. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income.



Notes to Standalone Financial Statement for the year ended March 31, 2021

I. Changes in the Present Value of Obligation

(₹ In lacs)

Particulars	For the year ended 31-Mar-21	For the year ended 31-Mar-20
Present Value of Obligation as at the beginning	1498.24	1227.12
Current Service Cost	135.64	113.76
Interest Expense or Cost	83.84	87.31
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	266.71	0.30
- change in financial assumptions	25.85	154.71
- experience variance (i.e. Actual experience vs assumptions)	(120.25)	63.37
Past Service Cost		-
Benefits Paid	(71.81)	(148.33)
Present Value of Obligation as at the end	1818.22	1498.24

II. Changes in the fair value of plan assets

Particulars	For the year ended 31-Mar-21	For the year ended 31-Mar-20
Fair Value of Plan Assets as at the beginning	1001.40	1065.51
Investment Income	56.04	75.81
Employer's Contribution	496.86	161.65
Benefits Paid	(71.81)	(148.33)
Return on plan assets, excluding amount recognized in net interest expense	302.13	(153.24)
Fair Value of Plan Assets as at the end	1784.62	1001.40

The plan assets are managed by the Gratuity trust formed by the company. The management of 100% of the funds is entrusted with the Life Insurance Corporation of India and HDFC Life Insurance Company Limited whose pattern of investment is not available with the company.

III. Assets and Liability (Balance Sheet Position)

Particulars	For the year ended 31-Mar-21	For the year ended 31-Mar-20
Present Value of Obligation	1818.22	1498.24
Fair Value of Plan Assets	1784.62	1001.40
Surplus / (Deficit)	(33.60)	(496.84)
Effects of Asset Ceiling, if any	-	-
Net Asset / (Liability)	(33.60)	(496.84)

IV. Bifurcation of present value of obligation at the end of the year

Particulars	For the year ended 31-Mar-21	For the year ended 31-Mar-20
Current Liability (Short term)	247.20	439.07
Non-Current Liability (Long term)	1571.02	1059.17
Present Value of Obligation	1818.22	1498.24

Notes to Standalone Financial Statement for the year ended March 31, 2021

V. Expenses Recognized during the period

(₹ In lacs)

Particulars	For the year ended 31-Mar-21	For the year ended 31-Mar-20
In Profit & loss :		
Current Service Cost	135.64	113.76
Net Interest Cost/(Income) on the net defined benefit liability/(Asset)	27.80	11.50
Components of defined benefit costs recognised in profit & loss	163.44	125.26
In Other Comprehensive Income :		
Actuarial (gains)/losses		
-Change in demographic assumptions	266.71	0.31
-Change in financial assumptions	25.85	154.70
-Experience variance (i.e. Actual experience vs assumptions)	(120.25)	63.37
Return on plan assets, excluding amount recognised in net interest expense	(302.13)	153.24
Components of defined benefit costs recognised in other comprehensive income	(129.82)	371.62

VI. Actuarial Assumptions

Particulars	For the year ended 31-Mar-21	For the year ended 31-Mar-20
Discount rate (per annum)	6.65%	5.60%
Salary growth rate (per annum)	11.50%	10.00%
Mortality rate { % of IALM 12-14 (P.Y. 06-08) }	100.00%	100.00%
Attrition / Withdrawal rate (per annum)	5.00%	15.00%

VII. Sensitivity Analysis

Significant actuarial assumptions for the determination of defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis given below:

(₹ In lacs)

Particulars	31 March, 2021		31 March, 2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	1989.73 9.40%	1671.54 -8.10%	1573.12 5.00%	1430.44 -4.50%
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	1678.38 -7.70%	1977.84 8.80%	1434.94 -4.20%	1566.68 4.60%
Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity)	1951.67 7.3%	1721.54 -5.30%	1647.90 10.00%	1421.52 -5.10%
Mortality Rate (- / + 10% of mortality rates) (% change compared to base due to sensitivity)	1819.52 0.01%	1816.93 -0.10%	1498.60 0.00%	1497.88 0.00%



Notes to Standalone Financial Statement for the year ended March 31, 2021

VIII. Expected Contribution during the next annual reporting period

(₹ In lacs)

The Company's best estimate of Contribution during the next year	246.59
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IX. Maturity profile of defined Benefit obligation

(₹ In lacs)

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	247.21
2 to 5 years	642.87
6 to 10 years	723.96
More than 10 years	2178.48

X. Method and assumption related terms

- 1) Discount Rate** : - Discount rate is the rate which is used to discount future benefit cash flows to determine the present value of the defined benefit obligation at the valuation date. The rate is based on the prevailing market yields of high quality corporate bonds at the valuation date for the expected term of the obligation. In countries where there are no such bonds, the market yields at the valuation date on government bonds for the expected term is used.
- 2) Salary escalation Rate** : - The rate at which salaries are expected to escalate in future. It is used to determine the benefit based on salary at the date of separation.
- 3) Attrition Rate** : - The reduction in staff/employees of a company through normal means, such as retirement and resignation. This is natural in any business and industry.
- 4) Mortality Rate** : - Mortality rate is a measure of the number of deaths (in general, or due to a specific cause) in a population, scaled to the size of that population, per unit of time.
- 5) Projected Unit credit method** : - The Projected Unit Credit Method (sometimes known as the accrued benefit method prorated on service or as the benefit/years of service method) considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The Projected Unit Credit Method requires an enterprise to attribute benefit to the current period (in order to determine current service cost) and the current and prior periods (in order to determine the present value of defined benefit obligations).

c. Other Long term employee benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in statement of profit and loss.

The company has recognized an expense of ₹ 226.38 lacs (Previous year ₹ 289.00 lacs) towards the compensated absences

Notes to Standalone Financial Statement for the year ended March 31, 2021

37. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ In lacs)

S.No.	Particular	As at March 31, 2021	As at March 31, 2020
I	Contingent Liabilities		
a.	Claims against the company not acknowledged as debt*		
	-Income Tax	168.64	-
	-Excise Duty (Net of Expenses recognized of Rs. 70.70 lacs)	637.81	637.81
	-Service Tax (Net of Expenses recognized of Rs. 65.20 lacs)	111.05	111.05
	-Sales Tax	138.15	158.10
	-Litigation pending in consumer forum	99.91	54.31
	-Other**	2980.00	2980.00
b.	Guarantees excluding financial guarantees		
	-Bank Guarantees	5.00	23.30
c.	Other money for which the company is contingently liable		
	-'C' forms pending against central sales tax	0.01	0.10
d.	There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated February 28, 2019 on Provident Fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. Due to pending decision on the subject review petition and directions from EPFO, the impact for the past period, if any, was not ascertainable and consequently no effect was given in the accounts.		
II	Commitments		
	-Estimated amount of contracts remaining to be executed on capital account and not provided for {Net of advances ₹43.45 lacs (March 31, 2020 : ₹ 24.10 lacs)}	224.32	96.80

* Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of the cash outflows, if any, in respect of the above as it is determinable only on receipt of the judgements/ decisions pending with various forums/ authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The company also believes that the above issues, when finally settled are not likely to have any significant impact on the financial position of the Company.

** Company has received Refund of Terminal Excise Duty (TED) during FY 2015-16 & FY 2016-17 from Director General of Foreign Trade (DGFT). In November-2019, company has received show cause notice from DGFT for recovery of erroneous payment of Terminal Excise Duty. Against this notice, company has filed writ before Gujarat High Court and the court has stayed the recovery of the notice. As on now the matter is pending before Gujarat High Court.

38. LEASES

The Company's lease asset primarily consist of leases for offices, warehouses and Vehicles having the various lease terms. Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the cumulative effect of initially applying the standard recognised at the date of initial application, with right-of-use asset recognised at an amount equal to the lease liability, adjusted by the prepaid lease rent

The adoption of Ind AS 116 did not have any material impact on Statement of profit and loss and earnings per share.

Presentational changes:

The first-time application of Ind AS 116 as of April 1, 2019, resulted in the recognition of lease liabilities and Right-of-use assets adjusted by the amount of prepaid lease Rental.



Notes to Standalone Financial Statement for the year ended March 31, 2021

In the Statement of Profit and Loss, the Company recognised the depreciation of the right-of-use assets and the interest expense for the lease liabilities under Ind AS 116 instead of Rent expenses for operating leases in Other Operating Expenses as per Ind AS 17.

In the Statement of Cash Flows, Ind AS 116 had a positive effect on the operating cash flow by reducing cash outflows from operating activities, while the repayment component of lease payments and the interest expense are recognised in cash outflows from financing activities.

a. Right of Use

Following is carrying value of right of use assets and the movements thereof during the year ended are as under:-

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	611.64	-
Additions during the Year	3910.11	1155.20
Depreciation Charge	(480.93)	(543.56)
Early cancellation of lease	(0.87)	-
Carrying amount at the end of the year	4039.95	611.64

b. Lease Liability

The following is the carrying value of lease liability and movement thereof during the year ended are as under:

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	489.02	-
-Additions during the Year	3867.94	984.64
-Finance Cost accrued during the year	201.66	64.38
-Cash outflow/payment of Lease liability	(550.52)	(560.00)
-Early cancellation of lease	(0.95)	-
Carrying amount at the end of the year	4007.15	489.02

c. The company has elected Para 6 of Ind AS 116 for short term leases & recognised lease expense of ₹ 241.59 lacs (Previous Year ₹ 113.33 lacs) associated with these lease.

d. The weighted average incremental borrowing rate of 9% has been applied to lease liabilities recognised in the Balance Sheet at the date of initial application.

e. The Maturity analysis of lease liabilities are disclosed in Note 43(b)

39. SEGMENT INFORMATION

The company has evaluated the applicability of segment reporting and has concluded that the company has only one primary business segment i.e. Agro Chemicals and one geographical reportable segment i.e. Operations mainly within India. The overall performance is reviewed by the Chairman, Managing Director, Executive directors and CFO, which has been identified as the CODM (Chief operating decision makers) by the Company.

Thus the segment revenue, expenses, results, assets and liabilities are same as reflected in the financial statements as at and for the year ended 31 March, 2021.

Thus the segment revenue, expenses, results, assets and liabilities are same as reflected in the financial statements as at and for the year ended 31 March, 2021.



Notes to Standalone Financial Statement for the year ended March 31, 2021

40. RELATED PARTY DISCLOSURES

a. Nature of Related Party Relationship

I. Subsidiaries

- a.) Dhanuka Agri-Solutions Pvt. Limited Wholly owned Subsidiary

II. Key Management personnel

- a.) Sh. Ram Gopal Agarwal Chairman
b.) Sh. Mahendra Kumar Dhanuka Managing Director
c.) Sh. Arun Kumar Dhanuka Executive Director
d.) Sh. Rahul Dhanuka Executive Director
e.) Sh. Mridul Dhanuka Executive Director (Till 28th June, 2020)
f.) Sh. Mridul Dhanuka Non-Executive Director (W.e.f. 29th June, 2020)
g.) Sh. Harsh Dhanuka Executive Director (W.e.f. 21st May, 2019)
h.) Sh. Ashish Saraf Executive Director
i.) Sh. Priya Brat Independent Non-Executive Director
j.) Sh. Vinod Kumar Jain Independent Non-Executive Director
k.) Sh. Indresh Narain Independent Non-Executive Director (Till 21st May, 2020)
l.) Sh. Sachin Kumar Bhartiya Independent Non-Executive Director
m.) Smt. Asha Mundra Independent Non-Executive Director (Till 20th May, 2019)
n.) Sh. Om Prakash Khetan Independent Non-Executive Director (Till 20th May, 2019)
o.) Sh. Sanjay Saxena Independent Non-Executive Director
p.) Sh. Siraj Azmat Chaudhry Independent Non-Executive Director (W.e.f. 22nd July, 2020)
q.) Sh. Bajrang Lal Bajaj Independent Non-Executive Director (W.e.f. 21st May, 2019)
r.) Smt. Namrata Gupta Independent Non-Executive Director (W.e.f. 21st May, 2019)
s.) Sh. Vinod Kumar Bansal Chief Financial Officer
t.) Smt. Jyoti Verma Company Secretary (till 11th Nov, 2019)
u.) Sh. Jitin Sadana Company Secretary (w.e.f. 13th Feb, 2020)

III. Relatives of Key Management Personnel with whom transactions have taken place

- a.) Sh. Harsh Dhanuka Son of Sh. Mahendra Kumar Dhanuka (Till 20th May, 2019)
b.) Smt. Megha Dhanuka Wife of Sh. Mridul Dhanuka
c.) Smt. Akangsha Dhanuka Wife of Sh. Harsh Dhanuka
d.) Smt. Madhuri Dhanuka Wife of Sh. Rahul Dhanuka
e.) Smt. Uma Dhanuka Wife of Sh. Mahendra Kumar Dhanuka
f.) Smt. Mamta Dhanuka Wife of Sh. Arun Kumar Dhanuka
g.) Smt. Urmila Dhanuka Wife of Sh. Ram Gopal Agarwal
h.) Sh. Arjun Dhanuka Son of Sh. Arun Kumar Dhanuka
i.) Sh. Satya Narain Agarwal Brother of Sh. Ram Gopal Agarwal and Sh. Mahendra Kumar Dhanuka
j.) Sh. Manish Dhanuka Brother of Sh. Arun Kumar Dhanuka

IV. Entities controlled by KMP/Relative of KMP, with whom transactions have taken place

- a.) Dhanuka Marketing Company
b.) Mridul Dhanuka HUF
c.) Dhanuka Private Limited
d.) Dhanuka Laboratories Limited
e.) Chiranji Lal Dhanuka Charitable Trust
f.) Triveni Trust
g.) Sikkim Agro Industries Limited
h.) Golden Overseas Pvt. Limited
i.) M.D. Buildtech Pvt. Limited
j.) H.D. Realtors Pvt. Limited
k.) Dhanuka Infotech Pvt. Limited
l.) Otsuka Chemical (India) Pvt. Limited
m.) IKO Overseas
n.) Synmedic Laboratories
o.) Synmedic Laboratories Pvt. Ltd.
p.) Mahendra Kumar Dhanuka HUF
q.) Pushpa Dhanuka Trust



Notes to Standalone Financial Statement for the year ended March 31, 2021

b. The following transactions were carried out with related parties in the ordinary course of business: (₹ In lacs)

Transaction type	Type of Relation	2020-21			2019-20		
		Transaction during the period			Transaction during the period		
		Pur./ Amt Recd.	Sales/ Amt Paid	Balance outstanding Dr.(Cr.)	Pur./ Amt Recd.	Sales/ Amt Paid	Balance outstanding Dr.(Cr.)
Compensation to KMP							
Short term employee benefits	a(II)	-	2892.36	-	-	2063.35	-
Post-employment benefits*		-	49.69	-	-	79.79	-
Sitting Fee to Independent Non-Executive Directors.		-	15.20	-	-	9.00	-
Total		-	2957.25	(1149.35)	-	2152.14	(441.13)
Other Transactions							
Sale of Goods	a(IV)d	-	1.46	-	-	-	-
Sale of Property, Plant & Equipment	a(IV)d	-	-	-	-	2.00	2.36
Services Rendered-Rent	a(IV)	-	2.40	-	-	2.40	0.57
Services Received-Rent	a(III) & a(IV)	370.61	-	-	165.17	-	(18.73)
Security Deposit Given	a(IV)c & a(IV)f	-	20.00	-	-	208.11	-
Loans Given to Subsidiary company#	a(I)a	-	-	11.56	-	-	11.56
Investment in Subsidiary company	a(I)a	-	-	0.09	-	-	0.09
Loans Given/Repayment Received	a(IV)d	500.00	1900.00	3900.00	4500.00	4500.00	2500.00
Interest on Loan	a(IV)d	311.48	-	-	2.71	-	-
Travel/Other expenses	a(IV)a	-	7.52	(6.12)	-	9.26	(1.47)
Salary paid	a(III)a	-	-	-	-	8.77	-
Contribution towards CSR	a(IV)e	-	130.00**	-	-	205.00**	-
Services Received-C&F Commission	a(IV)a	597.89	-	(683.08)	494.54	-	(668.66)
Buy Back of Equity Shares	a(II)	-	165.22	-	-	-	-
Buy Back of Equity Shares	a(III)	-	80.11	-	-	-	-
Buy Back of Equity Shares	a(IV)	-	6410.93	-	-	-	-

Note-Figures are shown net of GST input Credit, wherever applicable.

* The above post-employment benefits exclude gratuity which cannot be separately identified from the composite amount advised by the actuary.

** Payment has been made to M/s Kalptaru Real Estate for construction of school building which is in the name of M/s Chiranji Lal Dhanuka Charitable Trust.

The same is in the nature of advance.

c. Terms and conditions of transactions with related parties

All the transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The company has not recorded any impairment of receivables relating to amounts owed by related parties for the year ended March 31, 2021 and March 31, 2020.



Notes to Standalone Financial Statement for the year ended March 31, 2021

41. THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

The information regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the company: (₹ In lacs)

S. No.	Particulars	As at March 31, 2021	As at March 31, 2020
1.)	Principal amount and Interest due thereon remaining unpaid to any supplier covered under MSMED Act as on 31st March		
	Principal	605.78	679.75
	Interest	0.02	-
2.)	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
3.)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
4.)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	13.61	13.59
5.)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	0.01

42. FINANCIAL INSTRUMENTS

I. Financial Assets-Fair values

(₹ In lacs)

Particulars	Fair Value Hierarchy	As at March 31, 2021	As at March 31, 2020
1. Financial assets designated at fair value through profit and loss			
a) Investment			
i) In Equity Instruments	Level-1	8054.55	-
ii) In Equity Instruments	Level-2	238.70	236.39
iii) In Preference Shares	Level-1	568.27	530.08
iv) In mutual funds	Level-1	11791.44	10786.53
v) In Debentures or Bond	Level-1	3725.50	2113.71
vi) In Debt Instruments	Level-2	381.20	496.90
2. Financial assets designated at amortized cost			
a) Investment			
i) In Debentures or Bond*		3037.97	1723.02
b) Trade receivables		24266.38	24240.86
c) Cash & Cash Equivalents		61.31	2522.47
d) Other bank balances		87.03	106.37
e) Loans		4433.32	3534.32
f) Other Financial Assets		5028.07	3432.23
3. Investment in subsidiary companies at cost		0.09	0.09

* Net of Provision for Doubtful Debts ₹ 219.00 lacs (March 31, 2020 : ₹ 219.00 lacs)



Notes to Standalone Financial Statement for the year ended March 31, 2021

II. Financial Liabilities-Fair Value

(₹ In lacs)

Particulars	Fair Value Hierarchy	As at March 31, 2021	As at March 31, 2020
1. Financial liability designated at amortized cost			
a) Borrowings		835.84	798.49
b) Trade Payables			
-Total Outstanding dues of Micro Enterprises and Small Enterprises		619.39	693.34
-Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		10243.47	10627.76
c) Other Financial Liability		15430.80	7594.18

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The carrying amounts of cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, Short term loans, trade payables, short term borrowings and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature. Fair value for security deposits (other than perpetual security deposits) has been presented in the above table. Fair value for all other non-current financial assets and liabilities is equivalent to the amortized cost, interest rate on them is equivalent to the market rate of interest.

III. Fair Value hierarchy

Level 1 - This includes financial instruments measured using quoted prices (Unadjusted) in active markets for identical assets and liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

IV. Valuation techniques used to determine fair value

Level 1 – Financial assets categorized in Level 1, are fair valued based on market data as at reporting date.

Level 2 - The fair valuation of investments categorized in Level 2 has been determined on the basis of independent valuation done by respective funds.

43. FINANCIAL RISK MANAGEMENT

The Company's operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The company's board of directors has the overall responsibility for the management of these risks. The company has the risk management policies and systems in place and are reviewed regularly to reflect changes in market conditions and the company's activities. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The company's audit committee oversees how management monitors compliance with the risk management policies and procedures, and reviews the adequacy of risk management framework in relation to the risks faced by the company.

a.) Credit Risk

Credit Risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the company. Credit risk arises from the operating activities primarily from trade receivables and from its financing activities including cash and cash equivalents, deposits with banks, Investments and other financial instruments. The carrying amount of financial assets represents the maximum credit exposure and is as follows:



Notes to Standalone Financial Statement for the year ended March 31, 2021

Trade Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. The company has established a credit policy under which each customer is analyzed individually for creditworthiness before the company's credit terms are offered. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. Credit limits are established for each customer and reviewed periodically. Any sales order exceeding those limits require approval from the appropriate authority. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience. These loss rates are adjusted by considering the available, reasonable and supportive forward looking information.

The ageing of Trade Receivables and allowances for doubtful debts are given below:

(₹ In lacs)

Ageing	As at March 31, 2021	As at March 31, 2020
Ageing of Gross Carrying Amount		
Not due	20587.58	17791.36
0-90	2991.98	5375.17
91-180	353.41	645.49
181-270	78.41	86.16
271-360	22.02	98.49
Above 360 Days	696.64	707.85
Gross Carrying Amount	24730.04	24704.52
Expected credit losses (Loss allowance provision)	463.66	463.66
Net Carrying Amount	24266.38	24240.86

Reconciliation of allowance for lifetime expected credit loss on customer balances:

(₹ In lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	463.66	332.60
Changes in loss allowance	-	131.06
Closing balance	463.66	463.66

Loans to Corporates and others

ECL for loans to corporates and others is measured considering 12 months ECL. The company provides ECL based on following provision matrix:

(₹ In lacs)

Credit Risk Category	As at March 31, 2021		As at March 31, 2020	
	Gross	ECL	Gross	ECL
There is no risk of defaults	3900.00	-	2600.00	-
There is risk of Defaults	450.00	450.00	350.00	100.00
There is no reasonable expectation of recovery	195.71	195.71	195.71	195.71
Closing Balance	4545.71	645.71	3145.71	295.71



Notes to Standalone Financial Statement for the year ended March 31, 2021

Following is the movements in provision for ECL on loans to corporates and others:

(₹ In lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	295.70	195.71
Changes in loss allowance	350.00	100.00
Closing balance	645.71	295.71

Security Deposit

ECL for Security Deposit is measured considering 12 months ECL. The company provides ECL based on following provision matrix:
(₹ In lacs)

Credit Risk Category	As at March 31, 2021		As at March 31, 2020	
	Gross	ECL	Gross	ECL
There is no risk of defaults	441.90	-	565.11	-
There is risk of Defaults	-	-	-	-
There is no reasonable expectation of recovery	1.50	1.50	-	-
Closing Balance	443.40	1.50	565.11	-

Following is the movements in provision for ECL on Security Deposit:

(₹ In lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	-	-
Changes in loss allowance	1.50	-
Closing balance	1.50	-

Investment in Real Estate Funds

The company provides ECL based on following provision matrix:

(₹ In lacs)

Credit Risk Category	As at March 31, 2021		As at March 31, 2020	
	Gross	ECL	Gross	ECL
There is risk of Defaults	689.81	219.00	874.86	219.00
There is no reasonable expectation of recovery	-	-	-	-
Closing Balance	689.81	219.00	874.86	219.00

Following is the movements in provision for ECL on Investment in Real Estate Funds:

(₹ In lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	219.00	-
Changes in loss allowance	-	219.00
Closing balance	219.00	219.00

Notes to Standalone Financial Statement for the year ended March 31, 2021

Financial assets other than Trade Receivables, Loans to corporate & others, Security Deposit and Investment in Real Estate Funds.

Credit risks from financial transactions are managed independently by finance department. For banks and financial institutions, the company has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high credit rated banks and financial institutions. The company had no other financial instrument that represent a significant concentration of credit risk. So there is no impairment in these financial assets.

b.) Liquidity Risk

Liquidity risks result from the possible inability of the company to meet current or future payment obligations due to lack of cash or cash equivalents. The liquidity risk is assessed and managed by the finance department as a part of day to day and medium term liquidity planning.

The company holds sufficient liquidity to ensure the fulfillment of all planned payment obligations at maturity. The company's liquidity risk policy is to maintain sufficient liquidity reserve at all times based on cash flow projections to meet payment obligation when it falls due. The primary source of liquidity is cash generated from operations.

Liquid assets are held mainly in the form of bank deposits and mutual fund investments. The company maintain flexibility in funding by maintaining availability under cash credit lines set up with banks.

The table below analyze the company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities essential for an understanding of timing of cash flows.

(₹ In lacs)

Particulars	Total	Less than 1year	1-5 years	More than 5 years
As at March 31, 2021				
Borrowings (Current)	835.84	835.84	-	-
Trade Payables				
-Total Outstanding dues of Micro Enterprises and Small Enterprises	619.39	619.39	-	-
-Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	10243.47	10243.47	-	-
Security Received from customers	1339.66	-	-	1339.66
Unclaimed Dividend	87.03	87.03	-	-
Capital Creditors	29.59	29.59	-	-
Lease Liability	4007.15	377.86	1381.23	2248.06
Other payable	9967.37	9967.37	-	-
As at March 31, 2020				
Borrowings (Current)	798.49	798.49	-	-
Trade Payable				
-Total Outstanding dues of Micro Enterprises and Small Enterprises	693.34	693.34	-	-
-Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	10627.76	10627.76	-	-
Security Received from customers	1342.43	-	-	1342.43
Unclaimed Dividend	106.37	106.37	-	-
Capital Creditors	68.52	68.52	-	-
Lease Liability	489.02	231.07	253.60	4.35
Other payable	5587.84	5587.84	-	-



Notes to Standalone Financial Statement for the year ended March 31, 2021

c.) Market Risk

i. Currency Risk

Foreign currency risks for the company is from changes in exchange rates and the related changes in the value of financial instruments in the functional currency (INR). The company is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to US Dollar. The company's exposure to changes in foreign currency other than USD is not material.

To mitigate the currency fluctuation, receivables and payables in foreign currencies which arises from export and import of goods are hedged through forward exchange contracts.

The carrying amounts of the Company's unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at March 31, 2021		As at March 31, 2020	
	(₹ in lacs)	(FCY in lacs)	(₹ in lacs)	(FCY in lacs)
Amount Receivable				
USD	26.00	0.35	1097.30*	14.56
Amount Payable				
USD	1741.52	23.81	2698.84	35.80
EURO	47.35	0.55	-	-

*This amount is included in the figure of Advances to Vendor (Note-14 Other Current Assets)

Sensitivities were determined on the basis of a scenario in which the INR appreciated/depreciated by 5% against USD compared with the year-end exchange rates. In this scenario, the estimated hypothetical (loss)/gain of cash flows from financial instruments have been tabulated below:

(₹ In lacs)

Particulars (USD Impact on profit before tax and total equity)	As at March 31, 2021	As at March 31, 2020
Increase in exchange rate by 5%	(85.78)	(80.06)
Decrease in exchange rate by 5%	85.78	80.06

(₹ In lacs)

Particulars (EURO Impact on profit before tax and total equity)	As at March 31, 2021	As at March 31, 2020
Increase in exchange rate by 5%	(2.37)	-
Decrease in exchange rate by 5%	2.37	-

Note: This is mainly attributable to the exposure outstanding on foreign currency receivables and payables in the Company at the end of the reporting period. The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.



Notes to Standalone Financial Statement for the year ended March 31, 2021

ii. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company has surplus cash position and does not have any major borrowings as on balance sheet date. So there is no material interest risk relating to the company's financial liabilities.

iii. Price Risk

The company is mainly exposed to the price risk due to its investment in mutual funds and classified in the balance sheet as fair value through profit and loss. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

There is no material equity risk relating to the company's equity investments which are detailed in note 7. The company's equity investments majorly comprise of strategic investments rather than trading purposes.

44. CAPITAL MANAGEMENT

The company manages its capital to ensure that the company will be able to continue as going concern while maximizing the return to stakeholders through optimization of debt and equity balance. Further its objective is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development.

The company manages capital using gearing ratio, which is total debt divided by total equity. The gearing at the end of the reporting period was as follows:

(₹ In lacs)

Particulars	As at March 31,2021	As at March 31,2020
Borrowings (Non-Current)	-	-
Borrowings (Current)	835.84	798.49
Gross Debt	835.84	798.49
Less : Cash & Cash equivalents	61.31	2522.47
Net Debt (a)	774.53	(1723.98)
Total Equity (b)	79630.65	70769.76
Debt to Equity Ratio (a/b)	0.01	(0.02)

45. DISCLOSURE AS PER SECTION 186(4) OF THE COMPANIES ACT, 2013

The details of loans, guarantees and investments under Section 186(4) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- Details of Investments made are given in Note 7.
- Details of loans given by the Company are as follows:



Notes to Standalone Financial Statement for the year ended March 31, 2021

(₹ In lacs)

Name of Entity	Purpose	Amount As at March 31,2021	Amount As at March 31,2020
Dhanuka Laboratories Limited	Business	3900.00	2500.00
Iworld Business Solutions Pvt. Ltd.	Business	300.00	300.00
Prayag Polytech Pvt. Ltd.	Business	195.71*	195.71*
Tript Singh	Business	100.00	100.00
Sameer Kanwar	Business	50.00	50.00

*Including interest accrued thereon.

- c. There are no guarantees issued by the Company in accordance with section 186 of the Companies Act, 2013 read with rules issued thereunder.

46. DISCLOSURE AS PER REGULATION 34(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS

(₹ In lacs)

Particulars	Amount As at March 31, 2021	Amount As at March 31, 2020	Maximum balance outstanding during the year 31.03.2021	Maximum balance outstanding during the year 31.03.2020
Loan to company in which Directors are interested Dhanuka Laboratories Limited	3900.00	2500.00	4400.00	4500.00

47. Previous year figures have been regrouped/reclassified, wherever necessary. However, impact of these reclassifications, if any, are not material.

As per our report of even date attached

For and on behalf of the Board of Directors

For **S.S. KOTHARI MEHTA & COMPANY**

Chartered Accountants

Firm Registration No: 000756N

Sd/-

YOGESH K GUPTA

Partner

Membership No : 093214

Sd/-

M.K. DHANUKA

Managing Director

DIN: 00628039

Sd/-

RAHUL DHANUKA

Executive Director

DIN: 00150140

Sd/-

V.K. BANSAL

Chief Financial Officer

M.No.: 86263

Sd/-

JITIN SADANA

Company Secretary

FCS No.: F 7612

Place : Faridabad (Haryana)

Dated : 21st May, 2021

Place : Gurugram (Haryana)

Dated : 21st May, 2021



INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF

DHANUKA AGRITECH LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind-AS Financial Statements of **DHANUKA AGRITECH LIMITED** (hereinafter referred to as “the Holding Company”) and its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Ind AS Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “Consolidated Ind AS Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the other Financial information of the subsidiary, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at March 31, 2021, of its Consolidated profit (including other comprehensive income), Consolidated changes in Equity and its Consolidated Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our Report. We are independent of the Group 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 Consolidated Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Consolidated Ind AS Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements for the Financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Consolidated Ind AS 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:

Key Audit Matter	Auditor's Response
<p>Estimation of provision for sales returns, discounts, rebates, schemes and incentives on sales impacting revenue from sale of products</p> <p>Revenue from sale of products is presented net of returns, discounts, rebates, schemes and incentives in the Consolidated Ind AS Financial Statements.</p> <p>The Holding Company's management determines provision for sales return, discounts, rebates, schemes and incentives on the basis of various factors such as the current and expected operating environment, sales return variability and expected achievement of targets against various ongoing schemes floated.</p> <p>We determined the estimates associated with sales returns, discounts, rebates, schemes and incentives on sale of products as a key audit matter in view of it having significant impact on the recognised revenue and the involvement of management judgement in estimating the amounts at which these are expected to be settled.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Understanding the policies and procedures applied to estimate the sales returns, discounts, rebates, schemes and incentives including evaluation and testing of the design and operating effectiveness of controls related to these estimates. Obtained management's calculations for the respective estimates and assessed the reasonableness of assumptions used by the management in determining the amount of provisions based on understanding of the market conditions. Assessed the reasonableness of estimates made by the management in the past by comparing the provisions recognised in the earlier Financial year with their subsequent settlement, ratio analysis of sales returns, discounts, rebates, schemes and incentives as a percentage of sale of last few years. Verified, if any credit notes were issued and/or adjustments made after the balance sheet date and their impact if any on the Reported amounts.



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

The Holding Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report 2020-21, but does not include the Consolidated Ind AS Financial Statements and our Auditor's Report thereon.

Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Responsibility of Management for Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Act that give a true and fair view of the Consolidated Financial position, Consolidated Financial performance (including other comprehensive income), Consolidated Statement of changes in Equity and the Consolidated Cash Flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the companies included in the

Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the Financial Reporting process of the Group.

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

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

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 Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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)(l) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal Financial controls with reference to Financial Statements 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



Group'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 Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the Financial information of the entities or business activities within the Group to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Consolidated Ind AS Financial Statements of such entities included in the Consolidated Ind AS Financial Statements of which we are the independent Auditors.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements for the Financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our Report because the adverse consequences

of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the Financial Statements of the subsidiary, whose Financial Statements reflect total assets of Rs.0.08 lacs at 31st March, 2021, total revenue of Rs. Nil, total comprehensive loss (comprising of loss and other comprehensive loss) of Rs.0.03 lacs and net Cash out Flows amounting to Rs. Nil for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. These financial Statements are unaudited and have been furnished to us by the management and our opinion on the Consolidated Ind AS financial Statements, in so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiary, and our Report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the unaudited financial Statements certified by the management. In our opinion and according to the information and explanations given to us by the Management, these Financial Statements are not material to the Group.

Our opinion on the Consolidated Ind AS Financial Statements above, and our Report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the Financial Statements certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on consideration of other Financial information of subsidiary as referred to in Other Matters paragraph, we Report, to the extent applicable, 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 of the aforesaid Consolidated Ind AS Financial Statements;
- (b) In our opinion, proper books of account as required by law has been maintained by the Holding Company, including relevant records relating to preparation of the aforesaid Consolidated Ind AS financial Statements, so far as it appears from our examination of those books and records of the Holding Company, and certificate received from the management as referred in sub-paragraph (a) of the 'Other Matters' paragraph;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in



Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements;

- (d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (g) With respect to the adequacy of the internal Financial controls with reference to Financial Statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure "A"**; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on consideration of the unaudited financial Statements as

certified by the management referred to in sub-paragraph (a) of the Other Matters paragraph:

- I. The Consolidated Ind AS Financial Statements disclose impact of pending litigations as at March 31, 2021 on the Financial position of the Group– Refer Note 37 to the Consolidated Ind AS Financial Statements;
- ii. The Group did not have any material foreseeable losses on its long-term contracts, the Group did not have any long-term derivative contracts; and
- iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company:

For **S S KOTHARI MEHTA & COMPANY**

Chartered Accountants
Firm Reg. No.000756N

Sd/-
Yogesh K. Gupta
Partner
Membership No.093214

UDIN : 21093214AAAACQ2587

Place: Faridabad
Date: May 21, 2021



“Annexure A” to the Independent Auditor's Report of even date on the Ind AS Financial Statements of DHANUKA AGRITECH LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph (g) of 'Report on Other Legal and Regulatory Requirements'

We have audited the internal Financial controls with reference to Consolidated Ind AS Financial Statements of **DHANUKA AGRITECH LIMITED** (“the Holding Company”) as of March 31st, 2021 in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Holding Company for the year ended on that date.

The audit of the internal Financial controls with reference to Financial Statements is applicable only to the Holding Company.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal Financial controls with reference to Consolidated Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal Financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal Financial controls with reference to Consolidated Ind AS Financial Statements was established and maintained and if

such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal Financial controls system with reference to Consolidated Ind AS Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Ind AS Financial Statements

A Holding Company's internal Financial control with reference to Consolidated Ind AS Financial Statements 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 Holding Company's internal Financial control with reference to Consolidated Ind AS Financial Statements 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 holding Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the holding Company are being made only in accordance with authorisations of management and directors of the holding Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the holding Company's assets that could have a material effect on the Consolidated Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Ind AS Financial Statements



Because of the inherent limitations of internal Financial controls with reference to Consolidated Ind AS Financial Statements, 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 with reference to Consolidated Ind AS Financial Statements to future periods are subject to the risk that the internal Financial control with reference to Consolidated Ind AS Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company has, in all material respects, an adequate internal Financial controls system over Financial Reporting and such internal Financial controls with reference to Consolidated Ind AS Financial Statements were operating effectively as at March 31, 2021, based on the internal control with reference to Consolidated Ind AS Financial Statements criteria established by the Holding Company considering the essential components of internal

control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Consolidated Ind AS Financial Statements issued by the Institute of Chartered Accountants of India.

For **S S KOTHARI MEHTA & COMPANY**

Chartered Accountants

Firm Registration No. 000756N

Sd/-

Yogesh K. Gupta

Partner

Membership No.093214

UDIN: 21093214AAAACQ2587

Place: Faridabad

Date: May 21, 2021



Consolidated Balance Sheet as at March 31, 2021

(₹ In lacs)

	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
I	Assets			
1	Non-current assets			
a	Property, Plant and Equipment	4	16,501.18	11,510.89
b	Capital work in progress	5	759.40	366.94
c	Other Intangible assets	6	192.92	234.22
d	Financial Assets			
	i) Investments	7	9,029.63	9,914.72
	ii) Loans	8	400.22	378.09
	iii) Other financial assets	9	-	2,217.54
e	Other non-current assets	14	391.56	1,960.40
	Total Non-Current assets		27,274.91	26,582.80
2	Current assets			
a	Inventories	10	29,550.34	24,985.70
b	Financial Assets			
	i) Investments	7	18,768.00	5,971.91
	ii) Trade receivables	11	24,266.38	24,240.86
	iii) Cash and cash equivalents	12	61.38	2,522.55
	iv) Bank balances other than (iii) above	12	87.03	106.37
	v) Loans	8	4,021.54	3,144.67
	vi) Other financial assets	9	5,028.07	1,214.69
c	Current Tax Assets (Net)	13	-	457.15
d	Other current assets	14	4,044.85	3,992.95
	Total Current assets		85,827.59	66,636.85
	Total Assets		1,13,102.50	93,219.65
II	EQUITY AND LIABILITIES			
1	Equity			
a	Equity Share Capital	15	931.57	951.57
b	Other Equity	16	78,687.40	69,806.54
	Total equity		79,618.97	70,758.11
	LIABILITIES			
2	Non-current liabilities			
a	Financial Liabilities			
	i) Other financial liabilities	19	4,968.95	1,600.38
b	Provisions	20	100.12	568.85
c	Deferred tax liabilities (Net)	21	829.47	533.91
	Total non-current liabilities		5,898.54	2,703.14
3	Current liabilities			
a	Financial Liabilities			
	i) Borrowings	17	835.84	798.49
	ii) Trade payables	18		
	-Total Outstanding dues of Micro Enterprises and Small Enterprises		619.39	693.34
	-Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		10,243.47	10,627.76
	iii) Other financial liabilities	19	10,461.95	5,993.88
b	Other current liabilities	22	4,818.37	1,619.35
c	Provisions	20	24.71	25.58
d	Current Tax Liabilities (Net)	23	581.26	-
	Total current liabilities		27,584.99	19,758.40
	Total Equity and Liabilities		1,13,102.50	93,219.65

Accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **S.S. KOTHARI MEHTA & COMPANY**

Chartered Accountants
Firm Registration No: 000756N

Sd/-

YOGESH K GUPTA

Partner
Membership No : 093214

Place : Faridabad (Haryana)

Dated : 21st May, 2021

For and on behalf of the Board of Directors

Sd/-

M.K. DHANUKA

Managing Director
DIN: 00628039

Sd/-

V.K. BANSAL

Chief Financial Officer
M.No.: 86263

Sd/-

RAHUL DHANUKA

Executive Director
DIN: 00150140

Sd/-

JITIN SADANA

Company Secretary
FCS No.: F 7612



Consolidated Statement of Profit & Loss for the year ended March 31, 2021

(₹ In lacs)

	Particulars	Note No.	For the Year ended March 31, 2021	For the Year ended March 31, 2020
I	Revenue from Operations	24	1,38,746.87	1,12,007.08
II	Other Income	25	3,370.27	2,508.84
III	Total Revenue (I+II)		1,42,117.14	1,14,515.92
IV	EXPENSES			
	Cost of materials consumed	26	75,710.06	58,244.88
	Purchase of Stock In Trade	27	14,120.65	14,060.05
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	28	(3,499.59)	(1,135.83)
	Employee Benefit Expenses	29	11,826.69	10,522.81
	Finance Costs	30	269.38	155.69
	Depreciation and Amortization Expense	31	1,518.00	1,635.89
	Other Expenses	32	13,678.31	12,979.88
	Total Expenses		1,13,623.50	96,463.37
V	Profit Before Exceptional Items and Tax (III-IV)		28,493.64	18,052.55
VI	Exceptional items		-	-
VII	Profit before Tax (V-VI)		28,493.64	18,052.55
VIII	Tax Expenses	33		
	Current Tax		7,142.10	4,604.46
	Tax of earlier year provided / (written back)		-	-
	Deferred Tax		295.56	(686.76)
IX	Profit for the year		21,055.98	14,134.85
X	Other Comprehensive Income	34		
A	(i) Items that will not be reclassified to profit or loss		129.82	(371.62)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	Total Comprehensive Income (IX+X)		21,185.80	13,763.23
XII	Earnings per Equity Share			
	1) Basic (in ₹)	35	44.61	29.71
	2) Diluted (in ₹)	35	44.61	29.71

Accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **S.S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm Registration No: 000756N

Sd/-
YOGESH K GUPTA
Partner
Membership No : 093214

Place : Faridabad (Haryana)
Dated : 21st May, 2021

For and on behalf of the Board of Directors

Sd/-
M.K. DHANUKA
Managing Director
DIN: 00628039

Sd/-
V.K. BANSAL
Chief Financial Officer
M.No.: 86263

Sd/-
RAHUL DHANUKA
Executive Director
DIN: 00150140

Sd/-
JITIN SADANA
Company Secretary
FCS No.: F 7612



Consolidated Statement of Changes in Equity for the year ended March 31, 2021

a. EQUITY SHARE CAPITAL

(₹ In lacs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No of shares	Amount	No of shares	Amount
Balance at the beginning of the reporting period	4,75,78,324.00	951.57	4,75,78,324.00	951.57
Changes in equity share capital during the year (Refer Note-15)	(10,00,000.00)	(20.00)	-	-
Balance at the end of the reporting period	4,65,78,324.00	931.57	4,75,78,324.00	951.57

b. OTHER EQUITY

(₹ In lacs)

Particulars	Reserves & Surplus			Total
	Capital Reserve	Capital Redemption Reserve	Retained earnings	
Balance as at April 1, 2019	95.47	48.82	63,126.16	63,270.45
Total comprehensive income for the year ended 31 March, 2020				
-Profit for the year	-	-	14,134.85	14,134.85
-Other comprehensive income for the year	-	-	(371.62)	(371.62)
Total comprehensive income	-	-	13,763.23	13,763.23
-Dividend paid during the year	-	-	(5,994.87)	(5,994.87)
-Dividend Distribution Tax (DDT)	-	-	(1,232.27)	(1,232.27)
Balance as at March 31, 2020	95.47	48.82	69,662.25	69,806.54
Balance as at April 1, 2020	95.47	48.82	69,662.25	69,806.54
Total comprehensive income for the year ended 31 March, 2021				
-Profit for the year	-	-	21,055.98	21,055.98
-Other comprehensive income for the year	-	-	129.82	129.82
Total comprehensive income	-	-	21,185.80	21,185.80
-Amount Utilised for Buy back of equity shares (Refer Note-15)	-	-	(9,980.00)	(9,980.00)
-Amount Transferred to Capital Redemption Reserve on Buy back of equity shares (Refer Note-15)	-	20.00	(20.00)	-
-Tax paid on Buy back of Equity Shares (Refer Note-15)	-	-	(2,324.94)	(2,324.94)
Balance as at March 31, 2021	95.47	68.82	78,523.11	78,687.40

As per our report of even date attached

For **S.S. KOTHARI MEHTA & COMPANY**

Chartered Accountants
Firm Registration No: 000756N

Sd/-
YOGESH K GUPTA

Partner
Membership No : 093214

Place : Faridabad (Haryana)
Dated : 21st May, 2021

For and on behalf of the Board of Directors

Sd/-
M.K. DHANUKA
Managing Director
DIN: 00628039

Sd/-
V.K. BANSAL
Chief Financial Officer
M.No.: 86263

Sd/-
RAHUL DHANUKA
Executive Director
DIN: 00150140

Sd/-
JITIN SADANA
Company Secretary
FCS No.: F 7612



Consolidated Statement of Cash Flow for the year ended 31 March, 2021

(₹ In lacs)

	PARTICULARS	For the Year ended March 31, 2021	For the Year ended March 31, 2020
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit / (Loss) Before Tax	28,493.64	18,052.55
	Adjustments for:		
	Depreciation, amortization and impairment expenses	1,518.00	1,635.89
	Net (Gain)/Loss on Sale of Property, Plant and Equipment	(22.84)	(8.91)
	Finance Costs	269.38	155.69
	Interest Income	(1,569.53)	(1,124.69)
	Dividend Income from Investments	-	(291.10)
	Net (Gain)/Loss on Sale of Investments	(335.87)	(83.58)
	Net (Gain)/Loss on Investments measured at fair value through profit or loss	(1,129.71)	(380.77)
	Allowance for Bad and Doubtful debts & Advances	351.50	450.06
	Liabilities No Longer Required, Written Back	(11.37)	(249.53)
	Forex Fluctuation on Translation of Assets & Liabilities	(39.25)	109.36
	Operating Profit/(loss) before Working Capital changes	27,523.95	18,264.97
	(Increase) / Decrease in Trade Receivables	(25.52)	(2,504.32)
	(Increase) / Decrease in Current financial assets - Loans	173.13	(56.25)
	(Increase) / Decrease in Non Current financial assets - Loans	(49.96)	(160.78)
	(Increase) / Decrease in Other Current financial assets	(451.49)	5,329.22
	(Increase) / Decrease in Other Non Current financial assets	-	32.88
	(Increase) / Decrease in Other Current assets	(51.89)	(1,563.10)
	(Increase) / Decrease in Other Non Current assets	(171.97)	21.81
	(Increase)/Decrease in Inventories	(4,564.64)	(4,302.69)
	Increase / (Decrease) in Trade Payables	(417.47)	3,702.51
	Increase / (Decrease) in Other Current Financial Liabilities	4,379.83	1,431.39
	Increase / (Decrease) in Other Non Current Financial Liabilities	(2.50)	57.10
	Increase / (Decrease) in Other Current Provisions	(0.87)	(1.97)
	Increase / (Decrease) in Other Non Current Provisions	(338.91)	(45.75)
	Increase / (Decrease) in Other Current Liabilities	3,208.31	(362.39)
	Cash generated (used) in /from Operations before tax	29,210.00	19,842.63
	Net Direct Taxes paid (Net of Refunds)	(6,103.69)	(3,634.67)
	Net cash flow (used) in/ from Operating Activities	23,106.31	16,207.96
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Acquisition of Property, Plant and Equipment (Including Adjustment on account of Intangible Assets, Capital work in Progress, Capital Creditors and Capital Advances)	(1,261.71)	(1,371.95)
	Proceeds from sale of Property, Plant and Equipment	36.16	333.48
	Loan Given to Corporate and Other	(1,900.00)	(4,500.00)
	Repayment of Loan Given to Corporate and Other	500.00	4,600.00
	Investment in Bank Deposits	(1,152.20)	(1,265.98)
	Purchase and sale of Investments (Net)	(10,445.43)	(3,614.74)
	Interest Received	1,561.53	1,096.12
	Dividend Income from Investments	-	291.10
	Net cash flow (used) in/ from Investing Activities	(12,661.65)	(4,431.97)
	Net cash (used) in/ from Operating and Investing Activities	10,444.66	11,775.99



Consolidated Statement of Cash Flow for the year ended 31 March, 2021

(₹ In lacs)

PARTICULARS	For the Year ended March 31, 2021	For the Year ended March 31, 2020
C. CASH FLOW FROM FINANCING ACTIVITIES		
Short Term Borrowings (Net)	37.35	(1,422.76)
Payment of Principal portion of Lease Liabilities	(348.86)	(495.62)
Payment of Dividend	-	(5,994.87)
Taxes on Dividend	-	(1,232.27)
Buy Back of Shares	(10,000.00)	-
Taxes on Buy Back of Shares	(2,324.94)	-
Interest Paid	(269.38)	(155.69)
Net cash (used) in/ from Financing Activities	(12,905.83)	(9,301.21)
Net cash (used) in/ from Operating, Investing & Financing Activities	(2,461.17)	2,474.78
Opening balance of Cash and Cash equivalent	2,522.55	47.77
Closing balance of Cash & Cash equivalent	61.38	2,522.55

Note: Cash and cash equivalents included in the Cash Flow Statement comprise of the following (refer note no.12):-

i) Cash Balance on Hand	54.69	102.17
ii) Balance with Banks :		
-In Current Accounts	6.69	216.30
-In Fixed Deposits	-	2,201.54
- Cheques in hand	-	2.54
Total	61.38	2,522.55

Change in liability arising from financing activities

Particulars	Current Borrowings	Interest Paid	Lease Liabilities	Buy Back of Equity Shares	Dividend Paid Including DDT
Balance as at April 1, 2019	2,221.25	-	-	-	-
Cash Flows	(1,422.76)	(91.31)	(560.00)	-	(7,227.14)
Lease Liabilities Accruals	-	-	984.64	-	-
Dividend Distribution Tax (Including DDT) Accruals	-	-	-	-	7,227.14
Finance Cost Accruals	-	91.31	64.38	-	-
Balance as at March 31, 2020	798.49	-	489.02	-	-
Cash Flows	37.35	(67.72)	(550.52)	(12,324.94)	-
Lease Liabilities Accruals	-	-	3,866.99	-	-
Buy Back of Equity Shares (Including Tax) Accruals	-	-	-	12,324.94	-
Finance Cost Accruals	-	67.72	201.66	-	-
Balance as at March 31, 2021	835.84	-	4,007.15	-	-

As per our report of even date attached

For and on behalf of the Board of Directors

For **S.S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
Firm Registration No: 000756N

Sd/-
M.K. DHANUKA
Managing Director
DIN: 00628039

Sd/-
RAHUL DHANUKA
Executive Director
DIN: 00150140

Sd/-
YOGESH K GUPTA
Partner
Membership No : 093214

Sd/-
V.K. BANSAL
Chief Financial Officer
M.No.: 86263

Sd/-
JITIN SADANA
Company Secretary
FCS No.: F 7612

Place : Faridabad (Haryana)
Dated : 21st May, 2021

Place : Gurugram (Haryana)
Dated : 21st May, 2021



Notes to Consolidated Financial Statement for the year ended March 31, 2021

1. CORPORATE INFORMATION

Dhanuka Agritech Limited (“DAL” or “the Company”) is a public limited company incorporated under The Companies Act, 1956, domiciled in India and has its registered office at New Delhi. The shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange.

The consolidated financial statements comprise the company and its Wholly owned subsidiary (referred to collectively as “The group”). DAL manufactures a wide range of agro-chemicals like herbicides, insecticides, fungicides, plant growth regulators in various forms – liquid, dust, powder and granules. The Group has a Pan-India presence through its Branch offices/Depots in all major states in India.

The Registered office of the company situated at 82, Abhinash Mansion, 1st Floor, Joshi Road, Karol Bagh, New Delhi-110005 and the corporate office is situated at Global Gateway Towers, MG Road, Near Guru Dronacharya Metro Station, Gurugram-122002.

2. BASIS OF PREPARATION

a. Basis of consolidation

The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with an entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the parent and its subsidiary are prepared by line by line adding together like items of assets, liabilities, equity, income and expenses. Inter - Company balances and transactions, and any unrealized gains arising from inter-company transactions, are eliminated. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

b. Statement of compliance

The financial statements are prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') as per the

Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') as amended through rules and other relevant provisions of the Act to the extent applicable.

These financial statements were authorized for issue by the Board of Directors on May 21, 2021.

c. Basis of measurement

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following:

- Certain financial assets and liabilities that is measured at fair value;
- Defined benefit plans - plan assets measured at fair value.

d. Functional and presentation currency

Items included in the financial statements of the group are measured using the currency of the primary economic environment in which the group operates (“the functional currency”). The financial statements are presented in Indian National Rupee ('INR'), which is the group's functional and presentation currency. All amounts have been rounded to the nearest lacs, unless otherwise indicated.

e. Current or Non-current classification

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

f. Critical accounting judgements and key source of estimation uncertainty

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved

Notes to Consolidated Financial Statement for the year ended March 31, 2021

a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Although the Group regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

Application of accounting policies that require critical accounting estimates and assumption judgements having the most significant effect on the amounts recognized in the financial statements are:

- Measurement of defined benefit obligations;
- Recognition of deferred tax assets & minimum alternative tax credit entitlement;
- Useful life and residual value of Property, plant and equipment and intangible assets;
- Impairment test of financial and non-financial assets;
- Measurement of fair value of financial instrument; and
- Recognition and measurement of provisions and contingencies.
- Recognition and measurement of provision for discounts and rebates.

3. SIGNIFICANT ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all periods presented in the financial statements.

a. Property, plant and equipment

I. Recognition and measurement

On transition to Ind AS, the Group had elected to continue with the carrying value of all its property, plant and equipment recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the

deemed cost of the property, plant and equipment.

Freehold land is carried at cost. All other items of Property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, after deducting trade discount and rebates, and including import duties, non-refundable purchase taxes, any directly attributable cost of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any directly attributable cost of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are included in cost to the extent they relate to the period till such assets are ready for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The cost of replacing part of an item of property, plant and equipment or major inspections performed, are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the group and its cost can be measured reliably. The costs of all other repairs and maintenance are recognized in the Statement of Profit & Loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under construction as at the balance sheet date.

An item of property, plant and equipment is derecognized when no future economic benefits are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal is recognized in statement of profit & loss.

II. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values,



Notes to Consolidated Financial Statement for the year ended March 31, 2021

recognized in the statement of profit and loss. Depreciation on property, plant and equipment is provided on Written Down Value Method (WDV) at the rate and in the manner based on the useful life of the assets as estimated by the management which coincide with the useful life specified under Schedule II of the Companies Act, 2013, which are as follows:

• Building including factory building-	30-60 years
• General plant and machinery-	15 years
• Plant and Machinery-Vessel/Storage tank-	20 years
• Furniture and Fittings-	10 years
• Motor Vehicles-	8-10 years
• Office Equipment-	5 years
• Computers and data processing units-	3-6 years
• Wind Mill-	22 years
• *Solar Plant-	25 years

*The useful life considered above is on the basis of the agreement with third party regarding sale of electricity generated from this plant.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively. Depreciation on additions to or on disposal of assets is calculated on pro-rata basis i.e. from (upto) the date on which the property, plant and equipment is available for use (disposed off).

Assets having cost upto ₹5000/- have been fully depreciated in the year of acquisition by leaving Re.1/- as a nominal value for its identity in fixed assets register.

b. Intangible assets

On transition to Ind AS, group has elected to continue with the carrying value of all of its intangible assets recognized as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Intangible assets are measured at cost less any accumulated amortization and impairment losses, if any.

Cost of an item of intangible asset comprises its purchase price, after deducting trade discount and rebates, and including import duties, non-refundable purchase taxes, any directly attributable cost of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate,

only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably.

Amortization is recognized on a straight line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The estimated useful lives are as follows:

Computer Software	10 years
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An intangible asset is derecognized when no future economic benefits are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal is recognized in statement of profit & loss.

c. Impairment of non-financial assets

At each reporting date, the group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash flows are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units ('CGUs').

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

In respect of assets for which impairment loss has been recognized in prior periods, the group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a

Notes to Consolidated Financial Statement for the year ended March 31, 2021

reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. After impairment, depreciation or amortization is provided on the revised carrying amount of the assets over its remaining useful life.

d. Financial instruments

I. Initial recognition

The group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially recognized at fair value plus transaction costs directly attributable to its acquisition. The transaction costs incurred for the purchase of financial assets held at fair value through profit and loss are expensed in the statement of profit and loss immediately.

II. Subsequent measurement

1) Financial assets carried at amortized cost

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

2) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in

statement of profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the statement of profit and loss.

Equity instruments are subsequently measured at fair value. On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis. Fair value gains and losses recognized in OCI are not reclassified to the statement of profit and loss.

3) Financial assets at fair value through profit and loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit and loss.

4) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts is approximate to the fair value due to the short maturity of these instruments.

5) Investment in subsidiaries

Investment in subsidiaries is carried at cost less impairment, if any, in the separate financial statements.

III. Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. Except trade receivables, expected credit losses are measured at an amount equal to the twelve month expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime ECL.

In case of trade receivables, the group follows the simplified approach which requires expected lifetime losses to be recognized from the initial recognition of the trade receivables. The group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.



Notes to Consolidated Financial Statement for the year ended March 31, 2021

IV. Derecognition

1) Financial Assets

Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the group enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

2) Financial Liabilities

The group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired.

V. Reclassification of Financial Assets and Financial liabilities

The group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the group reclassifies financial assets, it applies prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

VI. Derivative financial instruments

The group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair

value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are recognized immediately in the statement of profit and loss.

VII. Offsetting

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

e. 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 market participants at the measurement date, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/ or disclosure purposes are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 - This includes financial instruments measured using quoted prices (Unadjusted) in active markets for identical assets and liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Notes to Consolidated Financial Statement for the year ended March 31, 2021

f. Inventories

Inventories (including Stock-in-transit) of Finished Goods, Stock in Trade, Work in progress, Raw materials, packing materials and Stores & Spares are stated at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Cost of Raw Materials, Packing Materials, Stores and Spares, Stock in Trade and other products are determined on First in first out (FIFO) basis and are net of GST.

Cost of Work in progress and Finished Goods is determined on First in first out (FIFO) basis considering direct material cost and appropriate portion of manufacturing overheads based on normal operating capacity.

Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and wherever necessary, the same are written off or provision is made for such inventories. Finished goods and work in progress are written down if anticipated net realizable value declines below the carrying amount of the inventories and such write down to inventories are recognized in statement of profit & loss. When reason for such write down ceases to exist, then write down is reversed through statement of profit and loss account.

g. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

h. Revenue Recognition

i. Sale of goods

Revenue is generated primarily from sale of agrochemicals.

Revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration which the group expects to receive in exchange for those goods.

Revenue from the sale of goods is recognized at the point in time when control is transferred to the customer which is usually on delivery.

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

Contract balances

Trade receivables

A receivable represents the group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 3(d) Financial instruments – initial recognition and subsequent measurement.



Notes to Consolidated Financial Statement for the year ended March 31, 2021

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the group performs under the contract.

II. Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is included in other income in the statement of profit and loss.

III. Dividends

Dividend income is recognized when the group's right to receive dividend is established, and is included in other income in the statement of profit and loss.

IV. Revenue from electricity generation

Revenue from electricity generation is recognized on the basis of electricity units generated and invoice raised on monthly basis.

V. Insurance claims

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

VI. Government Grants

Government grants and subsidies are recognised where there is reasonable assurance that the grant/subsidies will be received and all attached conditions will be complied with. The Grants are presented under the head other operating income.

i. Employee Benefits

I. Short Term Employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the group has a present legal or

constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

II. Defined contribution plans

Employees benefits in the form of the group's contribution to Provident Fund, Pension scheme, Superannuation Fund, National Pension scheme and Employees State Insurance are defined contribution schemes. The group recognizes contribution payable to these schemes as an expense, when an employee renders the related service.

If the contribution payable exceeds contribution already paid, the deficit payable is recognized as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the group recognize that excess as an asset (prepaid expense) to the extent that the prepayment will lead to reduction in future payments or a cash refund.

III. Defined benefit plans

Retirement benefits in the form of gratuity are considered as defined benefit plans. The group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The group provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The group contributes to the gratuity fund, which are recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet.

When the calculation results in a potential asset for the group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset

Notes to Consolidated Financial Statement for the year ended March 31, 2021

ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in statement of profit & loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in statement of profit & loss. The group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

IV. Other long term employee benefits

Other long term Employee benefits includes earned leaves and sick leaves. The group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement are recognized in statement of profit & loss in the period in which they arise.

The liability for long term compensated absences are provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

j. Foreign currency transactions

The financial statements are presented in Indian rupee, which is the group's functional and presentation currency, unless stated otherwise. A group's functional currency is that of the primary economic environment in which the group operates.

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transaction. Foreign exchange gains/losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in the statement of profit and loss.

k. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

I. Income Tax

Income tax expense comprises current and deferred tax. It is recognized in statement of profit & loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income

I. Current Tax

Current tax comprises the expected tax payable on the taxable income for the year after taking credit of the benefits available under the Income Tax Act and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

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

- a) has a legally enforceable right to set off the recognized amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

II. Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax assets/liabilities are generally recognized for all taxable temporary differences, the carry forward balance of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, the carry forward



Notes to Consolidated Financial Statement for the year ended March 31, 2021

balance of unused tax credits and unused tax losses can be utilized.

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

Deferred tax is measured at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- i) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

m. Segment Reporting

An operating segment is defined as a component of the entity that represents business activities from which it earns revenues and incurs expenses and for which discrete financial information is available. The operating segments are based on the group's internal reporting structure and the manner in which operating results are reviewed by the Chief Operating Decision Maker (CODM).

The Chairman, Managing Director, Executive directors and CFO have been identified as CODM by the group. Refer Note 39 for segment information.

n. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

o. Statement of cash flows

Cash flow statements are prepared in accordance with "Indirect Method" as explained in the Ind AS on Statement of Cash Flows (Ind AS - 7). The cash flows from operating, financing and investing activity of the group are segregated.

p. Lease

The group's lease asset classes primarily consist of leases for Building and Vehicles. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (i) the contract involves the use of an identified asset (ii) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the group has the right to direct the use of the asset.

Group as a lessee

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

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

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell



Notes to Consolidated Financial Statement for the year ended March 31, 2021

and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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

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

Group as a lessor

I. Operating Lease

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

II. Finance Lease

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the group's net investment in the leases.

Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

q. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the period.

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

r. Dividend to Equity Shareholders

Dividend to equity shareholders is recognized as a liability and deducted from shareholders' Equity, in the period in which the dividends are approved by the equity shareholders in the general meeting.

s. Research and Development Expenses

Research and Development Expenses of revenue nature are charged to the Statement of Profit and Loss.



Notes to Consolidated Financial Statement for the year ended March 31, 2021

4. PROPERTY, PLANT AND EQUIPMENT

(₹ In lacs)

Particulars	Land-Freehold	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Power Gen. Plant	Right-of-use Asset	Total
Gross Carrying Amount									
As at April 01, 2019	3,010.51	7,290.01	2,913.26	171.91	352.85	475.39	950.74	-	15,164.67
Additions	69.21	-	288.92	2.52	59.62	118.08	-	1,155.20	1,993.55
Disposals/Adjustments	-	(410.58)	(14.76)	(0.13)	(32.95)	(9.70)	-	-	(468.12)
Balance as at March 31, 2020	3,379.72	6,879.43	3,187.42	174.30	379.52	583.77	950.74	1,155.20	16,690.10
Balance as at April 1, 2020	3,379.72	6,879.43	3,187.42	174.30	379.52	583.77	950.74	1,155.20	16,690.10
Additions	7.20	2,315.73	117.68	4.49	6.93	116.47	-	3,910.11	6,478.61
Disposals/Adjustments	-	(3.80)	(12.17)	(0.47)	(11.18)	(12.12)	-	(477.15)	(516.89)
Balance as at March 31, 2021	3,386.92	9,191.36	3,292.93	178.32	375.27	688.12	950.74	4,588.16	22,651.82
Accumulated Depreciation									
As at April 01, 2019	-	1,724.57	1,203.59	96.62	111.41	327.63	266.48	-	3,730.30
Depreciation for the year	-	451.12	327.73	20.82	78.56	91.55	79.13	543.56	1,592.47
Disposals/Adjustments	-	(106.14)	(8.35)	(0.07)	(23.55)	(5.45)	-	-	(143.56)
Balance as at March 31, 2020	-	2,069.55	1,522.97	117.37	166.42	413.73	345.61	543.56	5,179.21
Depreciation for the year	-	440.12	301.84	16.91	65.68	98.62	69.97	480.93	1,474.07
Disposals/Adjustments	-	(0.80)	(7.69)	(0.34)	(8.53)	(9.00)	-	(476.28)	(502.64)
Balance as at March 31, 2021	-	2,508.87	1,817.12	133.94	223.57	503.35	415.58	548.21	6,150.64
Net carrying amount									
Balance as at March 31, 2020	3,379.72	4,809.88	1,664.45	56.93	213.10	170.04	605.13	611.64	11,510.89
Balance as at March 31, 2021	3,386.92	6,682.49	1,475.81	44.38	151.70	184.77	535.16	4,039.95	16,501.18

Notes:

- Refer note 17(a) for information on movable assets which are pledged as security by the Company to banks
- Right-of-use Asset includes (Refer Note-38) :-

Right-of-use Asset			
Particulars	Buildings	Vehicles	Total
Gross Carrying Amount			
Balance as at April 1, 2019	-	-	-
Additions on account of adoption of Ind AS 116 "Leases"	935.05	220.16	1,155.20
Disposals/Adjustments	-	-	-
Balance as at March 31, 2020	935.05	220.16	1,155.20
Balance as at April 1, 2020	935.05	220.16	1,155.20
Additions	3,910.11	-	3,910.11
Disposals/Adjustments	(424.29)	(52.86)	(477.15)
Balance as at March 31, 2021	4,420.87	167.29	4,588.16
Accumulated Depreciation			
Balance as at March 31, 2019	-	-	-
Depreciation for the year on account of adoption of Ind AS 116 "Leases"	460.55	83.01	543.56
Disposals/Adjustments	-	-	-
Balance as at March 31, 2020	460.55	83.01	543.56
Depreciation for the year	416.10	64.83	480.93
Disposals/Adjustments	(423.42)	(52.86)	(476.28)
Balance as at March 31, 2021	453.24	94.98	548.21
Net carrying amount			
Balance as at March 31, 2020	474.50	137.14	611.64
Balance as at March 31, 2021	3,967.63	72.31	4,039.95

- Refer note-40 for transactions with Related Party

Notes to Consolidated Financial Statement for the year ended March 31, 2021

5. CAPITAL WORK IN PROGRESS

(₹ In lacs)

Particulars	Amount
As at April 01, 2019	98.91
Additions	461.33
Less: Amount capitalized in Property, Plant and Equipment	(193.30)
Balance as at March 31, 2020	366.94
As at April 01, 2020	366.94
Additions	860.46
Less: Amount capitalized in Property, Plant and Equipment	(468.00)
Balance as at March 31, 2021	759.40

6. OTHER INTANGIBLE ASSETS

Particulars	Amount (Computer Software)
Gross Carrying Amount	
As at April 01, 2019	372.94
Additions	23.01
Balance as at March 31, 2020	395.95
Additions	2.63
Balance as at March 31, 2021	398.58
Accumulated Amortization	
As at April 1, 2019	118.31
Charge for the year	43.42
Balance as at March 31, 2020	161.73
Charge for the year	43.93
Balance as at March 31, 2021	205.66
Net Carrying Amount	
Balance as at March 31, 2020	234.22
Balance as at March 31, 2021	192.92



Notes to Consolidated Financial Statement for the year ended March 31, 2021

7. INVESTMENTS

(₹ In lacs)

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares/Units	Amount	No. of Shares/Units	Amount
NON CURRENT				
Investment in Equity Instruments				
a. Unquoted- At Fair Value through Profit & Loss				
Units of India Build Out Fund-Venture Captial Fund	-	-	1,177.16	17.39
Investment in Preference Shares				
a. Quoted- At Fair Value through Profit & Loss				
Preference shares of Tata Motors Finance Ltd.	2,50,000.00	568.27	2,50,000.00	530.08
Investment in debentures or bonds				
a. Quoted- At Fair Value through Profit & Loss				
NCD - Face Value of ₹ 100000/- each in Edelweiss Finvest Pvt. Limited	-	-	294.00	300.39
NCD - Face Value of ₹ 100000/- each in IIFL Wealth Finance Limited	-	-	300.00	304.47
NCD - Face Value of ₹ 100000/- each in Edelweiss Finvest Pvt. Limited	-	-	1,000.00	1,000.00
NCD - Face Value of ₹ 1000000/- each in India Grid Trust	50.00	564.55	50.00	508.85
NCD - Face Value of ₹ 1000000/- each in Mindspace Business Parks REIT	50.00	522.20	-	-
Perpetual Bonds- Face Value of ₹ 1000000/- each in State Bank of India	25.00	259.51	-	-
Perpetual Bonds- Face Value of ₹ 1000000/- each in HDFC Bank	25.00	274.49	-	-
b. Quoted- At Amortised Cost				
7.35% Bonds - Face Value of ₹ 1000/- each in Indian Railway Finance Corporation Limited	5,878.00	58.78	5,878.00	58.78
7.28% Bonds - Face Value of ₹ 1000/- each in Indian Railway Finance Corporation Limited	30,200.00	302.00	30,200.00	302.00
7.35% Bonds - Face Value of ₹ 1000/- each in National Highway Authority of India	14,285.00	142.85	14,285.00	142.85
7.39% Bonds - Face Value of ₹ 1000/- each in National Highway Authority of India	7,709.00	77.09	7,709.00	77.09
7.49% Bonds - Face Value of ₹ 1000/- each in Indian Renewable Energy Development Agency Ltd	34,060.00	340.60	34,060.00	340.60
7.39% Bonds - Face Value of ₹ 1000/- each in Housing and Urban Development Corp Ltd	7,007.00	70.07	7,007.00	70.07
7.35% Bonds - Face Value of ₹ 1000/- each in National Bank for Agriculture and Rural Development	5,010.00	50.10	5,010.00	50.10
7.11% Bonds - Face Value of ₹ 1000/- each in Power Finance Corporation Limited	2,567.00	25.67	2,567.00	25.67
18.50% NCD - Face Value of ₹ 1000000/- each of Manyata Developers Private Limited	-	-	20.00	86.39
c. Unquoted- At Amortised Cost				
Units of Annuities In Senior Secured Estate Fund	2,91,839.78	291.84	3,23,058.69	323.06
Units of IIFL Real Estate Fund-Series 2	47,09,658.52	255.43	47,09,658.52	314.60
Units of Religare Credit Investment Trust	-	0.88	-	0.88
Units of ICICI Prudential Real Estate	62,020.81	69.57	63,430.94	70.75
Units of IIFL Real Estate Fund-Series 3	18,50,000.00	72.09	18,50,000.00	79.18
d. Unquoted- At Fair Value through Profit & Loss				
Units of UTI Structured Debt Opportunities Fund	35,53,459.28	381.20	1,57,59,785.40	496.90
Investment in Mutual Funds				
a. Quoted- At Fair Value through Profit & Loss				
Units of Reliance Fixed Horizon Fund-XXXV-Series 13	-	-	30,00,000.00	357.59
Units of UTI Fixed Term Income Fund Series-1204 Days	-	-	30,00,000.00	357.14
Units of ICICI Prudential Fixed Maturity Plan Series 82-1203 Days	-	-	30,00,000.00	356.94



Notes to Consolidated Financial Statement for the year ended March 31, 2021

(₹ In lacs)

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares/Units	Amount	No. of Shares/Units	Amount
Units of ICICI Prudential Fixed Maturity Plan Series 82-1215 Days	-	-	30,00,000.00	357.42
Units of Aditya Birla Sun life Fixed Term Plan Series PB-1190 Days	-	-	30,00,000.00	356.49
Units of Aditya Birla Sun life Fixed Term Plan Series PC-1169 Days	-	-	30,00,000.00	356.61
Units of DSP FMP Series 219-40M	-	-	30,00,000.00	355.88
Units of DSP FMP Series 220-40M	-	-	30,00,000.00	355.88
Units of Aditya Birla Sun life Fixed Term Plan Series QX-1103 Days	-	-	30,00,000.00	345.30
Units of Aditya Birla Sun life Fixed Term Plan Series RA-1100 Days	-	-	20,00,000.00	231.14
Units of DSP FMP Series 243-36M	-	-	15,00,000.00	171.03
Units of UTI Fixed Term Income Fund Series XXX-I-1104 Days	-	-	15,00,000.00	155.54
Units of Reliance Fixed Horizon Fund-XXXIX-Series 2	20,00,000.00	258.02	20,00,000.00	236.32
Units of Bharat Bond ETF	1,00,000.00	1,134.37	1,00,000.00	1,040.34
Units of Bharat Bond ETF	99,994.00	1,018.23	-	-
Units of Edelweiss NIFTY PSU Bond Plus SDL Index Fund	99,99,500.03	1,010.82	-	-
Investment in Corporate FDR				
a. Unquoted- At Amortised Cost				
FDR with LIC Housing Finance Ltd.	-	500.00	-	-
FDR with Housing Development Finance Corporation Ltd.	-	500.00	-	-
FDR with ICICI Home Finance Company Ltd.	-	500.00	-	-
Total Non Current Investment		9,248.63		10,133.72
Less: Allowance for doubtful debts		219.00		219.00
Total Non Current Investment		9,029.63		9,914.72
Aggregate amount of quoted investments and Market Value thereof		6,677.62		8,830.96
Aggregate amount of quoted investments and Book Value thereof		6,677.62		8,830.96
Aggregate amount of unquoted investments		2,571.01		1,302.76
Aggregate amount of impairment in value of investments		219.00		219.00
CURRENT				
Investment in Equity Instruments				
a. Unquoted- At Fair Value through Profit & Loss				
Units of DSP India Enhanced Equity SatCore Fund	2,00,000.00	238.70	2,00,000.00	219.00
b. Quoted- At Fair Value through Profit & Loss				
Units of ABSL Arbitrage Fund-Direct Growth Plan	46,28,412.48	1,008.13	-	-
Units of Axis Arbitrage Fund-Direct Growth Plan	65,27,983.62	1,008.10	-	-
Units of Edelweiss Arbitrage Fund-Direct Growth Plan	63,98,901.91	1,007.65	-	-
Units of ICICI Prudential Equity Arbitrage Fund-Direct Growth Plan	35,78,534.88	1,003.86	-	-
Units of Kotak Equity Arbitrage Fund-Direct Growth Plan	33,28,717.29	1,007.97	-	-
Units of Nippon India Arbitrage Fund-Direct Growth Plan	46,05,984.41	1,005.35	-	-
Units of Tata Arbitrage Fund-Direct Growth Plan	87,67,722.67	1,005.66	-	-
Units of UTI Arbitrage Fund-Direct Growth Plan	35,41,939.97	1,007.84	-	-
Investment in debentures or bonds				
a. Quoted- At Fair Value through Profit & Loss				
NCD - Face Value of ₹ 100000/- each in Edelweiss Finvest Pvt. Limited	294.00	332.78	-	-
NCD - Face Value of ₹ 100000/- each in IIFL Wealth Finance Limited	300.00	428.32	-	-
NCD - Face Value of ₹ 100000/- each in Edelweiss Finvest Pvt. Limited	1,000.00	1,343.65	-	-



Notes to Consolidated Financial Statement for the year ended March 31, 2021

(₹ In lacs)

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares/Units	Amount	No. of Shares/Units	Amount
Investment in Mutual Funds				
a. Quoted- At Fair Value through Profit & Loss				
Units of Reliance Fixed Horizon Fund-XXXV-Series 13	30,00,000.00	380.31	-	-
Units of UTI Fixed Term Income Fund Series-1204 Days	30,00,000.00	378.80	-	-
Units of ICICI Prudential Fixed Maturity Plan Series 82-1203 Days	30,00,000.00	379.05	-	-
Units of ICICI Prudential Fixed Maturity Plan Series 82-1215 Days	30,00,000.00	380.40	-	-
Units of Aditya Birla Sun life Fixed Term Plan Series PB-1190 Days	30,00,000.00	378.80	-	-
Units of Aditya Birla Sun life Fixed Term Plan Series PC-1169 Days	30,00,000.00	379.49	-	-
Units of DSP FMP Series 219-40M	30,00,000.00	376.46	-	-
Units of DSP FMP Series 220-40M	30,00,000.00	378.96	-	-
Units of Aditya Birla Sun life Fixed Term Plan Series QX-1103 Days	30,00,000.00	367.48	-	-
Units of Aditya Birla Sun life Fixed Term Plan Series RA-1100 Days	20,00,000.00	245.02	-	-
Units of DSP FMP Series 243-36M	15,00,000.00	187.27	-	-
Units of UTI Fixed Term Income Fund Series XXX-I-1104 Days	15,00,000.00	178.40	-	-
Units of UTI Fixed Term Income Fund Series-1113 Days	-	-	30,00,000.00	336.61
Units of UTI Liquid Cash Plan-Direct Growth Plan	17,982.55	606.10	1,14,279.58	3,715.73
Units of UTI Overnight Fund-Direct Growth Plan	-	-	14,632.14	400.06
Units of Axis Liquid Fund-Direct Growth Plan	1,29,247.23	2,953.03	58,997.76	1,300.51
Units of ABSL Liquid Fund-Direct Growth Plan	2,41,429.59	800.42	-	-
Total Current Investment		18,768.00		5,971.91
Aggregate amount of quoted investments and Market Value thereof		18,529.30		5,752.91
Aggregate amount of quoted investments and Book Value thereof		18,529.30		5,752.91
Aggregate amount of unquoted investments		238.70		219.00
Aggregate amount of impairment in value of investments		-		-

Notes to Consolidated Financial Statement for the year ended March 31, 2021

8. LOANS

(₹ In lacs)

Unsecured, Considered good unless otherwise stated	As at March 31, 2021	As at March 31, 2020
Non Current		
Loans to employees	11.40	15.28
Security Deposits		
Unsecured, Considered good	388.82	362.81
Doubtful	1.50	-
Less: Allowance for doubtful debts	(1.50)	-
Break up of Security Details	400.22	378.09
Loans considered good-Secured	-	-
Loans considered good-Unsecured	400.22	378.09
Loans which have significant increase in Credit Risk	-	-
Loans-Credit impaired	1.50	-
Total	401.72	378.09
Less : Allowance	(1.50)	-
Total	400.22	378.09
Current		
Loans to employees	68.46	92.37
Security Deposits	53.08	202.30
Loans to corporates and others		
Unsecured, Considered good*	3,900.00	2,600.00
Doubtful	645.71	545.71
Less: Allowance for doubtful debts	(645.71)	(295.71)
Break up of Security Details		
Loans considered good-Secured	-	-
Loans considered good-Unsecured	4,021.54	2,894.67
Loans which have significant increase in Credit Risk	450.00	350.00
Loans-Credit impaired	195.71	195.71
Total	4,667.25	3,440.38
Less : Allowance	(645.71)	(295.71)
Total	4,021.54	3,144.67

Footnotes :

- *Includes amount due to related parties amounting to ₹ 3900.00 Lacs (March 31, 2020 ₹ 2500 Lacs). Refer Note-40.
- There is no amount due from director, other officer of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.

9. OTHER FINANCIAL ASSETS

Unsecured, Considered good unless otherwise stated	As at March 31, 2021	As at March 31, 2020
Non Current		
Fixed Deposits With Banks*	-	2,217.54
	-	2,217.54
Current		
Fixed Deposits With Banks*	3,369.74	-
Interest Accrued On Loans and Investment	43.65	51.50
Claim Receivable	1,614.68	1,163.19
	5,028.07	1,214.69

Footnotes :

- *Includes interest accrued thereon. Lien marked against the Overdraft facility taken from bank as shown under the head "Borrowings"
- There is no amount due from director, other officer of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.



Notes to Consolidated Financial Statement for the year ended March 31, 2021

10. INVENTORIES

(₹ In lacs)

	As at March 31, 2021	As at March 31, 2020
Raw materials*	8,579.04	7,875.38
Packing materials**	1,926.11	1,547.09
Work in Progress	596.56	689.12
Finished Goods***	13,974.21	11,265.37
Stock in Trade****	4,419.21	3,535.90
Store and spares	55.21	72.84
TOTAL	29,550.34	24,985.70
Footnotes :		
a.	The mode of valuation of inventories has been stated in note no 3(f)	
b.	Refer note 17(a) for information on Inventories pledged as security by the company to banks	
c.	*: Stock of Raw Materials includes value of goods in transit of ₹ 2042.68 lacs [March 31,2020 : ₹ 1036.32 lacs]	
d.	**: Stock of Packing Materials includes value of goods in transit of ₹ 23.27 lacs [March 31,2020 : ₹ 61.45 lacs]	
e.	***: Stock of Finished Goods includes value of goods in transit of ₹ 318.42 lacs [March 31,2020 : ₹ 462.50 lacs]	
f.	****: Stock in Trade includes value of goods in transit of ₹ 259.12 lacs [March 31, 2020 : ₹ 137.36 lacs]	
g.	Cost of Inventories recognized as an expense during the year amount to ₹ 89504.52 lacs [P.Y. ₹ 74095.82 lacs]	

11. TRADE RECEIVABLES

	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered good*	24,730.04	24,704.52
Less: Allowance for doubtful debts (expected credit loss allowance)	(463.66)	(463.66)
TOTAL	24,266.38	24,240.86
Break up for Security Details		
Trade Receivables considered good-Secured	-	-
Trade Receivables considered good-Unsecured	24,730.04	24,704.52
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables-Credit impaired	-	-
TOTAL	24,730.04	24,704.52
Less: Allowance for doubtful debts (expected credit loss allowance) (Refer Note-43)	(463.66)	(463.66)
TOTAL	24,266.38	24,240.86
Footnotes :		
a.	*Of the above, trade receivable from related parties are given below :	
	Unsecured, considered good (Refer note-40)	- 2.93
b.	Refer note 17(a) for information on Trade Receivable pledged as security by the company to banks	
c.	There is no amount due from director, other officer of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.	

12. CASH & CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
Cash & Cash Equivalents		
Balance With Banks In Current Account	6.69	216.30
Cash on Hand	54.69	102.17
Cheques / Drafts In Hand	-	2.54
Fixed Deposits With Banks*	-	2,201.54

Notes to Consolidated Financial Statement for the year ended March 31, 2021

(₹ In lacs)

	As at March 31, 2021	As at March 31, 2020
	61.38	2,522.55
Bank Balance other than Cash and Cash Equivalents		
Balance With Banks In Unpaid Equity Dividend Account**	87.03	106.37
	87.03	106.37
Footnotes :		
a. *Includes interest accrued thereon		
b. **Earmarked against the corresponding unclaimed dividend liabilities as shown under the head "Other financial liabilities"		

13 CURRENT TAX ASSETS

	As at March 31, 2021	As at March 31, 2020
Advance Income Tax (Net of Provision for Income Tax)	-	457.15
	-	457.15

14. OTHER ASSETS

Unsecured, Considered good unless otherwise stated	As at March 31, 2021	As at March 31, 2020
Non Current		
Capital Advance	43.45	1,784.26
Receivables from Govt. Authorities	70.57	80.34
Deposits with Public Authorities	58.40	58.06
Prepaid expenses	209.38	29.33
Other Advances	9.76	8.41
	391.56	1,960.40
Current		
Prepaid expenses	29.63	315.67
Advances To Vendor	793.09	1,814.22
Receivables from Govt. Authorities	3,193.91	1,760.79
Other Advances*	28.22	102.27
	4,044.85	3,992.95
Footnotes :		

a. *Includes advances given to employees



Notes to Consolidated Financial Statement for the year ended March 31, 2021

15. EQUITY SHARE CAPITAL

(₹ In lacs)

	As at March 31, 2021	As at March 31, 2020
Authorized Share capital		
14,21,00,000 equity shares of ₹2/- each	2,842.00	2,842.00
Issued, subscribed and fully paid up		
4,65,78,324 equity shares of ₹2/- each	931.57	951.57
[Last Year 4,75,78,324 equity shares of ₹2/- each]	931.57	951.57
Notes:		

a. Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at March 31, 2021		As at March 31, 2020	
	No of shares	Amount	No of shares	Amount
Opening	4,75,78,324	951.57	4,75,78,324	951.57
Issued during the period	-	-	-	-
Shares Extinguished on buy back*	10,00,000	20.00	-	-
Closing at the end of the year	4,65,78,324	931.57	4,75,78,324	951.57

*The Board of Directors of the Company in its Meeting held on 22nd July, 2020, has approved the proposal for Buyback of 10,00,000 (Ten Lakhs) Equity Shares of the Company for an amount not exceeding ₹ 100.00 Crores (Rupees One Hundred Crore Only) at a maximum price not exceeding ₹ 1,000/- (Rupees One Thousand only) per Equity Share, which was further approved by the Members at the 35th Annual General Meeting of the Company held on 15th September, 2020. The Buy Back Committee in its Meeting held on 16th September, 2020 determined the Buy Back Price of ₹ 1,000/- (Rupees One Thousand only) per Equity Share.

Pursuant to above, Offer for Buy Back of Equity Shares of the Company were opened from 20th October, 2020 to 3rd November, 2020. The Company bought back 10,00,000 (Ten Lakhs) Fully Paid-up Equity Shares of the Face Value of Rs. 2 each from Eligible Shareholders of the Company as on September 28, 2020 i.e. the Record Date and accordingly the Company has extinguished 10,00,000 (Ten Lakhs) Equity Shares on November 13, 2020 in terms of SEBI (Buy Back of Securities) Regulations, 2018. Consequent to above Buy Back, Paid up Share Capital of the Company have been reduced by ₹ 20,00,000/- (Twenty Lakhs Only)

b. Terms/Rights attached to Issued Equity Shares

1	The Company has only one class of Equity Shares having at par value of ₹2/- per share. Each Equity share is entitled to one vote.
2	In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts.
3	The distribution will be in proportion to the number of Equity Shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the company

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares (In Lacs)	% holding	No. of Shares (In Lacs)	% holding
M/s Triveni Trust	284.25	61.03%	290.35	61.03%
M/s Pushpa Dhanuka Trust	50.74	10.89%	51.84	10.90%
M/s DSP Blackrock Trustee Co. Pvt Ltd	30.71	6.59%	34.84	7.32%

As per the records of the Company, including its Register of Shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

d. The Company does not have any holding / ultimate holding company

Notes to Consolidated Financial Statement for the year ended March 31, 2021

16. OTHER EQUITY

(₹ In lacs)

Reserves and Surplus	As at March 31, 2021	As at March 31, 2020
Capital Reserve		
Balance at the beginning of the Financial year	95.47	95.47
Addition during the Financial year	-	-
Deduction during the Financial year	-	-
	95.47	95.47
Capital Reserve includes profit on merger of entities		
Capital Redemption Reserve		
Balance at the beginning of the Financial year	48.82	48.82
Addition during the Financial year	20.00	-
Deduction during the Financial year	-	-
	68.82	48.82
Capital Redemption Reserve created on redemption of Equity shares		
Retained Earnings		
Balance at the beginning of the Financial year	69,662.25	63,126.16
Addition during the Financial year	21,055.98	14,134.85
Less: Amount Utilised for Buy back of Equity shares	(9,980.00)	-
Less : Amount Transferred to Capital Redemption Reserve on Buy back of equity shares	(20.00)	-
Less : Tax Paid on Buy back of equity shares	(2,324.94)	-
Add/ (Less):		
Remeasurements of the defined benefit plans through OCI	129.82	(371.62)
Dividend paid including Dividend Distribution Tax (DDT)	-	(7,227.14)
	78,523.11	69,662.25
Total	78,687.40	69,806.54

Retained Earnings represents undistributed profits of the company which can be distributed to its Equity Shareholders in accordance with the requirements of Companies Act, 2013.

Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

	As at March 31, 2021	As at March 31, 2020
Detail of Dividend Paid		
a.) Dividend Paid		
Final Dividend Declared for F.Y. 2018-19 [Dividend Paid ₹ 0.60/- per share]	-	285.47
Dividend Distribution Tax	-	58.68
Interim Dividend Declared for F.Y. 2019-20 [Dividend Paid ₹12.00/- per share]	-	5,709.40
Dividend Distribution Tax	-	1,173.59
	-	7,227.14
b.) Proposed Dividend		

After the reporting date, the Board of Directors of the Company has recommended a final dividend of ₹ 2.00 per Equity share amounting to ₹ 931.57 Lacs excluding applicable taxes for the financial year 2020-21.

The dividend proposed by the Directors are subject to approval at the annual general meeting. The dividend including tax has not been recognised as liability. The same will be recognised as a liability and deducted from shareholder's equity in the period in which the dividends are approved by the equity shareholders in the general meeting.



Notes to Consolidated Financial Statement for the year ended March 31, 2021

17. BORROWINGS (CURRENT)

(₹ In lacs)

	As at March 31, 2021	As at March 31, 2020
Secured		
From Banks-Loan Repayable on Demand		
Cash Credit limits from Banks	-	0.82
Over Draft Against Pledge of FDR	835.84	797.67
	835.84	798.49
Footnotes :		
a. Cash Credit Limits from Banks are secured by hypothecation of stocks of raw materials, work in process, finished goods, book debts and other movable assets on pari-passu basis and by joint and several guarantee of the Directors of the Company. Loan from Banks are repayable on demand and carried interest @ 7.85% to 10.00% p.a.		
b. Overdraft facilities has been taken from bank against Lien mark of Fixed Deposits as shown under the head "Other Current Financial Assets"		

18. TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	619.39	693.34
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises*	10,243.47	10,627.76
	10,862.86	11,321.10
Footnotes :		
a. *Includes amount due to related parties amounting to ₹ 689.20 Lacs (March 31, 2020 ₹ 688.85 Lacs)-Refer Note-40		
b. Refer note 41 for information on total outstanding dues of micro enterprises and small enterprises		

19. OTHER FINANCIAL LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Non Current		
Security Received from Customers*	1,339.66	1,342.43
Lease Liability	3,629.29	257.95
	4,968.95	1,600.38
Current		
Unclaimed Dividend**	87.03	106.37
Capital Creditors	29.59	68.52
Other Payable***	9,967.47	5,587.92
Lease Liability	377.86	231.07
	10,461.95	5,993.88
Footnotes :		
a. *Security Received from Customers includes Security Received from C&F Agents		
b. **There are no outstanding dues to be paid to Investor Education & Protection Fund.		
c. ***Other payables includes Employee related costs and provision of Expenses and discounts and rebates on sale.		

Notes to Consolidated Financial Statement for the year ended March 31, 2021

20. PROVISIONS

(₹ In lacs)

	As at March 31, 2021	As at March 31, 2020
Provision For Employee Benefits		
Non Current		
Provision for Gratuity	33.60	496.84
Provision for Compensated absences	66.52	72.01
	100.12	568.85
Current		
Provision for Compensated absences	24.71	25.58
	24.71	25.58
Footnotes :		
a. Refer note 36(b) for information on Defined benefit plans-Gratuity		

21 DEFERRED TAX LIABILITIES (NET)

	As at March 31, 2021	As at March 31, 2020	
Deffered Tax Liabilities	1,109.98	786.83	
Deffered Tax Assets	(280.51)	(252.92)	
	829.47	533.91	
	As at April 1, 2019	Recognized in P&L	As at March 31, 2020
Deferred tax (assets)/ liabilities are attributable to the following items :			
Deferred Tax Liabilities			
Property, plant and equipment & Intangible assets	1,095.33	(491.89)	603.44
Investments	311.67	(128.28)	183.39
	Total-(A)	(620.17)	786.83
Deferred Tax Assets			
Amalgamation Expenses	(1.72)	1.72	-
Trade Receivables	(184.61)	(61.62)	(246.23)
Lease Liability	-	(6.69)	(6.69)
	Total-(B)	(66.59)	(252.92)
Net Deferred Tax Liability	(A+B)	(686.76)	533.91
	As at April 1, 2020	Recognized in P&L	As at March 31, 2021
Deferred tax (assets)/ liabilities are attributable to the following items :			
Deferred Tax Liabilities			
Property, plant and equipment & Intangible assets	603.44	50.10	653.54
Investments	183.39	273.05	456.44
	Total-(A)	323.15	1,109.98
Deferred Tax Assets			
Trade Receivables	(246.23)	-	(246.23)
Lease Liability	(6.69)	(27.59)	(34.28)
	Total-(B)	(27.59)	(280.51)
Net Deferred Tax Liability	(A+B)	295.56	829.47



Notes to Consolidated Financial Statement for the year ended March 31, 2021

22. OTHER LIABILITIES

(₹ In lacs)

	As at March 31, 2021	As at March 31, 2020
Non Current		
Advances from customers	-	-
Current		
Advances from customers	3,193.63	1,026.14
Statutory dues payable	1,624.74	593.21
	4,818.37	1,619.35

23. CURRENT TAX LIABILITIES (NET)

	As at March 31, 2021	As at March 31, 2020
Income Tax payable (Net of advance)	581.26	-
	581.26	-

24. REVENUE FROM OPERATIONS

		For the Year ended March 31, 2021	For the Year ended March 31, 2020
a. Revenue From Operations			
Sales of products			
Finished Goods			
-Agrochemical		1,20,465.38	94,983.67
Traded Goods			
-Agrochemical		16,736.46	15,878.24
	(A)	1,37,201.84	1,10,861.91
Other operating revenues			
Income From Power Generation Plant		154.22	171.78
Scrap Sales		237.76	317.77
Tax Incentive from Govt.		1,153.05	655.62
	(B)	1,545.03	1,145.17
Total Revenue	(A)+(B)	1,38,746.87	1,12,007.08
b. Reconciliation of Revenue from contract with customers :			
Revenue as per contracted price		1,50,328.06	1,24,393.66
Less : Discounts & Rebates		11,581.19	12,386.57
Revenue from contract with customers		1,38,746.87	1,12,007.08

c. Contract balances :

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers :

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Trade Receivables*	24,266.38	24,240.86
	24,266.38	24,240.86
Contract Liabilities		
Advances from Customers	3,193.63	1,026.14
	3,193.63	1,026.14

* Trade receivables are non-interest bearing and are generally on terms of 90 to 120 days.

d. The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) is as follows :

Notes to Consolidated Financial Statement for the year ended March 31, 2021

d. The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) is as follows : (₹ In lacs)		For the Year ended March 31, 2021	For the Year ended March 31, 2020
	Advances from customers	3,193.63	1,026.14
		3,193.63	1,026.14
25. OTHER INCOME			
		For the Year ended March 31, 2021	For the Year ended March 31, 2020
	Interest Income on Financial Assets at amortised cost	1,569.53	1,124.69
	Dividend Income	-	291.10
	Net Gain on sale of investments	335.87	83.58
	Net Gain on Investments measured at fair value through profit or loss	1,129.71	380.77
	Other Non-Operating Income		
	Rent Received	9.14	9.83
	Miscellaneous Receipts	39.39	360.43
	Net Gain On Foreign Currency Transactions	252.42	-
	Net Profit on disposal of property, plant and equipment	22.84	8.91
	Liabilities No Longer Required, Written Back	11.37	249.53
		3,370.27	2,508.84
a.	Refer note-40 for transactions with Related Party		
26. COST OF MATERIALS CONSUMED			
		For the Year ended March 31, 2021	For the Year ended March 31, 2020
	Raw Materials		
	Inventories at the beginning of the financial year	7,875.38	4,479.71
	Add : Purchases	68,645.32	54,980.10
	Less : Inventories at the end of the financial year	(8,579.04)	(7,875.38)
	Cost of Raw Material Consumed (A)	67,941.66	51,584.43
	Packing Materials		
	Inventories at the beginning of the financial year	1,547.09	1,742.59
	Add : Purchases	8,147.42	6,464.95
	Less : Inventories at the end of the financial year	(1,926.11)	(1,547.09)
	Cost of Packing Materials Consumed (B)	7,768.40	6,660.45
	(A)+(B)	75,710.06	58,244.88
27. PURCHASE OF STOCK IN TRADE			
		For the Year ended March 31, 2021	For the Year ended March 31, 2020
	Agrochemical	14,120.65	14,060.05
		14,120.65	14,060.05



Notes to Consolidated Financial Statement for the year ended March 31, 2021

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

(₹ In lacs)

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Inventories at the end of the period		
Stock in Trade	4,419.21	3,535.90
Work in Progress	596.56	689.12
Finished Goods	13,974.21	11,265.37
	18,989.98	15,490.39
Inventories at the beginning of the period		
Stock in Trade	3,535.90	2,480.58
Work in Progress	689.12	810.11
Finished Goods	11,265.37	11,063.87
	15,490.39	14,354.56
(Increase)/Decrease in Inventories	(3,499.59)	(1,135.83)

29. EMPLOYEE BENEFIT EXPENSES

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Salaries, wages and bonus	10,798.42	9,435.89
Contribution to Provident & Other funds	388.50	428.03
Gratuity	163.44	125.26
Compensated absences	226.38	289.00
Staff Welfare Expenses	249.95	244.63
	11,826.69	10,522.81

Footnotes :

- Refer note 36(a) for information on Defined Contribution plan
- Refer note 36(b) for information on Defined benefit plan-Gratuity
- Refer note 36(c) for information on Other employee benefits-Compensated absences
- Refer note-40 for transactions with Related Party

30. FINANCE COSTS

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest on bank overdraft & working capital limits	11.45	19.21
Interest On lease liability	201.66	64.38
Interest on Security Deposits & others	56.27	72.10
	269.38	155.69

31. DEPRECIATION AND AMORTIZATION EXPENSES

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Depreciation on Property, Plant & Equipment (Refer Note-4)	1,474.07	1,592.47
Amortization of Intangible Assets (Refer Note-6)	43.93	43.42
	1,518.00	1,635.89

Notes to Consolidated Financial Statement for the year ended March 31, 2021

32. OTHER EXPENSES

(₹ In lacs)

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Power, fuel, electricity & water charges	168.60	164.21
Consumable Stores	115.01	78.93
Packing Charges	399.46	221.39
Repair & Maintenance, Machinery	99.32	147.47
Repair & Maintenance, Factory Building	88.03	27.01
Incineration Charges	2.01	1.35
Security Charges	58.23	52.46
Laboratory expenses	32.46	30.78
ISI Marking Fees	5.48	5.71
R&D expenses	239.03	352.13
Travelling and conveyance	506.44	1,086.83
Communication Expenses	122.42	109.09
Postage and Telegram	26.93	30.56
Printing and Stationery	48.24	49.72
Office and Godown Rent	241.59	113.33
Rates and Taxes	78.14	56.88
Insurance Charges	662.71	315.60
Legal and Professional Charges	522.15	447.41
Repair & Maintenance-Building	672.56	232.99
Repair & maintenance-Other	247.05	285.34
Security Charges-Offices	34.80	37.08
Electricity & Water Charges	57.25	65.47
Books and Periodicals	1.91	3.07
Recruitment Expenses	64.86	37.88
Fees and Subscription	39.39	50.29
Charity and Donation	1.21	14.15
Bank Charges	15.15	15.12
Miscellaneous Expenses	4.28	8.83
Directors' Sitting Fee	15.20	9.00
Payment To Auditors (Refer Note 32.1)	20.12	17.14
Vehicles Hiring & Maintenance	1,048.45	1,035.37
Net Loss On Foreign Currency Transactions	-	42.00
Loss On Insurance Claim Received	-	26.87
CSR Expenses (Refer Note 32.2)	331.13	323.17
Education and Seminar	182.55	656.01
Advertisement and Publicity	985.08	488.42
Business Promotion Expenses	84.18	156.53
Allowance for Bad and Doubtful Debts & Loans (Net)	511.96	425.58
Freight & Cartage on STV & Sales	3,814.45	3,361.90
Field Assistant Expenses	1,095.22	1,363.55
C&F Commission	1,035.26	1,033.26
	13,678.31	12,979.88



Notes to Consolidated Financial Statement for the year ended March 31, 2021

(₹ In lacs)

		For the Year ended March 31, 2021	For the Year ended March 31, 2020
32.1	Payment to Auditors		
	Statutory Auditors		
	Audit Fees	13.00	11.00
	Limited Review Fees	3.00	3.00
	Tax Audit Fees	2.00	2.00
	Certification & Other Matters	2.00	-
	Reimbursement of expenses	0.12	1.14
	TOTAL	20.12	17.14
		For the Year ended March 31, 2021	For the Year ended March 31, 2020
32.2	Amount Spent on CSR Activities		
	Gross amount required to be spent by the company during the year	330.85	322.49
	Amount spent during the year		
	Promotion of Education	160.00	240.10
	Preventive Healthcare	162.38	26.34
	Eradicating Hunger	-	1.08
	Rural Development	5.00	-
	Livelihood Enhancement Projects	1.00	33.50
	Facilities for Senior Citizens	-	0.50
	Environmental Sustainability	2.75	21.65
		331.13	323.17
33.	INCOME TAX EXPENSE		
a.	Income tax recognized in profit or loss		
		For the Year ended March 31, 2021	For the Year ended March 31, 2020
	Current tax expense		
	Current Tax	7,142.10	4,604.46
	Tax of earlier year provided / (written back)	-	-
	Deferred tax expense		
	Origination and reversal of temporary differences	295.56	(686.76)
		7,437.66	3,917.70
b.	Reconciliation of effective tax rate		
		For the Year ended March 31, 2021	For the Year ended March 31, 2020
	Profit before tax	28,493.64	18,052.55
	Tax using the Company's domestic tax rate i.e. 25.168%	7,171.28	4,543.47
	Effect of Expenses not deductible for tax purpose	176.20	98.55
	Effect of Income Exempt from tax	(23.76)	(107.70)
	Effect of Concessions and Tax incentives	(0.61)	(0.66)
	Effect of Lower tax Rate for the capital gains	(15.12)	(66.78)
	Other	32.67	(93.53)
	Adjustment in respect of Deferred tax related to earlier years	97.00	(455.65)
	Income tax Expenses recognised in the statement of profit and loss	7,437.66	3,917.70

Notes to Consolidated Financial Statement for the year ended March 31, 2021

34. OTHER COMPREHENSIVE INCOME

(₹ In lacs)

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
(i) Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	129.82	(371.62)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-
(i) Items that will be reclassified to profit or loss	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
	129.82	(371.62)

35. Earnings per share (EPS)

	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Net Profit for Basic & diluted EPS (In Lacs)	21,055.98	14,134.85
Number of Equity Shares at the beginning of the year	4,75,78,324.00	4,75,78,324.00
Add: Shares issued during the year	-	-
Less : Shares bought back during the year	10,00,000.00	-
Total Number of Shares outstanding at the end of the year	4,65,78,324.00	4,75,78,324.00
Weighted Average number of Equity Shares outstanding during the year	4,71,97,502.08	4,75,78,324.00
Earnings Per Share - Basic (₹)	44.61	29.71
Earnings per share - Diluted (₹)	44.61	29.71
Face value per share (₹)	2.00	2.00

36. EMPLOYEE BENEFITS

The group participates in defined contribution and benefit schemes, the funded assets of which are held in separately administered funds. For defined contribution schemes the amount charged to the statements of profit & loss is the total of contributions payable in the year.

a. Defined Contribution Plans

The group has Defined Contribution Plans for post-employment benefits namely Provident Fund, Superannuation Fund and National Pension Scheme, which are administered by appropriate Authorities.

The group contributes to a Government administered Provident Fund, Employees' Deposit Linked Insurance Scheme and Employee Pension Scheme, on behalf of its employees and has no further obligation beyond making its contribution.

The Superannuation Fund and National Pension Scheme applicable to certain employees is a Defined Contribution Plan as the group contributes to these Schemes which are administered by an Insurance Company and has no further obligation beyond making the payment to the Insurance Company.

The group contributes to State Plans namely Employees' State Insurance Fund and has no further obligation beyond making the payment to them.

The group's contributions to the above funds are charged to revenue every year.

The group has recognized an expense of ₹ 387.14 lacs (Previous year ₹ 426.14 lacs) towards the defined contribution plans.

b. Defined Benefit Plans

In accordance with the payment of Gratuity Act, 1972, the group has a Defined Benefit Plan namely "Gratuity Plan" covering its employees. The Gratuity scheme is funded through Group Gratuity-cum-Life Assurance Scheme and the liability for the Gratuity plan is provided based on an actuarial valuation at the year-end. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income.



Notes to Consolidated Financial Statement for the year ended March 31, 2021

I. Changes in the Present Value of Obligation

(₹ In lacs)

Particulars	For the year ended	
	31 March, 2021	31 March, 2020
Present Value of Obligation as at the beginning	1,498.24	1,227.12
Current Service Cost	135.64	113.76
Interest Expense or Cost	83.84	87.31
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	266.71	0.30
- change in financial assumptions	25.85	154.71
- experience variance (i.e. Actual experience vs assumptions)	(120.25)	63.37
Past Service Cost	-	-
Benefits Paid	(71.81)	(148.33)
Present Value of Obligation as at the end	1818.22	1,498.24

II. Changes in the fair value of plan assets

(₹ In lacs)

Particulars	For the year ended	
	31 March, 2021	31 March, 2020
Fair Value of Plan Assets as at the beginning	1001.40	1,065.51
Investment Income	56.04	75.81
Employer's Contribution	496.86	161.65
Benefits Paid	(71.81)	(148.33)
Return on plan assets, excluding amount recognized in net interest expense	302.13	(153.24)
Fair Value of Plan Assets as at the end	1784.62	1,001.40

The plan assets are managed by the Gratuity trust formed by the group. The management of 100% of the funds is entrusted with the Life Insurance Corporation of India and HDFC Life Insurance Company Limited whose pattern of investment is not available with the group

III. Assets and Liability (Balance Sheet Position)

(₹ In lacs)

Particulars	As at	
	31 March, 2021	31 March, 2020
Present Value of Obligation	1818.22	1,498.24
Fair Value of Plan Assets	1784.62	1,001.40
Surplus / (Deficit)	(33.60)	(496.84)
Effects of Asset Ceiling, if any	-	-
Net Asset / (Liability)	(33.60)	(496.84)

Notes to Consolidated Financial Statement for the year ended March 31, 2021

IV. Bifurcation of present value of obligation at the end of the year

(₹ In lacs)

Particulars	As at	
	31 March, 2021	31 March, 2020
Current Liability (Short term)	247.20	439.07
Non-Current Liability (Long term)	1571.02	1,059.17
Present Value of Obligation	1818.22	1,498.24

V. Expenses Recognized during the period

(₹ In lacs)

Particulars	For the year ended	
	31 March, 2021	31 March, 2020
In Profit & loss :		
Current Service Cost	135.64	113.76
Net Interest Cost/(Income) on the net defined benefit liability/(Asset)	27.80	11.50
Components of defined benefit costs recognised in profit & loss	163.44	125.26
In Other Comprehensive Income :		
Actuarial (gains)/losses		
-Change in demographic assumptions	266.71	0.31
-Change in financial assumptions	25.85	154.70
-Experience variance (i.e. Actual experience vs assumptions)	(120.25)	63.37
Return on plan assets, excluding amount recognised in net interest expense	(302.13)	153.24
Components of defined benefit costs recognised in other comprehensive income	(129.82)	371.62

VI. Actuarial Assumptions

Particulars	As at	
	31 March, 2021	31 March, 2020
Discount rate (per annum)	6.65%	5.60%
Salary growth rate (per annum)	11.50%	10.00%
Mortality rate {% of IALM 12-14 (P.Y. 06-08)}	100.00%	100.00%
Attrition / Withdrawal rate (per annum)	5.00%	15.00%

VII. Sensitivity Analysis

Significant actuarial assumptions for the determination of defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis given below:

(₹ In lacs)

Particulars	31 March, 2021		31 March, 2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	1989.73 9.40%	1671.57 -8.10%	1573.12 5.00%	1430.44 -4.50%
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	1678.38 -7.70%	1977.84 8.80%	1434.94 -4.20%	1566.68 4.60%
Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity)	1951.67 7.30%	1721.54 -5.30%	1647.90 10.00%	1421.52 -5.10%
Mortality Rate (- / + 10% of mortality rates) (% change compared to base due to sensitivity)	1819.52 0.1%	1816.93 -0.10%	1498.60 0.00%	1497.88 0.00%



Notes to Consolidated Financial Statement for the year ended March 31, 2021

VIII. Expected contribution during the next annual reporting period

(₹ In lacs)

The group's best estimate of contribution during the next year	246.59
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IX. Maturity profile of defined benefit obligation

(₹ In lacs)

Expected cash flows over the next (valued on undiscounted basis):	
1 year	247.21
2 to 5 years	642.87
6 to 10 years	723.96
More than 10 years	2178.48

X. Method and assumption related terms

- 1) **Discount Rate:** - Discount rate is the rate which is used to discount future benefit cash flows to determine the present value of the defined benefit obligation at the valuation date. The rate is based on the prevailing market yields of high quality corporate bonds at the valuation date for the expected term of the obligation. In countries where there are no such bonds, the market yields at the valuation date on government bonds for the expected term is used.
- 2) **Salary escalation Rate:** - The rate at which salaries are expected to escalate in future. It is used to determine the benefit based on salary at the date of separation.
- 3) **Attrition Rate:** - The reduction in staff/employees of a company through normal means, such as retirement and resignation. This is natural in any business and industry.
- 4) **Mortality Rate:** - Mortality rate is a measure of the number of deaths (in general, or due to a specific cause) in a population, scaled to the size of that population, per unit of time.
- 5) **Projected Unit credit method:** - The Projected Unit Credit Method (sometimes known as the accrued

benefit method pro-rated on service or as the benefit/years of service method) considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The Projected Unit Credit Method requires an enterprise to attribute benefit to the current period (in order to determine current service cost) and the current and prior periods (in order to determine the present value of defined benefit obligations).

c. Other Long term employee benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in statement of profit and loss.

The group has recognized an expense of ₹ 226.38 lacs (Previous year ₹ 289.00 lacs) towards the compensated absences

37. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ In lacs)

S.No	Particular	As at March 31, 2021	As at March 31, 2020
I	Contingent Liabilities		
a.	Claims against the group not acknowledged as debt*		
	– Income Tax	168.64	–
	– Excise Duty (Net of Expenses recognized of Rs. 70.70 lacs)	637.81	637.81
	– Service Tax (Net of Expenses recognized of Rs. 65.20 lacs)	111.05	111.05
	– Sales Tax	138.15	158.10
	– Litigation pending in consumer forum	99.91	54.31
	– Other**	2,980.00	2,980.00
b.	Guarantees excluding financial guarantees		
	– Bank Guarantees	5.00	23.30

Notes to Consolidated Financial Statement for the year ended March 31, 2021

(₹ In lacs)

S.No	Particular	As at March 31, 2021	As at March 31, 2020
c.	Other money for which the group is contingently liable		
	– 'C' forms pending against central sales tax	0.01	0.10
d.	There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated February 28, 2019 on Provident Fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. Due to pending decision on the subject review petition and directions from EPFO, the impact for the past period, if any, was not ascertainable and consequently no effect was given in the accounts.		
II	Commitments	As at March 31, 2021	As at March 31, 2020
	-Estimated amount of contracts remaining to be executed on capital account and not provided for {Net of advances ₹ 43.45 lacs (March 31, 2020 : ₹ 24.10 lacs)}	224.32	96.80

* Pending resolution of the respective proceedings, it is not practicable for the group to estimate the timings of the cash outflows, if any, in respect of the above as it is determinable only on receipt of the judgements/ decisions pending with various forums/ authorities.

The group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The group also believes that the above issues, when finally settled are not likely to have any significant impact on the financial position of the group.

** Group has received Refund of Terminal Excise Duty (TED) during FY 2015-16 & FY 2016-17 from Director General of Foreign Trade (DGFT). In November-2019, group has received show cause notice from DGFT for recovery of erroneous payment of Terminal Excise Duty. Against this notice, group has filed writ before Gujarat High Court and the court has stayed the recovery of the notice. As on now the matter is pending before Gujarat High Court.

38. LEASES

The group's lease asset primarily consist of leases for offices, warehouses and Vehicles having the various lease terms. Effective April 1, 2019, the Group adopted Ind AS 116 "Leases"

a. Right of Use

Following is carrying value of right of use assets and the movements thereof during the year ended are as under :-

(₹ In lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	611.64	-
Additions during the Year	3910.11	1155.20
Depreciation Charge	(480.93)	(543.56)
Early cancellation of lease	(0.87)	-
Carrying amount at the end of the year	4039.95	611.64

and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the cumulative effect of initially applying the standard recognised at the date of initial application, with right-of-use asset recognised at an amount equal to the lease liability, adjusted by the prepaid lease rent

The adoption of Ind AS 116 did not have any material impact on Statement of profit and loss and earnings per share.

Presentational changes:

The first-time application of Ind AS 116 as of April 1, 2019, resulted in the recognition of lease liabilities and Right-of-use assets adjusted by the amount of prepaid lease Rental.

In the Statement of Profit and Loss, the group recognised the depreciation of the right-of-use assets and the interest expense for the lease liabilities under Ind AS 116 instead of Rent expenses for operating leases in Other Operating Expenses as per Ind AS 17.

In the Statement of Cash Flows, Ind AS 116 had a positive effect on the operating cash flow by reducing cash outflows from operating activities, while the repayment component of lease payments and the interest expense are recognised in cash outflows from financing activities.



Notes to Consolidated Financial Statement for the year ended March 31, 2021

b. Lease Liability

The following is the carrying value of lease liability and movement thereof during the year ended are as under:

(₹ In lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	489.02	-
-Additions during the Year	3867.94	984.64
-Finance Cost accrued during the year	201.66	64.38
-Cash outflow/payment of Lease liability	(550.52)	(560.00)
-Early cancellation of lease	(0.95)	-
Carrying amount at the end of the year	4007.15	489.02

- The group has elected Para 6 of Ind AS-116 for short-term leases & recognised lease expense of Rs. 241.59 lacs (Previous Year ₹ 113.33 lacs) associated with these lease.
- The weighted average incremental borrowing rate of 9% has been applied to lease liabilities recognised in the Balance Sheet at the date of initial application.
- The Maturity analysis of lease liabilities are disclosed in Note 43(b)

39. SEGMENT INFORMATION

The group has evaluated the applicability of segment reporting and has concluded that the group has only one primary business segment i.e. Agro Chemicals and one geographical reportable segment i.e. Operations mainly within India. The overall performance is reviewed by the Chairman, Managing Director, Executive directors and CFO, which has been identified as the CODM (Chief operating decision makers) by the group.

Thus the segment revenue, expenses, results, assets and liabilities are same as reflected in the financial statements as at and for the year ended 31 March, 2021.

40. RELATED PARTY DISCLOSURES

a. Nature of Related Party Relationship

I. Key Management personnel

a.) Sh. Ram Gopal Agarwal	Chairman
b.) Sh. Mahendra Kumar Dhanuka	Managing Director
c.) Sh. Arun Kumar Dhanuka	Executive Director
d.) Sh. Rahul Dhanuka	Executive Director
e.) Sh. Mridul Dhanuka	Executive Director (Till 28 th June, 2020)
f.) Sh. Mridul Dhanuka	Non-Executive Director (W.e.f. 29 th June, 2020)
g.) Sh. Harsh Dhanuka	Executive Director (W.e.f. 21 st May, 2019)
h.) Sh. Ashish Saraf	Executive Director
i.) Sh. Priya Brat	Independent Non-Executive Director
j.) Sh. Vinod Kumar Jain	Independent Non-Executive Director
k.) Sh. Indresh Narain	Independent Non-Executive Director (Till 21 st May, 2020)
l.) Sh. Sachin Kumar Bhartiya	Independent Non-Executive Director
m.) Smt. Asha Mundra	Independent Non-Executive Director (Till 20 th May, 2019)
n.) Sh. Om Prakash Khetan	Independent Non-Executive Director (Till 20 th May, 2019)
o.) Sh. Sanjay Saxena	Independent Non-Executive Director
p.) Sh. Siraj Azmat Chaudhry	Independent Non-Executive Director (W.e.f. 22 nd July, 2020)
q.) Sh. Bajrang Lal Bajaj	Independent Non-Executive Director (W.e.f. 21 st May, 2019)
r.) Smt. Namrata Gupta	Independent Non-Executive Director (W.e.f. 21 st May, 2019)
s.) Sh. Vinod Kumar Bansal	Chief Financial Officer
t.) Smt. Jyoti Verma	Company Secretary (till 11 th Nov, 2019)
u.) Sh. Jitin Sadana	Company Secretary (w.e.f. 13 th Feb, 2020)



Notes to Consolidated Financial Statement for the year ended March 31, 2021

II. Relatives of Key Management Personnel with whom transactions have taken place

a.) Sh. Harsh Dhanuka	Son of Sh. Mahendra Kumar Dhanuka (Till 20 th May, 2019)
b.) Smt. Megha Dhanuka	Wife of Sh. Mridul Dhanuka
c.) Smt. Akangsha Dhanuka	Wife of Sh. Harsh Dhanuka
d.) Smt. Madhuri Dhanuka	Wife of Sh. Rahul Dhanuka
e.) Smt. Uma Dhanuka	Wife of Sh. Mahendra Kumar Dhanuka
f.) Smt. Mamta Dhanuka	Wife of Sh. Arun Kumar Dhanuka
g.) Smt. Urmila Dhanuka	Wife of Sh. Ram Gopal Agarwal
h.) Sh. Arjun Dhanuka	Son of Sh. Arun Kumar Dhanuka
l.) Sh. Satya Narain Agarwal	Brother of Sh. Ram Gopal Agarwal & Sh. Mahendra Kumar Dhanuka
j.) Sh. Manish Dhanuka	Brother of Sh. Arun Kumar Dhanuka

III. Entities controlled by KMP/Relative of KMP, with whom transactions have taken place

- a.) Dhanuka Marketing Company
- b.) Mridul Dhanuka HUF
- c.) Dhanuka Private Limited
- d.) Dhanuka Laboratories Limited
- e.) Chiranji Lal Dhanuka Charitable Trust
- f.) Triveni Trust
- g.) Sikkim Agro Industries Limited
- h.) Golden Overseas Pvt. Limited
- l.) M.D. Buildtech Pvt. Limited
- j.) H.D. Realtors Pvt. Limited
- k.) Dhanuka Infotech Pvt. Limited
- l.) Otsuka Chemical (India) Pvt. Limited
- m.) IKO Overseas
- n.) Synmedic Laboratories
- o.) Synmedic Laboratories Pvt. Ltd.
- p.) Mahendra Kumar Dhanuka HUF
- q.) Pushpa Dhanuka Trust



Notes to Consolidated Financial Statement for the year ended March 31, 2021

b. The following transactions were carried out with related parties in the ordinary course of business:

(₹ In lacs)

Transaction type	Type of Relation	2020-21			2019-20		
		Transaction during the period			Transaction during the period		
		Pur./ Amt Recd.	Sales/ Amt Paid	Balance outstanding Dr.(Cr.)	Pur./ Amt Recd.	Sales/ Amt Paid	Balance outstanding Dr.(Cr.)
Compensation to KMP							
Short term employee benefits	a(I)	-	2892.36	-	-	2063.35	-
Post-employment benefits*		-	49.69	-	-	79.79	-
Sitting Fee to Independent Non-Executive Directors.		-	15.20	-	-	9.00	-
Total		-	2957.25	(1149.35)	-	2152.14	(441.13)
Other Transactions							
Sale of Goods	a(III)d	-	1.46	-	-	-	-
Sale of Property, Plant & Equipment	a(III)d	-	-	-	-	2.00	2.36
Services Rendered-Rent	a(III)	-	2.40	-	-	2.40	0.57
Services Received-Rent	a(II) & a(III)	370.61	-	-	165.17	-	(18.73)
Security Deposit Given	a(III)c & a(III)f	-	20.00	-	-	208.11	-
Loans Given/Repayment Received	a(III)d	500.00	1900.00	3900.00	4500.00	4500.00	2500.00
Interest on Loan	a(III)d	311.48	-	-	2.71	-	-
Travel/Other expenses	a(III)a	-	7.52	(6.12)	-	9.26	(1.47)
Salary paid	a(II)a	-	-	-	-	8.77	-
Contribution towards CSR	a(III)e	-	130.00**	-	-	205.00**	-
Services Received-C&F Commission	a(III)a	597.89	-	(683.08)	494.54	-	(668.66)
Buy Back of Equity Shares	a(I)	-	165.22	-	-	-	-
Buy Back of Equity Shares	a(II)	-	80.11	-	-	-	-
Buy Back of Equity Shares	a(III)	-	6410.93	-	-	-	-

Note-Figures are shown net of GST input Credit, wherever applicable.

* The above post-employment benefits exclude gratuity which cannot be separately identified from the composite amount advised by the actuary.

** Payment has been made to M/s Kalptaru Real Estate for construction of school building which is in the name of M/s Chiranjilal Dhanuka Charitable Trust.

c. Terms and conditions of transactions with related parties

All the transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The group has not recorded any impairment of receivables relating to amounts owed by related parties for the year ended March 31, 2021 and March 31, 2020.

Notes to Consolidated Financial Statement for the year ended March 31, 2021

41. THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

The information regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the group:

(₹ In lacs)

S. No.	Particulars	As at March 31, 2021	As at March 31, 2020
1.)	Principal amount and Interest due thereon remaining unpaid to any supplier covered under MSMED Act as on 31st March		
	Principal	605.78	679.75
	Interest	0.02	-
2.)	Interest paid by the group in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
3.)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
4.)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	13.61	13.59
5.)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	0.01

42. FINANCIAL INSTRUMENTS

I. Financial Assets-Fair values

(₹ In lacs)

Particulars	Fair Value Hierarchy	As at March 31, 2021	As at March 31, 2020
1. Financial assets designated at fair value through profit and loss			
a) Investment			
i) In Equity Instruments	Level-1	8054.55	-
ii) In Equity Instruments	Level-2	238.70	236.39
iii) In Preference Shares	Level-1	568.27	530.08
iv) In mutual funds	Level-1	11791.44	10786.53
v) In Debentures or Bond	Level-1	3725.50	2113.71
vi) In Debt Instruments	Level-2	381.20	496.90
2. Financial assets designated at amortized cost			
a) Investment			
i) In Debentures or Bond*		3037.97	1723.02
b) Trade receivables		24266.38	24240.86
c) Cash & Cash Equivalents		61.38	2522.55
d) Other bank balances		87.03	106.37
e) Loans		4421.76	3522.76
f) Other Financial Assets		5028.07	3432.23

*Net Provision for Doubtful Debts ₹ 219.00 lacs (March 31, 2020 : ₹ 219.00 lacs)



Notes to Consolidated Financial Statement for the year ended March 31, 2021

II. Financial Liabilities-Fair Value

(₹ In lacs)

Particulars	Fair Value Hierarchy	As at March 31, 2021	As at March 31, 2020
1. Financial liability designated at amortized cost			
a) Borrowings		835.84	798.49
b) Trade Payables			
- Total Outstanding dues of Micro Enterprises and Small Enterprises		619.39	693.34
- Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		10243.47	10627.76
c) Other Financial Liability		15430.90	7594.26

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The carrying amounts of cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, Short term loans, trade payables, short term borrowings and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature. Fair value for security deposits (other than perpetual security deposits) has been presented in the above table. Fair value for all other non-current financial assets and liabilities is equivalent to the amortized cost, interest rate on them is equivalent to the market rate of interest.

III. Fair Value hierarchy

Level 1 - This includes financial instruments measured using quoted prices (Unadjusted) in active markets for identical assets and liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

IV. Valuation techniques used to determine fair value

Level 1 - Financial assets categorized in Level 1, are fair valued based on market data as at reporting date.

Level 2 - The fair valuation of investments categorized in Level 2 has been determined on the basis of independent valuation done by respective funds.

43. FINANCIAL RISK MANAGEMENT

The group's operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The group realizes that risks are inherent and integral aspect of any business. The group's board of directors has the overall responsibility for the management of these risks. The group has the risk management policies and systems in place and are reviewed regularly to reflect changes in market conditions and the group's activities. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The group's audit committee oversees how management monitors compliance with the risk management policies and procedures, and reviews the adequacy of risk management framework in relation to the risks faced by the group.

Notes to Consolidated Financial Statement for the year ended March 31, 2021

a.) Credit Risk

Credit Risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the group. Credit risk arises from the operating activities primarily from trade receivables and from its financing activities including cash and cash equivalents, deposits with banks, Investments and other financial instruments. The carrying amount of financial assets represents the maximum credit exposure and is as follows:

Trade Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. The group has established a credit policy under which each customer is analyzed individually for creditworthiness before the group's credit terms are offered. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. Credit limits are established for each customer and reviewed periodically. Any sales order exceeding those limits require approval from the appropriate authority. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

In case of trade receivables, the group follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience. These loss rates are adjusted by considering the available, reasonable and supportive forward looking information.

The ageing of Trade Receivables and allowances for doubtful debts are given below:

(₹ In lacs)

Ageing	As at March 31, 2021	As at March 31, 2020
Ageing of Gross Carrying Amount		
Not due	20587.58	17791.36
0-90	2991.98	5375.17
91-180	353.41	645.49
181-270	78.41	86.16
271-360	22.02	98.49
Above 360 Days	696.64	707.85
Gross Carrying Amount	24730.04	24704.52
Expected credit losses (Loss allowance provision)	463.66	463.66
Net Carrying Amount	24266.38	24240.86

Reconciliation of allowance for lifetime expected credit loss on customer balances:

(₹ In lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	463.66	332.60
Changes in loss allowance	-	131.06
Closing balance	463.66	463.66



Notes to Consolidated Financial Statement for the year ended March 31, 2021

Loans to Corporates and others

ECL for loans to corporates and others is measured considering 12 months ECL.

The group provides ECL based on following provision matrix:

(₹ In lacs)

Credit Risk Category	As at March 31, 2021		As at March 31, 2020	
	Gross	ECL	Gross	ECL
There is no risk of defaults	3,900.00	-	2,600.00	-
There is risk of Defaults	450.00	450.00	350.00	100.00
There is no reasonable expectation of recovery	195.71	195.71	195.71	195.71
Closing Balance	4,545.71	645.71	3,145.71	295.71

Following is the movements in provision for ECL on loans to corporates and others:

(₹ In lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	295.71	195.71
Changes in loss allowance	350.00	100.00
Closing balance	645.71	295.71

Security Deposit

ECL for Security Deposit is measured considering 12 months ECL. The company provides ECL based on following provision matrix:

(₹ In lacs)

Credit Risk Category	As at March 31, 2021		As at March 31, 2020	
	Gross	ECL	Gross	ECL
There is no risk of defaults	441.90	-	565.11	-
There is risk of Defaults	-	-	-	-
There is no reasonable expectation of recovery	1.50	1.50	-	-
Closing Balance	443.40	1.50	565.11	-

Following is the movements in provision for ECL on Security Deposit:

(₹ In lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	-	-
Changes in loss allowance	1.50	-
Closing balance	1.50	-

Investment in Real Estate Funds

The group provides ECL based on following provision matrix:

(₹ In lacs)

Credit Risk Category	As at March 31, 2021		As at March 31, 2020	
	Gross	ECL	Gross	ECL
There is no risk of defaults	689.81	219.00	874.86	219.00
There is no reasonable expectation of recovery	-	-	-	-
Closing Balance	689.81	219.00	874.86	219.00

Notes to Consolidated Financial Statement for the year ended March 31, 2021

Following is the movements in provision for ECL on Investment in Real Estate Funds:

(₹ In lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	219.00	-
Changes in loss allowance	-	219.00
Closing balance	219.00	219.00

Financial assets other than Trade Receivables, Loans to corporate & others, Security Deposit and Investment in Real Estate Funds.

Credit risks from financial transactions are managed independently by finance department. For banks and financial institutions, the group has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high credit rated banks and financial institutions. The group had no other financial instrument that represent a significant concentration of credit risk. So there is no impairment in these financial assets.

a.) Liquidity Risk

Liquidity risks result from the possible inability of the group to meet current or future payment obligations due to lack of cash or cash equivalents. The liquidity risk is assessed and managed by the finance department as a part of day to day and medium term liquidity planning.

The group holds sufficient liquidity to ensure the fulfillment of all planned payment obligations at maturity. The group's liquidity risk policy is to maintain sufficient liquidity reserve at all times based on cash flow projections to meet payment obligation when it falls due. The primary source of liquidity is cash generated from operations.

Liquid assets are held mainly in the form of bank deposits and mutual fund investments. The group maintain flexibility in funding by maintaining availability under cash credit lines set up with banks.

The table below analyze the group's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities essential for an understanding of timing of cash flows.

(₹ In lacs)

Particulars	Total	Less than 1 year	1-5 years	More than 5 years
As at March 31, 2021				
Borrowings (Current)	835.84	835.84	-	-
Trade Payables				
-Total Outstanding dues of Micro Enterprises and Small Enterprises	619.39	619.39	-	-
-Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	10243.47	10243.47	-	-
Security Received from customers	1339.66	-	-	1339.66
Unclaimed Dividend	87.03	87.03	-	-
Capital Creditors	29.59	29.59	-	-
Lease Liability	4007.15	377.86	1381.23	2248.06
Other payable	9967.47	9967.47	-	-
As at March 31, 2020				
Borrowings (Current)	798.49	798.49	-	-
Trade Payables				
-Total Outstanding dues of Micro Enterprises and Small Enterprises	693.34	693.34	-	-
-Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	10627.76	10627.76	-	-
Security Received from customers	1342.43	-	-	1342.43
Unclaimed Dividend	106.37	106.37	-	-
Capital Creditors	68.52	68.52	-	-
Lease Liability	489.02	231.07	253.60	4.35
Other payable	5587.92	5587.92	-	-



Notes to Consolidated Financial Statement for the year ended March 31, 2021

c.) Market Risk

I. Currency Risk

Foreign currency risks for the group is from changes in exchange rates and the related changes in the value of financial instruments in the functional currency (INR). The group is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to US Dollar. The group's exposure to changes in foreign currency other than USD is not material.

To mitigate the currency fluctuation, receivables and payables in foreign currencies which arises from export and import of goods are hedged through forward exchange contracts.

The carrying amounts of the group's unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at March 31, 2021		As at March 31, 2020	
	(₹ in lacs)	(FCY in lacs)	(₹ in lacs)	(FCY in lacs)
Amount Receivable				
USD	26.00	0.35	1,097.30*	14.56
Amount Payable				
USD	1,741.52	23.81	2,698.84	35.80
EURO	47.35	0.55	-	-

*This amount is included in the figure of Advances to Vendor (Note-14 Other Current Assets)

Sensitivities were determined on the basis of a scenario in which the INR appreciated/depreciated by 5% against USD compared with the year-end exchange rates. In this scenario, the estimated hypothetical (loss)/gain of cash flows from financial instruments have been tabulated below:

Particulars (USD Impact on profit before tax and total equity)	(₹ In lacs)	
	As at March 31, 2021	As at March 31, 2020
Increase in exchange rate by 5%	(85.78)	(80.06)
Decrease in exchange rate by 5%	85.78	80.06

Particulars (EURO Impact on profit before tax and total equity)	(₹ In lacs)	
	As at March 31, 2021	As at March 31, 2020
Increase in exchange rate by 5%	(2.37)	-
Decrease in exchange rate by 5%	2.37	-

Note: This is mainly attributable to the exposure outstanding on foreign currency receivables and payables in the group at the end of the reporting period. The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

Notes to Consolidated Financial Statement for the year ended March 31, 2021

ii. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group has surplus cash position and does not have any major borrowings as on balance sheet date. So there is no material interest risk relating to the group's financial liabilities.

iii. Price Risk

The group is mainly exposed to the price risk due to its investment in mutual funds and classified in the balance sheet as fair value through profit and loss. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

There is no material equity risk relating to the group's equity investments which are detailed in note 7. The group's equity investments majorly comprise of strategic investments rather than trading purposes.

44. CAPITAL MANAGEMENT

The group manages its capital to ensure that the group will be able to continue as going concern while maximizing the return to stakeholders through optimization of debt and equity balance. Further its objective is to maintain an adequate capital base so as to maintain creditor and market confidence and to sustain future development.

The group manages capital using gearing ratio, which is total debt divided by total equity. The gearing at the end of the reporting period was as follows:

(₹ In lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings (Non-Current)	–	–
Borrowings (Current)	835.84	798.49
Gross Debt	835.84	798.49
Less : Cash & Cash equivalents	61.38	2,522.55
Net Debt (a)	774.46	(1,724.06)
Total Equity (b)	76,618.97	70,758.11
Debt to Equity Ratio (a/b)	0.01	(0.02)

45. DISCLOSURE AS PER SECTION 186(4) OF THE COMPANIES ACT, 2013

The details of loans, guarantees and investments under Section 186(4) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- Details of Investments made are given in Note 7.
- Details of loans given by the Company are as follows :

(₹ In lacs)

Name of Entity	Purpose	Amount As at March 31,2021	Amount As at March 31,2020
Dhanuka Laboratories Limited	Business	3,900.00	2,500.00
Iworld Business Solutions Pvt. Ltd.	Business	300.00	300.00
Prayag Polytech Pvt. Ltd.	Business	195.71*	195.71*
Tript Singh	Business	100.00	100.00
Sameer Kanwar	Business	50.00	50.00

*Including interest accrued thereon.



Notes to Consolidated Financial Statement for the year ended March 31, 2021

- c. There are no guarantees issued by the Group in accordance with section 186 of the Companies Act, 2013 read with rules issued thereunder.

46. DISCLOSURE AS PER REGULATION 34(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS

(₹ In lacs)

Particulars	Amount As at March 31,2021	Amount As at March 31,2020	Maximum balance outstanding during the year 31.03.2021	Maximum balance outstanding during the year 31.03.2020
Loan to company in which Directors are interested Dhanuka Laboratories Limited	3,900.00	2,500.00	4,400.00	4,500.00

47. DISCLOSURE AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT 2013 WITH RESPECT TO CONSOLIDATED FINANCIAL STATEMENTS

a. As at and for the year ended March 31, 2021

Name of Entity	As at March 31, 2021		For the Year Ended March 31, 2021		For the Year Ended March 31, 2021		For the Year Ended March 31, 2021	
	Net Assets, i.e. total assets minus total liabilities		Share in profit and Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (Rs. In lacs)	As % of consolidated profit & loss	Amount (Rs. In lacs)	As % of consolidated profit & loss	Amount (Rs. In lacs)	As % of consolidated profit & loss	Amount (Rs. In lacs)
Parent								
Dhanuka Agritech Ltd.	100.01%	79,630.65	100.00%	21,056.01	100%	129.82	100.00%	21,185.83
Wholly owned subsidiary								
Dhanuka Agri Solutions Pvt. Ltd.	-0.01%	-11.59	0.00%	-0.03	0.00%	-	-0.00%	-0.03
Total	100%	79,619.06	100%	21,055.98	100%	129.82	100%	21,185.80
Elimination	0.00%	(0.09)	0.00%	-	0.00%	-	0.00%	-
Total	100%	79,618.97	100%	21,055.98	100%	129.82	100%	21,185.80

Notes to Consolidated Financial Statement for the year ended March 31, 2021

b. As at and for the year ended March 31, 2020

Name of Entity	As at March 31, 2020		For the Year Ended March 31, 2020		For the Year Ended March 31, 2020		For the Year Ended March 31, 2020	
	Net Assets, i.e. total assets minus total liabilities		Share in profit and Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (Rs. In lacs)	As % of consolidated profit & loss	Amount (Rs. In lacs)	As % of consolidated profit & loss	Amount (Rs. In lacs)	As % of consolidated profit & loss	Amount (Rs. In lacs)
Parent								
Dhanuka Agritech Ltd.	100.01%	70,769.76	100.08%	14,146.50	100%	-371.62	100.08%	13,774.88
Wholly owned subsidiary								
Dhanuka Agri Solutions Pvt. Ltd.	-0.01%	-11.56	-0.08%	-11.65	0.00%	-	-0.08%	-11.65
Total	100%	70,758.20	100%	14,134.85	100%	-371.62	100%	13,763.23
Elimination	0.00%	(0.09)	0.00%	-	0.00%	-	0.00%	-
Total	100%	70,758.11	100%	14,134.85	100%	-371.62	100%	11,206.96

48. The Board of Directors of Dhanuka Agritech Limited in its meeting held on 02nd February, 2021 has approved the dissolution/liquidation of its wholly owned subsidiary Dhanuka Agri Solutions Private Limited incorporated in Bangladesh. The same is under process.

49. Previous year figures have been regrouped/reclassified, wherever necessary. However, impact of these reclassifications, if any, are not material.

As per our report of even date attached

For and on behalf of the Board of Directors

For **S.S. KOTHARI MEHTA & COMPANY**

Chartered Accountants

Firm Registration No: 000756N

Sd/-
YOGESH K GUPTA
Partner
Membership No : 093214

Sd/-
M.K. DHANUKA
Managing Director
DIN: 00628039

Sd/-
RAHUL DHANUKA
Executive Director
DIN: 00150140

Sd/-
V.K. BANSAL
Chief Financial Officer
M.No.: 86263

Sd/-
JITIN SADANA
Company Secretary
FCS No.: F 7612

Place : Faridabad (Haryana)
Dated : 21st May, 2021

Place : Gurugram (Haryana)
Dated : 21st May, 2021



NOTICE TO THE MEMBERS

Notice is hereby given that the **36th Annual General Meeting (AGM)** of the Members of **M/s. Dhanuka Agritech Limited** will be held on Thursday, 29th July, 2021 at 11:00 A.M. Indian Standard Time (IST) through Video Conferencing/other Audio Visual Means (“OAVM”) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements for the Financial Year ended 31st March, 2021 together with the Reports of the Auditor's and Directors' thereon.
2. To declare Dividend @ **100%** i.e. **Rs. 2/-** per Equity Share for the Financial Year ended 31st March, 2021.
3. To appoint a Director in place of Mr. Mahendra Kumar Dhanuka (DIN: 00628039), Managing Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Harsh Dhanuka (DIN: 00199516), Whole-time Director of the Company who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Ashish Saraf (DIN: 07767324), Whole-time Director of the Company who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

6. Ratification of remuneration of Cost Auditors

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 141, 148 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Members of the Company hereby ratifies and approves the remuneration of Rs. 2,20,000/- plus applicable taxes payable to M/s. Nitin Khandelwal & Associates, Cost Accountants, who have been appointed as Cost Auditors of the Company by the Board of Directors in their Meeting held on 21st May, 2021, to conduct Cost Audit of the Company for the Financial Year ending 31st March, 2022.”

“**Resolved Further That** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed necessary or

expedient to give effect to this Resolution.”

7. To approve the Commission payable to Mr. Mridul Dhanuka (DIN: 00199441) Non-Executive Director of the Company for the Financial Year 2021-22

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

“**Resolved That** pursuant to the provisions of Section 197 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, and subject to such other requisite approvals as may be required in this regard, the consent of the Members of the Company be and is hereby accorded to pay a Commission as mutually decided by the Board of Directors of the Company and Mr. Mridul Dhanuka, (DIN: 00199441) subject to a maximum limit of 1% of the Net Profit of the Company as calculated under Section 198 of the Companies Act, 2013.”

“**Resolved Further That** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

8. To approve the appointment of M/s. Dhanuka Marketing Company as Commission Agents and care-taker of the Company's operations in the South and East Zone(s) of India

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

“**Resolved That** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force) and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the Related Party Transactions which are proposed to be undertaken between the Company and



M/s Dhanuka Marketing Company (“DMC”) for availing their services as Commission Agents and caretaker of the Company's operations in the South and East Zone(s) of India for a period of 3 (Three) Financial Years starting from Financial Year 2022-23 to Financial Year 2024-25, being in ordinary course of business, on terms and conditions as may be agreed between the Board of Directors of the Company and DMC, for and on behalf of the Company.”

“Resolved Further That the Board of Directors be and is hereby authorized to do all such acts, deeds and things, including any amendments/modifications in terms from time to time, as may be necessary in this regard.”

Place: Gurugram
Date: 21st May, 2021

By Order of the Board of Directors
For Dhanuka Agritech Limited

CIN: L24219DL1985PLC020126

Registered Office:

82, Abhinash Mansion, 1st Floor, Joshi Road,
Karol Bagh, New Delhi – 110 005 (India)
Telephone No.: (011) 23534551/57
Website: www.dhanuka.com
Email ID: investors@dhanuka.com

Sd/-
Jitin Sadana
Company Secretary and
Compliance Officer
FCS-7612



NOTES:

- **Explanatory Statement setting out the material facts concerning each item of Special Businesses to be transacted at the 36th Annual General Meeting pursuant to Section 102 (1) of the Companies Act, 2013, is annexed hereto and forms part of the Notice.**
- As you are aware, in view of the situation arising due to COVID-19 global pandemic, the Ministry of Corporate Affairs has issued a General Circular bearing No 20/2020 dated 5th May, 2020, allowing convening of AGM through Video Conferencing or other audio visual modes subject to certain requirements. MCA has issued a further Circular no. 02/2021 dated 13th January, 2021 wherein Companies whose AGMs were due to be held in the year 2020, or become due in the year 2021 are allowed to conduct their AGM on or before 31st December 2021 through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) i.e., in accordance with the requirements as provided in paragraphs 3 and 4 of the General Circular No. 20/2020 dated 5th May, 2020. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The proceedings of the 36th AGM shall be deemed to be conducted at the Registered office of the company
- In compliance with the said Circulars, the Company will also published a public notice by way of an advertisement in newspapers both having a Nationwide circulation with their electronic editions, inter alia, advising the members whose e-mail ids are not registered with the Company, its Registrar and Share Transfer Agent (RTA) or Depository Participant(s) (DPs), as the case may be, to register their e-mail ids with them.
- The Register of Members and the Share Transfer Books will remain close from **Saturday, 17th July, 2021 to Thursday, 29th July, 2021 (both days inclusive).**
- Payment of Dividend @ **100%** i.e. Rs. **2.00** per Equity Share for each Equity Share having Face Value of Rs. 2.00 each, for the Financial Year ended 31st March, 2021, as recommended by the Board, if approved at this Annual General Meeting, will be made payment to those Members whose names appear in the Register of Members of the Company as of **Friday, 16th July, 2021**, being the date prior to the Book Closure date. In respect of Equity Shares held in electronic form, the Dividend will be paid on the basis of beneficial ownership as of **Friday, 16th July, 2021**, as per details furnished by the National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL) for this purpose.
- Members holding shares in physical form are requested to inform about any change in their address or bank particulars to the Company's Registrar and Share Transfer Agent, M/s. Abhipra Capital Limited at rta@abhipra.com, quoting their folio number. Members holding shares in electronic form must inform about any change in their address or bank particulars to their respective Depository Participants and not to the Company. The Company will use these particulars for payment of dividends.
- The members who have not yet registered their e-mail ids with the Company may contact RTA on rta@abhipra.com or investors@dhanuka.com for registering their e-mail ids on or before **16th July, 2021**. The Company shall send the Notice to such members whose e-mail ids get registered within the aforesaid time, enabling them to participate in the Meeting and cast their votes.
- Members are requested to support Green Initiative by registering/updating their e-mail addresses with the Depository Participant (in case of shares held in dematerialised form) or with Registrar and Share Transfer Agent or the Company (in case of shares held in physical form) in the prescribed form which can be down loaded from the Company's website at www.dhanuka.com, for receiving all communication including annual report, notices from the Company electronically.
- If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form on rta@abhipra.com or investors@dhanuka.com.
- In terms of the aforesaid Circulars, the businesses set out in the Notice will be transacted by the members only through remote e-voting or through the e-voting system provided during the Meeting while participating through VC facility.
- 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 Ministry of Corporate Affairs has issued a General Circular bearing No 20/2020 dated 5th May, 2020 allowing convening of AGM through Video Conferencing or other audio visual modes subject to certain requirements. MCA has issued a further Circular no. 02/2021 dated 13th January, 2021 wherein Companies whose AGM were due to be held in the year 2020, or become due in the year 2021 are allowed to conduct their AGM on or before 31st December, 2021 through Video

Conferencing (VC) or Other Audio-Visual Means (OAVM) i.e. in accordance with the requirements as provided in paragraphs 3 and 4 of the General Circular No. 20/2020 dated 5th May, 2020. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.

- Members who cast their votes by remote e-voting may attend the Meeting through VC, but will not be entitled to cast their votes at the Meeting once again.
- Voting rights of the Members for voting through remote e-voting or e-voting system provide in the Meeting itself shall be in proportion to shares of the Paid-up Equity Share Capital of the Company as on the cut-off date i.e. **Thursdays, the 22nd July, 2021**. A person, whose name is recorded in the Register of Members or the Register of Beneficial owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting or e-voting system provide in the Meeting.
- Pursuant to the Finance Act, 202, Dividend Distribution Tax is abolished and Income by way of Dividend is taxable in the hands of the Shareholders of the Company w.e.f. 01st April 2020. The Company shall therefore be required to deduct tax at source at the time of making the payment of the Final Dividend, if declared at the the Annual General Meeting of the Company to be held on, 29th July 2021.

The exemption forms viz-Form 15H/Form 15G/Form 10F and format of Declaration as required to be provided by Resident/Non Resident shareholders can be accessed and downloaded from the website of the Company at the web-link <https://www.dhanuka.com/tds-on-dividend-2020-21>

- In accordance with the above mentioned MCA Circulars, the Company has appointed CDSL for providing the VC facility to the members for participating in the Meeting. The Members are requested to follow the following instructions in order to participate in the Meeting through VC mechanism:
 - a. The login-id and password for joining the Meeting has been separately provided along with this Notice;
 - b. The facility for joining the Meeting shall be kept open 15 minutes before the time scheduled to start the Meeting i.e. IST 10:45 A.M. and 15 minutes

after the expiry of the said scheduled time. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. The large members (i.e. members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Trustees, the Chairpersons of the Audit Committee. Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. are allowed to attend the Meeting without restriction on account of first-come first-served basis.

- c. Members who hold shares in dematerialised form are requested to furnish their Client ID and DP ID Nos. and members who hold shares in physical form are requested to furnish their folio number for easy identification of attendance at the Meeting;
 - d. Participation of single member shall only be allowed at a time;
 - e. Queries on the accounts and operations of the Company or the businesses covered under the Notice may be sent to the Company at investors@dhanuka.com at least seven days in advance of the Meeting so that the answers may be made readily available at the Meeting;
 - f. Members are requested to e-mail at investors@dhanuka.com or call at 0124-4345000 in case of any technical assistance required at the time of log in/ assessing/ voting at the Meeting through VC;
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names shall be entitled to vote.
 - Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. In view of the MCA Circulars, no proxy shall be appointed by the Members, hence the Proxy Form and Attendance Slip and route Map are not annexed to this Notice. However, corporate Members intending to attend/vote at AGM through VC/OAVM by their respective authorized representatives are required to send to the Company/ RTA/ Scrutinizer a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act 2013, by e-mail at investors@dhanuka.com, jitinsadana@dhanuka.com Company Secretary of the Company authorizing their representative to attend and vote at the Meeting through VC.



- 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 Act.
- In accordance with the Secretarial Standard -2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with guidance/ clarification dated 15th April, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
- Documents referred to in this Notice will be available for inspection by the members through online mode. Members seeks to inspect such document can send their request through e-mail investors@dhanuka.com
- Unpaid and Unclaimed Dividend Transfer to Investor Education and Protection Fund

(i) In view of the provisions of Section 125 of the Companies Act, 2013, Unclaimed/unpaid Final Dividend for FY 2013-14 shall be transferred to the Investor Education and Protection Fund (IEPF) in month of October 2021. Members, who have not yet encashed their Dividend warrant for the above dates or any subsequent Financial Year(s), are requested to lodge their claims with the Company.

In view of the provisions of Section 124(6) of the Companies Act, 2013, read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund Rules), 2016, 500 equity Shares on which Dividend has not been paid/claimed for consecutive 7 (Seven) years. Hence 500 equity shares will be transferred to IEPF authority.

(ii) Members, who have not yet encashed their Dividend warrant for above dates or any subsequent Financial Year(s), are requested to lodge their claims with the Company in order to avoid transferring of such Dividend to IEPF Authority.

- SEBI vide its Circular No. SEBI/HO/MIRSD/DOP1/ CIR/P/2018/73 dated 20th April, 2018 has mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic Clearing Services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The Company and its Registrar and Share Transfer Agent are required to seek relevant bank details of Members from depositories/ investors for making payment of dividends in electronic mode. Further, pursuant to MCA General Circular 20/2020 dated 5th May, 2020, companies are directed to credit the dividend of the Members directly to the bank accounts of the Members using Electronic Clearing Service. Accordingly, Members are requested to provide or

update (as the case may be) their bank details with the respective depository participants for the shares held in dematerialized form and with the Registrar & Share Transfer Agent in respect of shares held in physical form. In case of non-availability or non-updation of bank account details of the shareholders, the Company shall ensure payment of dividend to such Member vide dispatch of dividend warrant/ cheque, as the case may be. Pursuant to Sections 20, 101 and 136 of the Companies Act, 2013 and Rules made thereunder, Companies are allowed to send notices/ documents in electronic form to their members. To enable the Company to send its Annual Report, Notice of Annual General Meeting and other documents electronically, members are requested to update their email IDs with their Depository Participants in case the Shares are held in the demat form or the Registrar & Share Transfer Agent of the Company, in case the Shares are held in the physical form and accord their consent for receiving documents through electronic mode.

- The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available only in electronic form for inspection during the Meeting through VC.
- The Company has appointed M/s. R&D, Company Secretaries, to act as the Scrutinizer, for conducting the scrutiny of the votes casted at AGM (e-voting as well as by Remote E-voting).
- The Scrutinizer shall, after the conclusion of E-voting at the Annual General Meeting, will first count the votes cast at the Meeting and thereafter unblock the votes cast through Remote E-voting in the presence of at least two witnesses not in the employment of the Company and make, submit not later than 48 hours from the conclusion of the Annual General Meeting, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or in his absence any other Director or Key managerial Personnel or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- The results of E-voting will be declared and the same along with the Scrutinizers' Report will be published on the website of the Company (www.dhanuka.com) and the website of CDSL (www.cdslindia.com) immediately after the declaration of result by the Chairman and the same will also be communicated to BSE Ltd. and the National Stock Exchange of India Limited (NSE) within 48 hours from the conclusion of the Annual General Meeting. Further, the

results shall be displayed on the Notice Board of the Company at its Registered Office.

- Members are requested to contact the Company's Registrar & Share Transfer Agent, i.e. M/s. Abhipra Capital Limited for reply to their queries/ redressal of complaints, if any, or contact Company Secretary of the Company (Phone: 0124-4345000; Email: investors@dhanuka.com).
- The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in Demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar & Share Transfer Agent, M/s. Abhipra Capital Limited, quoting their folio number.
- As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company's Registrar and Transfer Agent, Abhipra Capital Limited ('Registrar') at www.abhipra.com for assistance in this regard.
- Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.
- Non-Resident Indian Members are requested to inform RTA, immediately on:
 - (a) Change in their residential status on return to India for permanent settlement;
 - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code number, if not furnished earlier.

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

- I) The voting period begins on **Monday, 26 July, 2021** (IST 9:00 a.m.) and ends on **Wednesday, 28th July, 2021** (IST 5:00 p.m.). During this period Shareholders' of the Company, holding Shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e.

Thursday 22nd July 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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



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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

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

- i) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**
- 1) The shareholders should log on to the e-voting website www.evotingindia.com
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:
- (ii) After entering these details appropriately, click on “SUBMIT” tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for M/s Dhanuka Agritech Limited on which you choose to vote.

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (3).

- (vi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) If a demat account holder has forgotten the login password



then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xii) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**

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

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

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

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

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

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

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



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



Explanatory Statement

Pursuant to Section 102 of the Companies Act, 2013 and other applicable provisions)

The following Explanatory Statement sets out all the material facts relevant to the item(s) of the Special Business(s) contained in the Notice of 36th Annual General Meeting.

Item No. 6

Ratification of Remuneration of the Cost Auditors of the Company

In accordance with the provisions of Section 148 of the Companies Act, 2013 and Rules framed thereunder, the Board of Directors, on the recommendation of the Audit Committee, in their Meeting held on 21st May, 2021 had considered and approved the appointment of M/s. Nitin Khandelwal & Associates, Cost Accountants(Firm Registration No. 004555) as Cost Auditors of the Company for the Financial Year 2021-22 to carry out Audit of Cost Audit of the Company relating to Agro-Chemicals Manufacturing Activities, at a remuneration of Rs. 2,20,000/- (Rupees Two Lacs Twenty Thousand Only) (Plus out-of-pocket expenses and applicable taxes) subject to confirmation of Members at the ensuing Annual General Meeting.

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at Item no. 6 of the Notice to fix the remuneration payable to the Cost Auditors of the Company for the Financial Year 2021-22.

None of the Directors and Key Managerial Personnel of the Company or their relatives are in any way interested or concerned in this Resolution.

The Board recommends the Resolution set out at Item No. 6 of the Notice for approval of the members by way of Ordinary Resolution.

Item No. 7

To approve the Commission payable to Mr. Mridul Dhanuka (DIN: 00199441) Non-Executive Director of the Company.

The Shareholders at their 31st Annual General Meeting held on 11th day of August, 2016 re-appointed Mr. Mridul Dhanuka as Whole-time Director of the Company for a period of 5 (Five) years from 24th May, 2016 to 23rd May, 2021 (both days inclusive).

Thereafter, Members of the Company at the 35th Annual General Meeting of the Company held on 15th September, 2020 approved the change in designation of Mr. Mridul Dhanuka from Executive Director to Non-Executive Director of M/s. Dhanuka Agritech Limited with effect from 29th June, 2020. It has also been approved that being Non-Executive Director Mr. Mridul Dhanuka would not be entitled to monthly salary from the Company as approved by the Shareholders in 31st Annual General Meeting held on 11th August, 2016. However, he will

continue to receive Commission on Net Profits of the Company as mutually decided by the Board of Directors of the Company and Mr. Mridul Dhanuka, subject to a maximum limit of Commission of 1% of the Net Profits of the Company as calculated under Section 198 of the Companies Act, 2013.

Now, based on the recommendation of Nomination & Remuneration Committee in its Meeting held on 21st May, 2021, the Board of Directors of the Company has recommended to the Shareholders for approval of payment of Commission to Mr. Mridul Dhanuka, Non-Executive Director, for Financial Year 2021-22, subject to a maximum limit of Commission of 1% of the Net Profits of the Company as calculated under Section 198 of the Companies Act, 2013.

As per regulation 17(6) (ca) of SEBI (Listing Obligations Disclosure Requirements) 2015 as amended from time to time, the approval of shareholders by Special Resolution shall be obtained every year, in which the annual remuneration payable to a single Non-Executive Director exceeds fifty percent of the total annual remuneration payable to all Non-Executive Directors, giving details of the remuneration thereof.

Therefore, the Board hereby recommends the Resolution as set out at Item No. 7 for consideration and approval of Members of the Company by Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives except Mr. Mahendra Kumar Dhanuka, Mr. Mridul Dhanuka and Mr. Harsh Dhanuka are in any way concerned or interested with this Resolution.

Item No: 8

Appointment of M/s. Dhanuka Marketing Company (DMC) as Commission Agents and care-taker of the Company's operations in the South and East Zone(s) of India

It is hereby informed that the Shareholders of the Company vide Resolution passed at the 34th Annual General Meeting held on 12th August 2019, approved the appointment of M/s. Dhanuka Marketing Company to act as Commission Agents and care-taker of the Company's operations in the South and East Zone(s) of India, for a period of 3 (three) Financial Years from FY2019-20 to FY 2021-22. The tenure of the above-mentioned agreement will expire on 31st March, 2022.

Pursuant to the provisions of Section 188 of the Companies Act, 2013 and rules made thereunder, the prior approval of Shareholders is required for executing a material Related Party Transaction(s). Therefore, based on the recommendation of Audit Committee, the Board, in their Meeting held on 21st May, 2021 has approved to extend the tenure of said agreement for a further period of three (3) financial years i.e. from FY 2022-23 to FY 2024-25 as per the below terms and conditions of the



Agreement with M/s. Dhanuka Marketing Company:

1. DMC shall act as Commission Agents and Caretaker of Company's Operations in South and East Zone(s) of India.
2. DMC shall receive Commission @1% of Net Sales of South and East Zone(s) of India.
3. DMC shall be reimbursed for travelling, office maintenance, and other miscellaneous expenses that it shall incur regarding operations of the Company as a caretaker.
4. Contract with DMC shall be valid for a further period of three years from Financial Year 2022-23 to FY 2024-25.

M/s. Dhanuka Marketing Company is a related party within the definition of Section 2(76) of the Companies Act, 2013, as Mr. Ram Gopal Agarwal, Chairman and Mr. Mahendra Kumar Dhanuka, Managing Director, are brothers of Mr. S.N. Agarwal, partner of DMC.

DMC is working as Commission Agents in Andhra Pradesh since 1974. DMC has been providing Commission Agents services to M/s. Northern Minerals Limited (presently "Dhanuka Agritech Limited") since 1980. DMC has a strong network of dealers/distributors in South and East Zone(s) and provides various value-added services to the Company in relation to sales, marketing & promotional activities.

Historically, the Company's sales have been highest in South and East Zone(s), specially for its important high margin products. DMC has been managing total Branches operations, including staff management in sales and marketing at Branches, maintaining cordial relations with dealers/ distributors and entire sales-related operations in South and East Zone(s) for the Company since 1980.

The aforesaid matter has been approved by the Board of Directors of the Company, at the recommendation of Audit Committee, in its Meeting held on 21st May, 2021.

The following information may be considered by the Members for the purpose:

- a) The name of the related party and nature of relationship- M/s. Dhanuka Marketing Company.
Mr. Ram Gopal Agarwal, Chairman and Mr. Mahendra Kumar Dhanuka, Managing Director are brothers of Mr. S.N. Agarwal, partner of DMC.
- b) The nature, duration of the contract and particulars of the contract or arrangement- It is proposed that DMC continue to act as Commission Agents and care-taker of the Company's operations in the South and East Zone(s) for a further period of 3 (Three) Financial Years from FY

2022-23 to FY 2024-25.

- c) The material terms of the contract or arrangement including the value, if any-
The Company will pay Commission to DMC as a percentage of the net sales of South and East Zone(s) of India, as approved by the Audit Committee and the Board of Directors. The payments will be made through banking channel.
- d) Any advance paid or received for the contract or arrangement if any- Nil.
- e) The manner of determining the pricing and other commercial terms, both included as part of the contract and not considered as part of the contract- Commission is being decided on basis of services rendered.
- f) Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors- yes, all factors have been considered for the purpose.
- g) Any other information relevant or important for the Board to decide on the proposed transaction- Nil

None of the other Directors, Key Managerial Personnel or their relatives except Mr. Ram Gopal Agarwal, Chairman, and Mr. Mahendra Kumar Dhanuka, Managing Director, are interested in this Resolution.

The Board recommends the matter at Item No. 8 for members' approval by way of Ordinary Resolution.



Annexure to 36th Annual General Meeting Notice

Details of Directors Retiring by Rotation/Seeking Appointment/Re- Appointment at the 36th Annual General Meeting of Dhanuka Agritech Limited

Particulars	Mr. Mahendra Kumar Dhanuka	Mr. Ashish Saraf	Mr. Harsh Dhanuka
Age	67 years	50 years	38 years
Qualification	He holds Bachelor's Degree in Commerce from SRCC, Delhi University.	He is a Commerce graduate from DU, with schooling from Modern School, Vasant Vihar.	He has a BBA degree specializing in Marketing and HR and a Masters Degree in International Business from Monash University, Melbourne, Australia.
Experience (Including expertise in the specific functional area)/ Brief Resume	<p>He is a promoter shareholder and has been working as Managing Director of the Company since its incorporation. He has an eminent personality and has a vast and rich experience of 47 years in the Agrochemicals Industry. He is proficient in Corporate Affairs and his keen insight and judgment bring excellence to the Company's functioning, its Board and Committees. He has deep commitments towards the achievement of organizational goals and has also played a key role in corporate governance principles in the functioning of the Company. His foresight and business acumen have propelled the Company towards achieving its goals.</p>	<p>He has garnered accolades and business management expertise as the promoter & CEO of M/s. Narayan International, New Delhi, (International Trade, Consultancy & Liaisoning) from 1988 to 2013,</p> <p>After which he contributed his skills and holistic acumen to M/s. Mauria Udyog Ltd. (Terry Towel) as a COO, Management Consultant and liaised with various Govt. Dept. / Ministries from October'13 to January'17.</p> <p>He is empowered with an astute understanding of various industries and their dynamics through his expertise, that spans over three decades in several corporate and business segments. In March'17 he came aboard Dhanuka Agritech Ltd. as a whole time Director.</p>	<p>He was working as Vice President- Marketing with Company before appointment as Director and has been associated with Dhanuka since last 13 years. He is instrumental in driving many key initiatives under various facets of the Company, directly impacting its Sales.</p> <p>He under took training in various departments like Accounts, Finance, HR and R&D, before moving to Sales Division, where he spent 7+ years. He handled various roles in the sales division, such as Sales Manager, Regional Manager and Zonal Manager, before moving into his current role.</p> <p>Mr. Harsh is now responsible for all International Relationships of Dhanuka and working on getting new products and technologies for the benefit of Indian farmers. He initiated and pioneered the Sales Excellence department, which is now a key function for performance management of the Sales department and supports in Farmer outreach. He is also working on expanding Dhanuka's business by tying up with Indian Corporates and other Institutional Customers to add a new revenue stream for the Company.</p>

Terms and Conditions of appointment/Re-appointment	As per existing agreement	As per existing agreement	As per existing agreement
Remuneration last drawn (including sitting fees, if any)	6.11 Crore	0.25 Crore	2.19 Crore
Remuneration proposed to be paid	As per existing terms and conditions.	As per existing terms and conditions.	As per existing terms and conditions.
Date of First Appointment on the Board	13.02.1985	24.03.2017	21.05.2019
Shareholding in the Company as on 31st March, 2021	28,131	Nil	28,131
Relationship with other Directors/ Key managerial Personnel	Bother of Mr. Ram Gopal Agarwal; Chairman; Father of Mr. Mridul Dhanuka, Non Executive Director and Mr. Harsh Dhanuka, Whole-time Director	None of the Director is related to Mr. Ashish Saraf.	Son of Mr. Mahendra Kumar Dhanuka, Managing Director of the Company and Brother of Mr. Mridul Dhanuka, Non-Executive Director of the Company.
Number of Meeting of Board attended during the year	4	4	4
Directorship of other Boards as on 31st March, 2021	M/s Dhanuka Laboratories Limited, M/s Golden Overseas Private Limited, M/s Dhanuka Infotech Private Limited M/s M.D. Buildtech Private Limited	Nil	M/s. H D Realtors Private Limited M/s. Synmedic Laboratories Private Limited
Membership/ Chairmanship of Committees of the Boards as on 31st March, 2021	Dhanuka Agritech Limited Audit Committee - Member	Nil	Dhanuka Agritech Limited Stakeholder's Relationship Committee – Member Risk Management Committee-Member



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Sales Offices/Godowns

Ahmedabad, Akola, Anantapur, Bargarh, Bengaluru, Bellary, Cuttack, Delhi, Ghaziabad, Gulbarga, Guwahati, Guntur, Gurugram, Hissar, Hubli, Hyderabad, Indore,
Jaipur, Jabalpur, Kanchipuram, Karnal, Kichha, Kolkata, Lucknow, Ludhiana, Madurai, Nandyal, Nellore, Patna, Pune, Raipur, Ranchi, Ravulapalem, Salem, Siliguri,
Sindhaur, Sohna, Sopore, Trichy, Vijawada and Warangal

DISCLAIMER

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove in accurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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