



Agro Phos

AGRO PHOS INDIA LIMITED

18th Annual Report
(F.Y.2019-2020)

CORPORATE INFORMATION

NAME OF THE COMPANY

Agro Phos (India) Limited

CIN

L24123MP2002PLC015285

BOARD OF DIRECTORS

1. Mr. Raj Kumar Gupta
2. Mr. Vishnu Kant Gupta
3. Mr. Abhishek Kalekar
4. Mr. Omprakash Chourey
5. Mrs. Vidhi Gupta
6. Mr. Ashok Pande

Chairman & Managing Director
Whole-time Director
Director
Independent Director
Independent Director
Independent Director

COMPANY SECRETARY

CS Sumit Sharma

CHIEF FINANCIAL OFFICER

CA Rajendra kumar Mittal

STATUTORY AUDITOR

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

WORKS

Fertilizer Manufacturing Units
1) Dewas Unit
13 A/2, Industrial Area, A.B. Road,
Dewas, Madhya Pradesh
2) Meghnagar Unit
135A-138A, Industrial Area, Meghnagar,
Jhabua, Madhya Pradesh

COST AUDITOR

M.P. Turakhia & Associates

REGISTRAR & SHARE TRANSFER AGENT

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

SECRETARIAL AUDITORS

M/s Neelesh Gupta & Co.,
Companies Secretaries

BANKER

Union Bank of India
State Bank of India
Axis Bank of India
Bank of Baroda

REGISTERED OFFICE

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

STOCK EXCHANGE LISTING

The National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No. C-1, Bandra Kurla Complex
Bandra (East), Mumbai -400051

Annual General Meeting will be held on Wednesday, 30th September 2020 at 12:30P.M. , at Hotel Surya, 5/5, Surya Circle, Nath Mandir Road, South Tukoganj, Indore, Madhya Pradesh 452001

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Overview

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

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

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

Our Company also takes part in various educational awareness programs for farmers. Farmer suicide has become a major concern since being an agrarian country, a large percentage of population in our Country is dependent on agriculture.

Vision

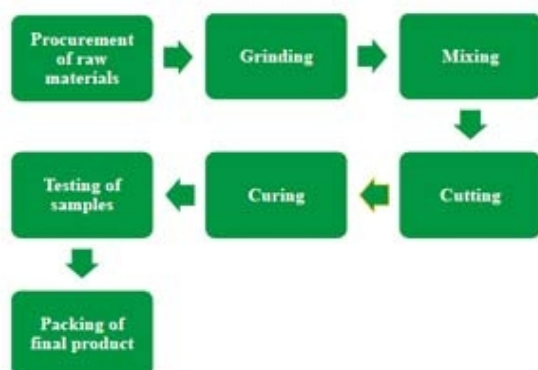
To be a leading national enterprise with global aspirations, effectively pursuing multiple growth opportunities, maximizing returns to the stakeholders, remaining socially and ethically responsible.

Mission

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

Manufacturing Process

I. Single Super Phosphate (SSP)



Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of SSP is Rock Phosphate and Sulphuric acid. The procurement of Rock Phosphate is fulfilled by importing the same from countries like Egypt, Iran, Jordan, Morocco, Syria, Togo, Tunisia, etc. The requirement of Sulphuric acid is met by purchasing the same from local vendors. After the procurement of raw materials, the manufacturing process starts in Grinding mill where Rock Phosphate is grinded and then the grinded rock phosphate is moved to mixer where Sulphuric acid and water is added. The mixture is then mixed properly and is moved via the den machine to cutter to cut the huge chunks of mixture into powder form. Our Company manufactures both powder and granulated SSP. The manufacturing process of powdered and granulated SSP is same till the mixing process and after this process the mixture is then treated separately.

□ Powdered SSP

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

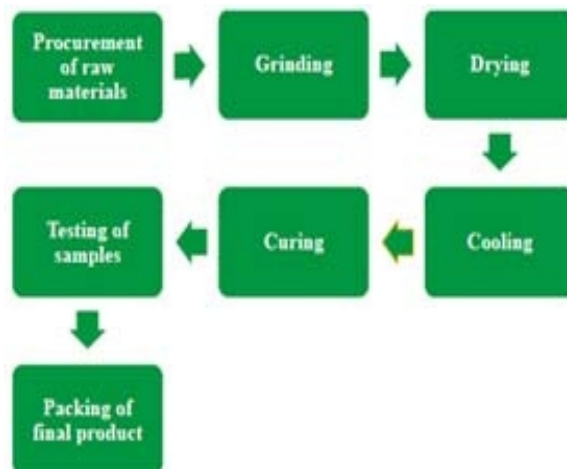
□ Granulated SSP

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

Apart of these products our SSP products are also sold with various other names as per their content such as Boronated Single Super Phosphate having Boron Content and Zincated SSP having content of Zinc both are sold in Powder form and Granular Form. One more product named Zincated and Boronated SSP having both content Zinc plus Boron.

II. Nitrogen Phosphorus and Potassium (NPK)

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





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



III. Organic Manure

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

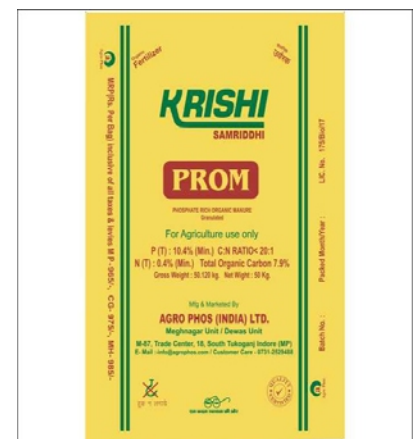
These raw materials are feeded in the hopper as per the required chemical composition, stated as under:

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

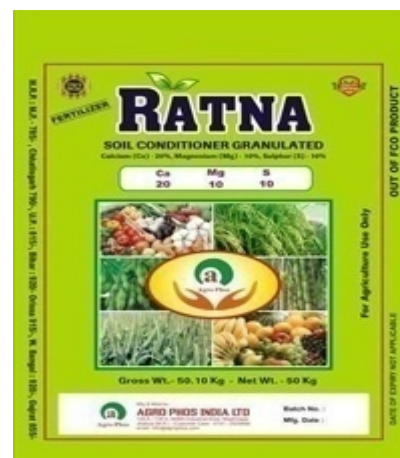
The chemical composition of the required raw materials can be changed depending upon their availability.

After feeding the raw materials in the feeder, the materials are then moved to the blending machine via conveyor belt. The materials are blended properly in the blender and then the mixture moves to the drying machine to extract moisture from the final product.

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



IV. Soil Conditioner (Calcium Sulphate)



Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of soil conditioner is calcium sulphate, magnesium sulphate and sulphur. All the required raw materials are procured from the local market.

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

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

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

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

V. Zinc Sulphate -21%

Our Company is manufacturing Zinc Sulphate -21% hyptahydrate which is recommended for soil application, Zinc is a naturally occurring mineral. Zinc is important for growth and for the development and health of crops. Zinc sulfate is used to treat and to prevent zinc deficiency, it is produce in powder form that is colorless and completely watersoluble. Our product Zinc Sulphate is sold with the same name as "Ratna" as like calcium sulphate.



VI. Potash derived from molasses(PDM)



Recently our company is introduced a new product with the name as PDM the process of manufacturing of the same is like, First Spent Wash Ash (K₂O-23% Minimum)withbentonitepowderinratioof50%50%aswellasfillermixes properlyand than sent this mixture to main hopper through conveyor belt and then sent to Granulator for Granules and again passes to dryer where the hot air passes at the Temp. of 600 to 700 degree centigradeand then passes to cooling drum which completes its production, after than finally it sent to the packing plant where the finished 90% material passed through 2 mm to 4mm sieve and then comes to the hopper for packing rest material again recycled to the same process. The finish goods ie P.D.M. Granulated packed in 50 kg. new Brand "KRUSHI SAMMRUDHI" bags for market after quality cheeked as per FCO 1985 norms.



Chairman & Managing Director's Message

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

It happened to be a wonderful year if, in the last of this financial year we had not witnessed to a big disaster in the form of COVID-19 Pandemic, it will be considered always as toughest time, which we have ever go through, we have seen a lots during this time and probably many of us have/ are suffering with many issues such as Shutdown of businesses, unemployment, low paid wages, health and safety, non-availability of basic necessity commodities, conveyance related problem and various other issues, even after this worldwide disaster, I proudly says that during this pandemic, your company honestly take care of our employees and staff we have taken every possible steps to ensure better health and safety of our employee, which includes arrangement of sanitization, face masks, working arrangement as per social distancing

method, work with limited force, at office and plant also company have provided conveyance facility to those who needed, and by following govt. guidelines as circulated from time to time.

I also would like to share with you all that being a good corporate citizen your company was also served for social activities during this pandemic time, company was/ is distribution face mask and sanitizers to farmers and have provided food to needy person during lockdown period.

If we came to company's business, we are producing fertilizers Products which covers under Essential commodity goods therefor production of your company was continue during whole year even in lockdown period except for a few days, where approval was not with us, and result of which, company was recorded no substantial adverse impact of COVID Pandemic.

Meanwhile Your Company has recorded total revenue of Rs. 70.05 Cr. for the year 2019 -20 as compared with Rs. 72.16 Cr. for the last year 2018-19, while PAT of company in this year was Rs. 3.73 Cr. which are 2.90 Cr. More than as compared to Rs. 83 Lacs in the Last F.Y., total revenue of this year included subsidy amount which are pending with department and also the expenses as covered and other expenses head were lesser in compare to last year, which impacted more profit this year.

As the core area of work of company is related with agriculture field, which never stop running and on good part we are also expecting a good monsoon this year, which probably results into 100% irrigation of agriculture sand accordingly the demands of the company's products will be at higher pace and also the company is having all necessary arrangement for fulfilling the upcoming demand including availability of Raw Material and labor and all necessary approvals so that we may in cash all available opportunity this year.

As per the study of previous years statics, we observed that in India the demand of the fertilizers was always higher than it's productions which creates a long lasting opportunity for fertilizers manufacturers as seems in F.Y. 2019-20 the requirement of fertilizers was 640.48 Lakhs Metric Ton and actual production recorded is 250-300 lacs Metric Ton which is a huge gap, and this gap makes a big opportunity or scope in the field of fertilizers business, and your company is striving toward grab this opportunity in Market.

At the last, I wish to thank the shareholders for showing their undeterred support, business associates for allying through our journey and employees for being Company's growth engine. We have laid strong foundations over the previous years and we are confident of meeting and exceeding the expectations. We believe we have a compelling story and we look forward with great passion to the future, creating greater value for our shareholders.

Wish you all a healthy and safe life ahead.

With Warm Regards

Sd/-

Raj Kumar Gupta
Chairman

NOTICE

Notice is hereby given to all the members of the Company that the 18th Annual General Meeting of the Company will be held on Wednesday the 30th September, 2020 at Hotel Surya, 5/5, Surya Circle, Nath Mandir Road, South Tukoganj, Indore, Madhya Pradesh 452001 at 12:30 P.M. to transact the following business:

ORDINARY BUSINESS

1. To Consider and adopt the Audited Financial Statements comprising Balance Sheet, Statement of Profit and Loss Account, Cash Flow Statements for the year ended 31st March, 2020 together with the report of the Board of Directors & Auditors thereon.
2. To appoint Director in place of Mr. Abhishek Kalekar (DIN: 07758751) who retires by rotation and, being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. **To confirm payment of remuneration of cost auditors for the financial year ending March 31, 2021 and this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such Orders, Rules, Notifications, as may be promulgated by the appropriate authorities in this regard, the remuneration of Rs. 30,000/- (Rs. Thirty Thousand only) plus GST as applicable and reimbursement of out of pocket expenses for the financial year ending 31st March, 2021 as approved by the Board of Directors of the Company, payable to M/s. M.P. Turakhia & Associates., Cost Accountant (Firm Registration No. 000417) to conduct audit of the cost records of the Company be and is hereby confirmed."

4. **To appoint and confirm remuneration of Mr. Vishnu Kant Gupta (DIN: 05233476) as a Whole-time Director and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution: -**

"RESOLVED THAT subject to the provisions of Sections 196 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members of the Company is be and hereby accorded for the appointment of Mr. Vishnu Kant Gupta (DIN: 05233476), as Whole Time Director of Company for a period of Five years w.e.f. 11th November, 2019 at a Remuneration of Rs.1,50,000/-(Rupees One Lakh Fifty Thousand Only) per Month with absolute discretion to the Board of Directors to alter and vary the terms and conditions as the board of Directors may in its absolute discretion consider necessary and as may be agreed to by the said director."

"RESOLVED FURTHER THAT in the event of loss, absence or inadequacy of profits in any financial year during the currency of tenure of Mr. Vishnu Kant Gupta the aforesaid remuneration shall be minimum remuneration payable to him. However, any remuneration in excess over the limits on minimum remuneration prescribed in Schedule V to the Companies Act, 2013, shall be payable to Mr. Vishnu Kant Gupta, with the prior approval of the Central Government, if so required."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution"

Notes:

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

5. Appointment / Re- Appointment of Directors

At the ensuing Annual General Meeting Shri. Abhishek Kalekar retire by rotation and being eligible offer themselves for re- appointment.

Also the re-appointment of Shri Vishnu Kant Gupta as whole Time Director is subject to confirmation in this AGM

Detail of Shri Abhishek Kalekar and Shri Vishnu Kant Gupta are as below:

Name of Director	Abhishek Kalekar	Vishnu Kant Gupta
Designation	Director	Whole Time Director
Date of Birth	01.05.1987	14.06.1980
Date of Appointment on Board	08.03.2017	16.03.2012
Qualification	Graduate	Bachelors in Physiotherapy
Directorship in other companies	NA	NA
No. or % of holding in Company	150000 (0.74%)	1596075 (7.87%)

6. An Explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") in respect of item no. 3 to 4 of the notice set out above, is annexed hereto.
7. Register of Members and Share Transfer Books of the Company will remain closed from September 24th, 2020 to September 30th, 2020 (both days inclusive).
8. SEBI vide notification dated June 08, 2018 have conveyed amendment to Regulations 7 and 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which enforced w.e.f. December 05, 2018, which made it mandatory in case of transfer of securities of the Company cannot be processed unless the securities are held in dematerialized form with a depository, the said requirement of Dematerializations is not mandatory in case of Transmission or Transposition of Shares or one can hold securities in physical form until the securities are not intended for transfer.

In view of the above, we request the shareholders holding shares in physical form to kindly dematerialize equity shareholding in Agro Phos (India) Limited.

9. Members are requested to notify immediately any change in their address and E-Mail ID to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company viz. Bigshare Services Pvt. Ltd. Located at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra. having email Id investor@bigshareonline.com to receive the soft copy of Annual Report of the Company.

10. Members are requested to :
 - a. Complete the attendance slip and deliver the same at the entrance of the meeting hall.
 - b. Send their questions at least 10 days in advance of the Annual General Meeting about any further information on accounts so as to enable the Company to answer their question satisfactorily.
11. All documents referred to in the accompanying Notice and Explanatory Statements are open for inspection at the Registered Office of the Company on all working days except Saturday between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.
12. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Nos. for easy identification of attendance at the meeting.
13. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice calling the Annual General Meeting, Corporate Governance Report, Directors' Report, Audited Financial Statements, Auditors' Report, etc. are being sent only through electronic mode to those Members whose email addresses are registered with the RTA / Depositories. Members may note that the Notice and Annual Report 2020 will also be available on the Company's website www.agrophos.com, websites of the Stock Exchange, i.e. BSE Limited at www.bseindia.com and on the website of CDSL i.e, www.evotingindia.com. Members who have not registered their email addresses are requested to register the same for receiving all communication from time to time including Annual Report, Notices, Circulars, etc. from the Company electronically
 - (a) For Members holding shares in physical form, please send scanned copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self- attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the RTA at: ujata@bigshareonline.com
 - (b) For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s
14. At the meeting, after all the items of the notice have been discussed, the Chairman will order poll in respect of all the items. Poll will be conducted and supervised under the Scrutinizer appointed for the same as stated above. After conclusion of the poll, the Chairman may declare the meeting as closed.
15. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.agrophos.com not later than 2 (two) days of passing of the resolution at the Annual General Meeting of the Company and will be communicated to the Stock Exchange(s).
16. Members may also note that the Notice of Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot/Poll Paper and the Annual Report for the year 2019-20 will also be available on the company website www.agrophos.com for their download. For any communication, the shareholders may also send request to the company on the aforementioned Email ID.
17. In accordance with Regulation 44 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 22 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to shareholders through such e-voting system. Notice of this meeting has been sent to all the shareholders who have registered their email id with the Company or the Registrar and Transfer Agent/ Depository Participants. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting.

PROCEDURE FOR REMOTE E-VOTING

18. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing remote e-voting facility to all its Members to enable them to cast their vote on the matters listed in the Notice of 18th AGM by electronic means.

The instructions to members for voting electronically are as under

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

	For Shareholders holding shares in Demat Form 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) <input type="checkbox"/> 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. <input type="checkbox"/> 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 (iv).

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

- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.
- ☐ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
 - ☐ They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com
 - ☐ After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - ☐ The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ☐ They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 09:00 A.M. on Sunday 27 September and ends on 05:00 P.M. on Tuesday 29 September 2020, During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com, or Company at cs@agrophos.com
19. The Map of Venue of AGM is given at the last page of Annual Report

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

**Place: Indore
Date: 05/09/2020**

**Sd/-
RAJ KUMAR GUPTA
DIRECTOR
DIN: 00244925**

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

ITEM NO. 3

The Board of Directors of the Company on the recommendation of the Audit Committee has approved the appointment and remuneration of M.P. Turakhia & Associates, Cost Accountant (Firm Registration No. 000417), to conduct the audit of the cost records of the Company for the financial year ended on March 31st, 2021 at a remuneration of Rs. 30,000/- (Rupees Thirty Thousand only) plus GST as applicable and reimbursement of out of pocket expenses. In accordance with the provisions of Section 148 of the Companies Act, 2013, the remuneration payable to the cost auditors has to be ratified by the shareholders of the Company. The Board recommends the Ordinary Resolution at Item No. 3 for approval of the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested financially or otherwise in the Ordinary Resolution set out at Item No. 3 of the Notice.

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

- M.P. Turakhia & Associates, a partnership firm was promoted in the year 1998 by Cost Accountants with meticulous track record and sound professional background.
- The firm is wonderful combination of experience and energy, comprising of three partners, namely:

1) MIHIR P TURAKHIA (AGE: 41 years) B.Com, LLB, FCMA. having experience of 20 years in the practice of cost and management consultancy.

2) DEEPIKA PRADHAN (AGE: 37 years) B.Com, FCMA having working experience of 15 years in various industries.

3) SNEHA C. TURAKHIA (AGE: 27 years) B.Com, ACMA. having exposure of 7 years and tech savvy.

- The firm is handling assignments in consultancy and cost audit of various companies of repute, Export-Import Services, Excise and Service Tax Advisory, covering public sector, private sector and government sector.
- The Head office of the firm is located at prime location in Indore (M.P.) and having branch office at Mumbai and Nagpur (MH).
- The Firm is an Independent Firm of Cost Accountants and are maintaining arm's Length relationship with our Company.
- The Firm is registered with the Institute of Cost Accountants of India under Registration No. 000417.

ITEM NO.4

Mr. Vishnu Kant Gupta was re-appointed as Whole Time Director of the Company by the Board of Directors with effect from 11th November, 2019 in terms of the provisions of the companies Act 2013, he holds office till the conclusion of this Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from Member proposing the candidature of Mr. Vishnu Kant Gupta for the office of Whole Time Director of the Company, also the company has received recommendation from Nomination and remuneration Committee regarding the said appointment.

Therefore, the appointment of Mr. Vishnukant Gupta shall be valid for a consecutive period of Five Years starting from 11th November 2019.

Brief Profile:

Mr. Vishnu Kant Gupta aged 40 years, holds Bachelor's degree in Physiotherapy, however his core area of work is in corporate sector, he is working with company since 2012 and controlling all financial matters as well as managing operation cycle of the company, he controls and advised on financial decision of the company and also kept a significant influence in the administration of management of the company.

Being a director as well as Promoter of company Mr. Vishnukant Gupta and his relative is interested or concerned in the said resolution, and except this no other directors or, Key Managerial Personnel or their relatives interested in this resolution.

DIRECTOR'S REPORT

**To,
The Members,**

Your directors have pleasure in presenting their 18th Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March, 2020.

1. FINANCIAL HIGHLIGHTS

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

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Revenue from operation and Other Income	700,454,373	721,641,523
Less: Expenditure	655,739,308	705,316,460
Profit/(Loss) before tax	44,715,065	16,325,064
Less: Tax Expense		
Income tax (current year)	13,493,215	3455000
Mat Credit	(6062132)	0
Income tax paid for earlier years	(395)	0
Deferred tax	(1934576)	(4591080)
Profit/(Loss) after tax	39,218,952	8,278,983
Other Comprehensive Income	(1902611)	(4683)
Total Comprehensive Income for the Year	37316341	8274300

2. FINANCIAL PERFORMANCE

During the year under review company's Profit was Rs. 373.16 Lacs as compare to Rs. 82.77 Lacs in previous year, we have gained more profit this year as profit of this year included income by way of subsidy apart from regular income, which was partially released from govt. department, and also we have reduced cost of our expenses this year which made a positive impact on profitability of the company. in the start of the financial year we were having some unadjusted transactions, which we have made complete during this year, we hope that in next year we will get more profit as compare to this year.

2. CHANGE IN NATURE OF BUSINESS

There was no change in the nature of Business during the year as no expansion or diversifications in the existing business cycle of the company was exposed, company's Management thinks it better to first focus on available opportunities in the market to enhance the existing growth of the company, however during this year our company was introduced with a new product POTASH DERIVED FROM MOLASSES K20-1'4'5% for which your company has made arrangement of supply of spent wash ash which is Raw Material to such product.

3. DIVIDEND

In view of the existing circumstance due to COVID-19 Outbreak, Your Board thinks it fit to retain company's profit for future, therefore your Board has decided not to recommend any dividend for this Financial Year, however in coming years your company strives to distribute dividend to shareholder.

4. AMOUNT TRANSFERRED TO RESERVE

During the year under review, the Company is proposed to transferred whole amount of Profit as Rs. 373.16 Lakhs in General Reserve.

5. DEPOSITS

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

6. INSURANCE

Your Directors informed that all the Fixed assets of the company are adequately insured and during this year we have not needed to insure any of asset of company.

7. SHARE CAPITAL

a) Authorized Capital

There were no changes have been made in the Authorized Capital of the company during the financial year 2019-20 the current Authorized Capital of the company is Rs. 21,00,00,000/- divided into 2,10,00,000 equity Shares of Rs. 10 each.

b) Issued Subscribed and Paid up Share Capital

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

- Issue of Bonus Equity Shares: Nil
- Issue of Equity Shares: Nil.

8. HUMAN RESOURCE & INDUSTRIAL RELATIONS

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

Your company is always having concern about it's employee and labour as a part of this your company was arranged all necessary arrangement for safety of health of our employees including face mask, sanitizer, no use of thumb impression, and many more during this Pandemic Period.

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

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

9. MANAGEMENT DISCUSSION AND ANALYSIS

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

10. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. that in the preparation of the annual accounts for the year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in the Financial Statements have been selected and applied consistently. Such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs and of Profit of the Company for the financial year ended on March, 31st 2020.

- c. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that they have prepared the Annual Accounts on a going concern basis;
- e. that they have laid down internal financial controls for the company and such internal financial controls were adequate and were operating effectively.
- f. that they have devised proper systems to ensure compliance with the provisions of all applicable laws and such system are adequate and operating effectively.

11. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Changes in Directors:

I Cessation of Directors:

- a) Mr. Vijay Singh Bharaktiya (DIN:00017285), Independent Director of the Company on account of his pre-occupation at somewhere else and some of other personal reason have resigned w.e.f. closing of working hours of May 30th, 2019, the Board recorded its sincere appreciation for his valuable contribution during his long association with the Company
- b) Mr. Abhay Gupta (DIN:07595771), Non-Executive Director of the company have Resigned w.e.f. 14th August 2019 due to their personal reason, the Board recorded its sincere appreciation for his valuable contribution during their association with the Company

II Appointment of Directors

- a) The Board at its meeting held on 11th November 2019, pursuant to the recommendation of Nomination and Remuneration Committee and subject to necessary Confirmation by shareholders, Re-appointed Mr. Vishnu Kant Gupta (DIN:05233476) as Whole Time directors of the Company for a period of five years with effect from 11th November 2019.

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

III. Retirement by Rotation:

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

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

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

B. Changes in Key Managerial Personnel:

Your Board informed that during the Financial year 2019-20, there were no change in KMP composition recorded, however after closure of financial year and before the date of this report the following changes have been made.

- a) The Board at its meeting held on 25th, July 2020, have approved resignation of Mr. Rajendra Kumar Mittal from the post of Chief Financial officer and Key Managerial Personnel of the Company w.e.f. 25th July 2020.

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

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

As on the 31st March 2020 the Company is having of the following directors & KMP in it's Composition namely: -

DIN / PAN NO.	NAME	DESIGNATION	DATE OF APPOINTMENT	DATE OF CESSATION
00244925	Raj Kumar Gupta	Managing director	24/09/2002	-
05233476	Vishnu Kant Gupta	Whole-time director	16/03/2012	-
07595771	Abhay Gupta	Director	24/08/2016	14.08.2019
00017285	Vijay Singh Bharkatiya	Independent Director	16/08/2016	30.05.2019
08178291	Vidhi Jain	Independent Director	12/07/2018	-
	Ashok Pande			
08178285	Omprakash Chourey	Independent Director	12/07/2018	-
07758751	Abhishek Kalekar	Additional Director	08/03/2017	-
KGIPS4560K	Sumit Sharma	Company Secretary	18/09/2018	-
ACCPM1042Q	Rajendra Kumar Mittal	CFO	26/02/2019	25.07.2020

10. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

As on March 31, 2020, the Company does not have any subsidiary or joint venture or associate Company also our company is also not a subsidiary to any other company, so your company is not needed any compliances as such.

11. NUMBER OF BOARD MEETINGS

During the Financial Year 2019-20, Five [05] meetings of the Board of Directors of the company were held.

S.NO	DATE OF BOARD MEETING	Total No. of Directors	No. of Directors attended the Meeting
01	30/05/2019	8	8
02	14/08/2019	7	7
03	06/09/2019	6	6
04	11/11/2019	6	6
05	12/02/2020	6	6

12. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

As stipulated by the Code of Independent Directors under the Companies Act, 2013; a separate meeting of the Independent Directors of the Company was held on 10th July, 2019 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

13. COMMITTEES OF THE BOARD

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

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

14. DECLARATION BY INDEPENDENT DIRECTORS

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

15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2019-20 in the prescribed format, AOC 2 as **Annexure- B** has been enclosed with the report, further it was observed that all transactions with the related parties are at arm's length basis and in ordinary course of business of company., details of the transactions were placed before audit committee for their review.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

17. VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

18. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report. however, during the financial year company was introduced a new product in market a disclosure regarding the same has already placed to public at large through announcement at NSE Portal, but it was not made any such material effect on company's profit this year, as sale of this product in reporting financial year was not so much however we are expecting a better sale in future year.

At the last of this financial year the whole world was faced with a huge disaster in the Form of COVID-19 Pandemic, we also faced some issues related to transportation of goods and closure of working of company, however your director assured you that we have not substantially affected by the same as our products are covered under category of Essential commodity goods therefore we had got necessary approval to continue production of our products.

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

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

20. RISK MANAGEMENT POLICY:

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

After conclusion of the whole year your board are in the following view

- Being our Products Covered under essential commodities, we have not faced any issue regarding shutdown of our business and therefore we have over cross the Risk of low sales and low profit during pandemic period.
- Also there was no internal disputes or mismanagement was observed during this whole year.

21. SIGNIFICANT & MATERIAL ORDERS

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

22. AUDITORS, THEIR REPORT & COMMENTS BY THE MANAGEMENT

Statutory Auditors

Pursuant to provisions of section 139 of the Companies Act, 2013 and rules made thereunder, the term of Office of M/s. Rajendra Goyal & Co., Chartered Accountants, as Statutory Auditors of the Company, was concluded at the closure of 15th Annual General Meeting of the Company held on 28th September 2017 as they have Completed the term allowed under companies Act, 2013 and in place of whom and on recommendation of the audit committee M/s. Ashok Khasgiwala & Co.,LLP Chartered accountants was appointed as Statutory auditor of the company for a period of Five years commencing from the year 2017-18 to 2021-2022, after their appointment they have conducted audit for 2017-18, 2018-19 and for the reporting year 2019-20.

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

Cost Auditor

The Board of Directors, in pursuance of an order under section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, issued by the Central Government, has appointed on the recommendation of Audit Committee M/s. M.P. Turakhia & Associates, Cost Accountants, as Cost Auditors to conduct audit of the cost accounts maintained by the Company in respect of Fertilizers manufactured for the financial year 2019-20. as required under Companies Act, 2013 a resolution seeking member's approval for the remuneration payable to cost Auditor forms part of the notice conveying the Annual General Meeting for their ratification.

Internal Auditor

M/s Pankaj Somaiya & Associates LLP, Chartered accountants was appointed as an Internal Auditor of the Company to conduct the internal audit of the Company for the Financial Year 2019-2020, as required under Section 138 of the Companies Act, 2013 and the Companies(Accounts)Rules,2014. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined. The Audit Committee of the Board of directors actively reviews the adequacy and effectiveness of the Internal Control System and suggest improvements to strengthen the same. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board. Based on the report of internal audit function, Company undertakes corrective action in their respective areas and thereby strengthen the controls. Recommendations along with corrective actions thereon are presented to the Audit Committee of the Board and accordingly implementation has been carried out by the Company.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s Neelesh Gupta & Co., Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2019-20. The Secretarial Audit Report for the financial year 2019-20 is annexed in "Annexure-H" herewith as " forming part of this report. There are no adverse comments, qualifications or reservations or adverse remarks in the Secretarial Audit Report.

Annual Secretarial Compliance Report

As per Reg. 24A of SEBI(LODR), Regulations 2015 and SEBI Circular dated 08th February 2019, all listed companies have to obtain Annual Secretarial compliance report from Company Secretary in practice, and pursuant to which your company has obtained ASCR for F.Y. 2019-20 from Secretarial Auditor named as above and said report does not contain any remarks or qualifications on which we require to give explanation.

Reporting of fraud by auditor

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

23. CORPORATE GOVERNANCE

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

24. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:

The applicability of CSR related provisions on Company was relaxed w.e.f. the last Financial i.e. 2018-19, and also in reporting year, company is out of the ambit of these provisions, therefore in reporting financial year company was not needed to ensure any compliance of CSR related activities except the liability to invest the outstanding fund of CSR, Company also continuing to exist its CSR Committee so that required fund will be invested in appropriate activities. Complete Detail about CSR are disclosed in “Annexure-F” to this Report.

25. MANAGERIAL REMUNERATION:

Company has paid total managerial remuneration amounting to Rs. 48,00,000 during the year to its Executive Directors including Managing Director and Whole Time Director.

Company have paid Sitting fees to its Non-Executive Directors including independent Director for attending meeting of Board and committee thereof.

26. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

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

27. EMPLOYEE'S REMUNERATION

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

28. INTERNAL FINANCIAL CONTROLS

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

29. BOARD EVALUATION

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

30. EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return in form MGT 9 is annexed herewith as “**Annexure-A** ” forming part of this report. Also a copy of the whole annual report including such extract of the annual Return is already placed on company’s website viz www.agrophos.com.

31. SECRETARIAL STANDARDS OF ICSI

Your Company is in Compliance with the all applicable Secretarial Standards as specified by the Institute of Company Secretaries of India.

32. ACKNOWLEDGMENT

Your Directors thanks the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge support of the NSE Ltd. Lead Manager, Share Transfer Agent and also to all stakeholders of the Company viz. customers, members, dealers, vendors, bankers and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

Date:05/09/2020
Place: Indore

Sd/-
RAJ KUMAR GUPTA
MANAGING DIRECTOR
DIN: 00244925

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

Sd/-
VISHNU KANT GUPTA
WHOLE TIME DIRECTOR
DIN: 05233476

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

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2020

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

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ Service	% to total turnover of the company
1.	Fertilizers and agrochemical products	9961172	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NIL

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

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

(A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 31 st March 2019)				No. of Shares held at the end of the year (As on 31 st March 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters.									
(1) Indian									
a)	1100242	0	1100242	54.27	1100242	0	1100242	54.27	-

Individual/HU F	5		25		5		5		
b) Central Govt.	0	0	0	0	0	0	0	0	-
c) State Govt.(s)	0	0	0	0	0	0	0	0	-
d) Bodies Corp.	0	0	0	0	0	0	0	0	-
e) Bank/FI	0	0	0	0	0	0	0	0	-
f) Any Other...	0	0	0	0	0	0	0	0	
Total Shareholding of Promoter (A)	1100242 5	0	110024 25	54.27	1100242 5	0	1100242 5	54.27	-
B. Public share holding									
1. Institutions	0								
a) Mutual Funds	0	0	0	0	0	0	0	0	-
b) Bank/ FI	0	0	0	0	6029	0	6029	0.030	0.030
c) Central Govt.(s)	0	0	0	0	0	0	0	0	-
d) State Govt.(s)	0	0	0	0	0	0	0	0	-
e) Venture Capital Fund	0	0	0	0	0	0	0	0	-
f) Insurance Companies	0	0	0	0	0	0	0	0	-
g) FIIs	0	0	0	0	0	0	0	0	-
h) Foreign Venture capital Funds	0	0	0	0	0	0	0	0	-
i) Others (Foreign Portfolio Investors)	672000	0	672000	3.31	11035	0	11035	0.054	(3.25)
Sub-Total (B) (1):-	672000	0	672000	3.31	17064	0	17064	0.084	(3.23)
2. Non Institutions									
a) Bodies Corp.	0	0	0	0					
i) Indian	1290538	0	129053 8	6.36	462391	0	462391	2.28	(4.08)
i) Overseas	0	0	0	0	0	0	0	0	-
b) Individuals									

i)Individual Shareholders holding nominal share capital upto Rs. 2 lakh	417436	0	417436	2.06	5594319	0	5594319	27.59	25.53
ii)Individual Shareholders holding nominal share capital in excess of Rs.2 lakh	3828948	1761090	5590038	27.57	2077305	474960	2552265	12.59	(14.98)
c) Others (HUF)	0	0	0	0	344596	0	344596	1.70	1.70
Clearing Members	1301678	0	1301678	6.42	278476	0	278476	1.37	(5.05)
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	-
Foreign Nationals	0	0	0	0	22579	0	22579	0.11	0.11
Clearing Members	0	0	0	0	0	0	0	0	0
Trust	0	0	0	0	0	0	0	0	-
Foreign Bodies DR	0	0	0	0	0	0	0	0	-
Sub Total (B)(2):-	6838600	1761090	8599690	42.41	8779666	474960	9254626	45.65	3.24
Total Public shareholding(B))=(B)(1)+(B)(2)	7510600	1761090	9271690	45.73	8796730	474960	9271690	45.73	
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	-
Grand Total (A+B+C)	18513025	1761090	2027415	100	19799155	474960	20274115	100	-

(b) Shareholding of Promoters

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

(C) Change in Promoters' Shareholding:

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

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

Sr. no.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	NISHIL SURENDRA MARFATIA	0	0	223218	1.10
2	PREETI GUPTA	221250	1.09	221250	1.09
3	RAMAVTAR	189000	0.93	189000	0.93
4	ACHINTYA SECURITIES PVT. LTD.-	0	0	180001	0.88
5.	GOENKA BUSINESS AND FINANCE LIMITED	0	0	175000	0.86
6.	SAURABH GUPTA	0	0	172000	0.84
7.	VIKAS GUPTA	157500	0.77	157500	0.77
8.	SNEH GANGWAL	0	0	144354	0.71
9.	MAMTA GUPTA	144000	0.71	144000	0.71
10.	DULI CHAND	120000	0.59	120000	0.59

(E) Shareholding of Directors and Key Managerial Personnel:

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

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

V. INDEBTEDNESS

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

(Amount in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1918.24	0	0	1918.24
ii) Interest due but not paid	0	0	0	
iii) Interest accrued but not due	0	0	0	
Total (i+ii+iii)	1918.24	0	0	1918.24
Change in Indebtedness during the financial year				
· Addition	0	0	0	0
· Reduction	25.59	0	0	25.59
Net Change	25.59	0	0	25.59
Indebtedness at the end of the financial year				
i) Principal Amount	1892.65	0	0	1892.65
ii) Interest due but not paid	0	0	0	
iii) Interest accrued but not due	0	0	0	
Total (i+ii+iii)	1892.65	0	0	1892.65

*In note no.18 of financial statement one amount is showing as Dealership Deposit, the same is not counted as deposit as per Companies Act,2013 but it is just an advance amount received from dealers as deposit amount which are an ordinary course of activity of Company.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

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

B. Remuneration to Executive Directors: Nil

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

C. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
	1. Independent Directors	Mr. Omprakash Chourey	Mrs. Vidhi Jain	Mr. Ashok Pande	Mr. Abhay Gupta	
	· Fee for attending board / committee meetings	20000	40000	20000	0	80000
	· Commission	0	0	0	0	0
	· Others, please specify	0	0	0	0	0
	Total (1)	20000	40000	20000	0	80000
	2. Other Non-Executive Directors	-	-	-	-	-
	· Fee for attending board / committee meetings	0	0	0	10000	10000
	· Commission	0	0	0	0	0
	· Others, please specify	0	0	0	0	0
	Total (2)	0	0	10000	10000	
	Total (B)=(1+2)	20000	40000	20000	10000	90000
	Total Managerial Remuneration	20000	40000	20000	10000	90000
	Overall Ceiling as per the Act	Rs. One Lakh per Meeting	Rs. One Lakh per Meeting	Rs. One Lakh per Meeting	-	
	0	0	0	0		

D. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

Sl. No.	Particulars of Remuneration			
		Mr. Sumit Sharma (Company Secretary)	Mr. Rajendra Kumar Mittal (Chief Financial Officer)	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	276319	1599600	1875919
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
2.	Stock option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission - as % of profit - others, specify...	0	0	0
5.	Others, please specify	0	0	0
	Total	276319	1599600	1875919

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: None

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

Annexure to the Board Report:

Annexure-B

PARTICULARS OF EMPLOYEES

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

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

S.No.	Name of Director	Ratio of remuneration of each Director/to No. median remuneration of employees
1.	Mr. Raj Kumar Gupta Managing Director	18.63:1
2.	Mr. Vishnu Kant Gupta Whole Time Director	11.18:1
3.	Vidhi Jain Independent Director	0.25:1
4.	Om Prakash Chourey Independent Director	0.12:1
5.	Ashok Pande Independent Director	0.12:1

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

(Rs. In Lacs)

S.No.	Name	2019-20	2018-19	% Increase in remuneration
1	Mr. Raj Kumar Gupta Managing Director	30	30	-
2	Mr. Vishnu Kant Gupta Whole Time Director	18	18	-
3	Vidhi Jain Independent Director	0.40	0.40	-
4.	Ashok Pande Independent Director	0.20	0	0.20
5.	Omprakash Chourey	0.20	0	0.20
6.	Mr. Sumit Sharma	2.73	1.42	0.9226
7.	Mr. Rajendra Kumar Mittal	16.00	1.33	11.03

- Shri. Ashok Pande was appointed in the last Board Meeting of F.Y. 2018-19, therefore he was not received any amount by way of Sitting fee however during the F.Y. 2019-20, he has received sitting fee for all the meetings attended.
- Shri. Omprakash Chourey, Independent Directors of company have received Sitting fee in F.Y. 2019-20 only and not received any amount in F.Y. 2018-19.
- Shri. Sumit Sharma, company secretary was received salary for 6 month only as his appointment was w.e.f. September 2018, however in F.Y. 2019-20 he received full salary along with some hike in salary

4. Shri Rajendra Kumar Mittal was appointed as Chief Financial Officer w.e.f. 26th February 2019, therefore he was received only one month salary in F.Y. 2018-19, however in reporting Financial year he has received salary for whole year.

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

Median Remuneration 2019-20	Median Remuneration 2018-2019	% Increase in the Median Remuneration
161000	159000	1.25%

(v) No. of Permanent Employees on Roll: Company as on 31st March 2020 was having 49 employees who are on Roll however total 65 employees were on roll during the year but some of them have resigned from their office.

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

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

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

Annexure 'C'
FORM NO. AOC -2

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

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

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

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	-
	Nature of contracts/arrangements/transaction	-
	Duration of the contracts/arrangements/transaction	-
	Salient terms of the contracts or arrangements or transaction including the value, if any	-
	Justification for entering into such contracts or arrangements or transactions'	-
	Date of approval by the Board	-
	Amount paid as advances, if any	-
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

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

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

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	M/S VINOD Trading Co. -Relative of KMP is able to exercise significant Influence.
	Nature of contracts/arrangements/transaction	Sales of Goods
	Duration of the contracts/arrangements/transaction	One Year
	Salient terms of the contracts or arrangements or transaction including the value, if any	The aggregate value of all Transactions during the year is Rs. 18267003/-
	Date of approval by the Board	30.05.2019
	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	M/s Vinod Sales Corporation - Relative of KMP is able to exercise significant Influence.
	Nature of contracts/arrangements/transaction	Sales of Goods
	Duration of the contracts/arrangements/transaction	One Year
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 902056/-
	Date of approval by the Board	30.05.2019
	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Suhane Agro India Pvt. Ltd. – Relative of KMP is able to exercise significant Influence.
	Nature of contracts/arrangements/transaction	Purchase/ Sale of Goods
	Duration of the contracts/arrangements/transaction	One Year
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 46687504 (Sales) Rs. 42000/- (Purchase)
	Date of approval by the Board	30.05.2019
	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Madhav Agrochem Pvt. Ltd. Relative of KMP is able to exercise significant Influence.
	Nature of contracts/arrangements/transaction	Purchase/ Sale of Goods
	Duration of the contracts/arrangements/transaction	One Year
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 24000072.58 (Sales)
	Date of approval by the Board	30.05.2019
	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	M/s Madhav Sales Corporation Relative of KMP is able to exercise Significant Influence
	Nature of contracts/arrangements/transaction	Sales of Goods
	Duration of the contracts/arrangements/transaction	One Year
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 10461197/-
	Date of approval by the Board	30.05.2019
	Amount given as advances, if any (for sale of Goods)	NA

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

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

Date: 05/09/2020
Place: Indore

Sd/-
Raj Kumar Gupta
MANAGING DIRECTOR
DIN: 00244925

Sd/-
Vishnu Kant Gupta
WHOLE TIME DIRECTOR
DIN: 05233476

Annexure to the Board Report Annexure 'D'

CORPORATE GOVERNANCE REPORT

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments there to (hereinafter referred to as 'SEBI Listing Regulations'), given below are the corporate governance report of Agro Phos (India) Ltd. for the year 2019-20.

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

Company's Philosophy On Corporate Governance

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

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

- An optimum Combination of Executive and Non- Executive directors including Independent Directors in the composition of Board, company's board mainly consist Independent Directors as Non Executive Directors, currently Company has Three Independent Directors out of total Six Directors of the Board.
- Constitution of Committees of Board, Board of directors of the Company has diluted its Power through Various Committee, We have Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, as well as CSR Committee and each has composition of directors as member and chairman as per the required Regulation of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure requirements), Regulations, 2015
- Constitute Various Code i.e. Code of conduct for Directors and Senior Management Personnel, Code of Conduct for prevention of insider trading.
- Policy for Remuneration and other Fees to Executive, Non- Executive as well as KMP's of the company
- More Concern about enhancement of shareholder value, protection of interest of the public shareholders, growth, profitability and stability of business of company.
- Be ensure about well compliance and abide by the various Rules, Regulations and statutes through which company is regulating, the whole structure of the company should be as per the instructions or directions provided under various act's and regulations.

Board of Directors

In Keeping requirement of the Regulations of SEBI(Listing Obligation and Disclosure requirements), Regulations, 2015 the Company's policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management, as on the 31st March 2020 company is having a Executive Chairman who is also director & promoter of the company and rest of the Board Consist One WTD, One Non- Executive Non Independent director and Three Independent Director.

The details of the directors, their directorships, membership/chairmanship of the committee, attendance at Board meeting and last AGM, shareholding of each director as at March 31, 2020.is as follows:

Name, Designation & Category of the Director	Directorship in other public companies	Committee Membership/Chairmanship in other Public companies, including this company		Attendance at Meeting held during the year			No. of Equity Shares held in reporting company
		Membership	Chairmanship	No. of meeting	Attended	AGM Attended	
Promoter Directors							
Raj Kumar Gupta	01 (Agro Phos (India) Ltd.	0	0	5	5	Yes	4300435
Vishnu Kant Gupta	01 (Agro Phos (India) Ltd.	0	0	5	5	Yes	1596075
Non Promoter Non-Executive Director							
Abhishek Kalekar	01 Agro Phos (India) Ltd.	0	0	5	5	Yes	150000
Independent Director							
Omprakash Chourey	01 Agro Phos (India) Ltd.	0	2	5	5	Yes	0
Vidhi Jain	01 Agro Phos (India) Ltd.	2	0	5	5	Yes	0
Ashok Pande	01 Agro Phos (India) Ltd.	2	0	5	5	Yes	0

- Excluding Private Companies, Section 8 Companies and Foreign Companies as per Companies Act, 2013 but including Directorship in Agro Phos (India) Limited.
- Committees for this purpose mean Audit Committee and Stakeholders Relationship Committee of Indian public companies, including Committees of Agro Phos(India) Limited.
- Shri. Vishnu Kant Gupta is son of Mr. Raj Kumar Gupta's Brother and except these two no other directors are Inter se related with each other.
- All the Meetings of the Board of Directors were conducted at the Reg. off. of the company situated at M-87, Trade Centre, 18 South Tukoganj, Indore-452001, M.P.

Key Board Qualifications, Expertise and Attributes

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

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

Remuneration to Directors

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

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

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

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

Here is the details of Remuneration or Sitting Fees provided to Executive and Non-Executive Directors During the year 2019-20

(In Lacs)				
Director	Designation	Remuneration & Perquisites	Sitting Fees	Total
Mr. Raj Kumar Gupta	Managing Director	30	NA	30
Mr. Vishnu Kant Gupta	Whole Time Director	18	NA	18
MR. Abhay Gupta	Non-Executive Director	-	0.10	0.10
Mrs. Vidhi Jain	Independent Director	-	0.40	0.40
Mr. Omprakash Chourey	Independent Director	-	0.20	0.20
Mr. Ashok Pande	Independent Director	-	0.20	0.20

Meetings of Board/Committee/ Shareholders:

1. Board Meeting

Total 05 Meetings of the Board were held during the year which were on 30th May 2019, 14th August 2019, 06th September 2019, 11th November 2019, and 12th February 2020., gap between two meetings did not exceed one hundred and twenty days.

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

2. Independent Directors Meeting:

A meeting of company's all independent directors was held on 10th July 2019 where all the directors under the category of Independent directors were present and evaluate performance of the board as whole and individually of each director including managing director of the company.

3. General Body Meeting

Annual General Meeting

Meeting of shareholders of the company, the 17th Annual General Meeting was held on 30th September 2019 which was duly held and conducted in the manner as provided under Companies Act, 2013 and SEBI (Listing Obligation and Disclosures Requirement) Regulation, 2015, Except the Annual General Meeting no other Meeting of Shareholder was held or conducted during the year under review.

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

Date	Time	Venue	Whether any Special Resolution passed
Friday, 29.09.2017 (15th AGM)	12:00 P.M.	Hotel Best Western Plus O2,31/1, Main Road South Tukiganj, Indore-452001,M.P.	Yes 1.Re- appointment of MD 2. Revision in Remuneration of WTD
Saturday,29.09.2018 (16th AGM)	3:30 P.M.	Hotel Best Western Plus O2,31/1, Main Road South Tukiganj, Indore-452001,M.P.	NO
Monday, 30.09.2019 (17th AGM)	12:30 P.M.	M-87, Trade Centre, 18M South Tukoganj, Indore-452001, M.P.	NO

Resolution through Postal Ballot

During the year under review no resolution of shareholder of company was passed through Postal ballot, as the requirement of the same was not needed.

Committees of Board

The Company has following four Committees as follows:

(a) Audit Committee:

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

The Audit Committee comprises of the following Directors of the Company as on 31st March, 2020.

Name of director	Nature of Directorship	Designation in the Committee
Mr. Omprakash Chourey	Independent Director	Chairman
Ms. Vidhi Jain	Independent Director	Member
Mr. Ashok Pande	Independent Director	Member

During the year Shri. Vijay Singh Bharaktiya, who was member of the committee have ceased his office of Director w.e.f. 30.05.2019 except the same no other changes have been made in the composition of the Committee.

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

S. No.	Date of Meeting	V.S. Bharkatiya	Vidhi Jain	Ashok Pande	OP Chourey
1.	30.05.2019	√	√	√	√
2.	14.08.2019	-	√	√	√
3.	11.11.2019	-	√	√	√
4.	12.02.2019	-	√	√	√
	Total	1	4	4	4

(b) Nomination and Remuneration Committee

The Company has constituted a Nomination and Remuneration Committee in accordance section 178 of the Companies Act, 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on 16th August, 2016. The Nomination and Remuneration Committee comprises of the following Directors of the Company as on 31st March, 2020.

Name of Director	Nature of Directorship	Designation in the Committee
Mr. Om Prakash Chourey	Independent Director	Chairman
Mr. Ashok Pande	Independent Director	Member
Mrs. Vidhi Jain	Independent Director	Member

During the year under review 2 meeting of the Nomination and Remuneration Committee were held.

S.No.	Date of Meeting	OP Chourey	Ashok Pande	Vidhi Jain
1.	25.04.2019	√	√	√
2.	11.11.2019	√	√	√
	Total	2	2	2

(c) Stakeholders' Relationship Committee

The Company has constituted a shareholder/investors grievance committee ("Stakeholders Relationship Committee") to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on 16th August, 2016. The Stakeholders' Relationship Committee comprises the following Directors as on 31st March, 2020:

Name of Director	Nature of Directorship	Designation in the Committee
Mr. Om Prakash Chourey	Independent Director	Chairman
Mr. Ashok Pande	Independent Director	Member
Mrs. Vidhi Jain	Independent Director	Member

The Committee looks into the redressal of stakeholders' grievances related to share transfer, transmission, issue of duplicate share certificates, non-receipt of annual report, etc. all the complaints received during the year from Shareholders, stock exchange SEBI have been dispensed of and no other compliant or query has been pending.

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

S.No.	Date of Meeting	V.S. Bharkatiya	Ashok Pande	OP Chourey	Vidhi Jain
1.	25.04.2019	√	-	√	√
2.	14.08.2019	-	√	√	√
3.	11.11.2019	-	√	√	√
4.	12.02.2020	-	√	√	√
	Total	1	3	4	4

(d) Corporate Social Responsibility Committee

Company in reporting financial year does not required to have CSR Committee, as CSR provisions were not applicable on company because of the Profit of last three Financial Years did not exceeded the limit as prescribed in the Companies Act, 2013, however Company have not dissolved the CSR Committee to ensure better compliance of CSR Investment of Outstanding Amount.

The Corporate Social Responsibility Committee comprises the following Directors:

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

During the year one Meeting of the committee was held.

Disclosures

a) Related Party Transaction

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015 during the financial year were in the ordinary course of business and on arm's length basis and do not attract the Limit provided under the provisions of Section 188 of the Companies Act, 2013. There were no material significant transactions with related parties during the year under review which were in conflict with the interest of the Company. all the contracts have been approved by Board at their Meeting held on 30.05.2019 and for all transaction with related parties audit committee has given omnibus approval.

b) Whistle Blower Policy & Affirmation

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

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

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

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

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

The Company does not have any subsidiary.

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

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

f) Details of Non-Compliances

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

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

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

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

i) Reporting of Internal Control

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

J) Audit Qualification

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

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

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

L) Compliance with Code of Conduct

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

Means of Communication

a) Financial Results

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

b) Website of Company

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

c) Email Communication

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

General Shareholder Information

a) Financial Year

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

b) Dividend Payment Date

No dividend was distributed during the reporting Financial Year 201-20 also the Board of Directors of company have not Recommended any divided this year due to saving of profit for future operations.

c) Stock Exchange where company's Security is listed

Name of the Exchange	:	National stock Exchange
NSE Symbol	:	AGROPHOS

Address : Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051
Tel No: (022) 26598100 - 8114 / 66418100
Fax No: (022) 26598120

Company has paid annual listing Fees for the year 2019-20 to the stock exchange and no further amount is outstanding now.

d) Market Price Data:

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

Month	Share Price (NSE)		NSE 500	
	High	Low	High	Low
April	74	64.7	9826.45	9577
May	77.25	65.05	9889.3	9108.45
June	88.6	72.25	9941.45	9108.45
July	98.7	83	9941.45	8928
August	95.4	79.8	9103.1	8628.35
September	102.95	80.55	9552.25	8738.65
October	116.5	102.3	9733.35	9008.85
November	133.45	116.15	9874.9	9596.85
December	155.4	80.05	9946.05	9574.85
January	72.05	23.65	10174.95	9700.35
February	22.5	11.2	10071.7	9214.1
March	14.75	5.70	9436.5	6151.6

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

Name of Entity	1st April 2019	31st March 2020	% Change
Share Price (NSE)	72	5.7	92.08
Nifty 500	9702	6996.75	27.88

e) Registrar and Share Transfer Agent

Name : Bigshare Services Private Limited

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

f) Share Transfer system

Share transfers received by the share transfer agent/Company are registered within 15 days from the date of receipt, provided the documents are complete in all respects. Physical transfer of shares were not recorded during the year.

g) Distribution of Shareholding as on 31st March 2020

Slab of Shareholders	No. of Shareholders	% of total	No of Shares	% of Total Shares
01 - 5000	15844	86.5698	1796649	8.8618
5001 - 10000	1321	7.2178	1028213	1.6170
10001 - 20000	643	3.5133	920745	4.5415
20001 - 30000	167	0.9125	414578	2.0449
30001 - 40000	83	0.4535	290160	1.4312
40001 - 50000	59	0.3224	275026	1.3565
50001 - 100000	95	0.5191	645213	3.1824
100001 - 999999999	90	0.4917	14903531	73.5101
Total	18302	100	20274115	100.00

h) Shareholding pattern as on March 31, 2020

S.No.	Category	No. of Shares	% of Shareholding
A.	Promoter Holding		
1.	Promoter & Promoter Group	11002425	54.27
	Sub Total (A)	11002425	54.27
B.	Non Promoter Holding		
1.	Institutional Investors/Foreign Portfolio Investor	11035	0.054
2.	Mutual Fund and UTI	0	0
3.	Bank, Financial Institution, NBFC	6029	0.030
4.	Central Govt./State Govt.	0	0
	Sub Total of (B)	17064	0.084
C.	Others		
1.	Body Corporate	462391	2.280
2.	NRI's	22579	0.111
3.	Individual/Trust/HUF	8491180	41.882
4.	Clearing Member	278476	1.373
	Sub Total of (c)	9254626	45.64
	Grand Total (a +b+c)	20274115	100

i) Dematerialization of shares and liquidity

19799055 equity shares represent 97.66% of total shares of company are held in Dematerialized form with both CDSL and NSDL and rest 475060 equity shares represent 2.34% are held in physical form.

During the year company have received demate requests for total 1286130 shares and as per the Company's RTA Report on 31st March 2020, all the request have been disposed of within time and no request for demate are pending.

company's shares are trading on National Stock Exchange of India Limited.

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

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

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

As on March 31, 2020, no FCCBs/ GDRs/ ADRs/ Warrants or convertible instruments were outstanding.

l) Plants Location :

Company is having two plants at the below locations:

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

m) Address for Investor Correspondence:

- | | |
|--|--|
| <p>1. Address of Company's RTA
Bigshare Services Pvt. Ltd.
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai 400059,
Maharashtra.
Cont. + 91-22-6263 8200
Email: investors@bigshare.com
Website: www.bigshareonline.com</p> | <p>2. Address of Company
M-87, trade Centre, 18 South Tukoganj
Indore, M.P.- 452001
Cont. No. 0731-2529488
Email: investors@agrophos.com
cs@agrophos.com</p> |
|--|--|

n) CEO and CFO Certification:

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

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

It is hereby declared that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the year ended March 31, 2020.

Sd/-

Place: Indore

Date: 05th September 2020

Raj Kumar Gupta

Chairman & Managing Director

Annexure to the Corporate Governance Report

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

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

We have examined the compliance of the conditions of Corporate Governance by Agro Phos (India) Limited ('the Company') for the year ended on March 31, 2020, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2020.

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

Date: 24/08/2020
Place: Indore

For Neelesh Gupta & Co.
Company Secretaries

UDIN: F006381B000610371

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

Annexure to the Board Report
Annexure-'E'
MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Our company M/s Agro Phos (India) Limited being a fertilizer manufacturer is also a part of the agriculture sector of India and continuously serving our best since its pioneering stage, we have previously one unit at dewas, M.P. only which has its capacity of 60000 MT per year and taking steps toward more growth and development, company in the year 2014 inaugurated a new plant at Meghnagar, M.P, we are manufacturing Single Super Phosphate (SSP), Nitrogen Phosphate and Potassium (NPK), Zinc Sulphate, Organic manure and Calcium Sulphate commonly known as soil conditioner or gypsum.

Our Company also undertakes trading of Diamonium Phosphate (DAP), Urea, Ammonium Sulphate and other fertilizers depending upon the demand of the customer, we are having at our plant a well-equipped in-house testing laboratory to test the products as per quality standards and relevant chemical composition. In our quest to maintain high standards of quality for our products, we have imported testing machine to test the product in real time basis. The final product has to pass special quality test to ensure that it is of the requisite quality and contains the requisite chemical composition, apart from manufacturing of above products company since last two years also trading in agricultural produce and Animal feeds management is expecting an extensive growth in this segment in future.

Segment-wise Business Review and Operational and Financial Performance:

During the financial year 2019-20, company's production and sales as well as company's Financial Performance are as below.

(Quantity in MT)				Financial Performance (Amt. in Lakhs)			
S.No.	Particulars	F.Y. 2019-20	F.Y.2018-19	S.No.	Particulars	2019-20	2018-19
	Production			1.	Revenue from operation	5194	6293
1.	SSP	57879.65	52038.2	2.	Other Income	1810	924
2.	NPK	2925.57	4265		Total Income	7005	7216
3.	Calcium Sulphate	350.50	0	3.	Total Expences	6557	7053
4.	ZINC SULPHATE (Hyptahydrate)	455.820	615.00	4	Prfit /Loss before Tax	447	163
5.	Potash	1291.700	0	5	PAT	392	83
6.	Phosphate Rich Orgainic Manure (PROM)	1530.00	0	6	Paid up Capital	2027.41	2027.41
	Sales			7	EPS	1.93	0.41
1.	SSP	55472.30	47968.6				
2.	NPK	2938	7354.83				
3.	Calcium Sulphate	1978.075	345				
4.	ZINC SULPHATE (Hyptahydrate)	313.50	605.045				
5.	Potash	43	0				
6.	Phosphate Rich Orgainic Manure (PROM)	1481.40	0				

During the year 2019-20 company was recorded 55472.30 MT sales for SSP Product which is 7503.7 MT more as compared to last F.Y, in the same way sales for Calcium Sulphate is also increased surprisingly it increased by total 1633 Mt Approx. than last year sales, it positively affected company's profit, sales for NPK was decreased due to less demand in this year, however company have promoted for two more products sales i.e. for PROM and Potash. The overall sales for F.Y. 2019-20 was 62226.27 MT as compare to 56272.83 MT in last F.Y., accordingly total sales is increased by 5953.44 MT than last year sales.

Sale of some of the products of the company is depends on Monsoon season because a better monsoon season resulted in more irrigation of soil in that year and accordingly demand for company's products increases, so we are hope a good monsoon this year, as company have all arrangements for fulfill the demands of it's products.

Fertilizer Industry and its Impact on Indian Economy

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

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

The Indian fertilizer market was worth INR 6,258 Billion in 2019 as compare to INR 5437 Billion in 2018 Fertilizers have played a key role in the success of India's green revolution and subsequent self-reliance in food-grain production. The increase in fertilizer consumption has contributed significantly to sustainable production of food grains in the country. As a result, the demand of fertilizers has witnessed double digit growth rates over the past several years. Looking forward, IMARC Group expects the Indian fertilizer market to exhibit moderate growth during 2020-2025

Industry structure and developments

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

Future Outlook

In the upcoming year, it is expected that the Indian Fertilizer industry will have some positive results, as being related to the agriculture sector, govt. focused more on Fertilizer industry, part of the same government has continued its focus on augmenting farmer income through various steps. Increased allocation across the schemes to drive irrigation facilities, improve agricultural markets, augment the allied sectors supporting income, setting-up of FPOs, crop insurance scheme and income supplementation scheme is a major positive. With these steps, Industries expects a positive rub-off effect on fertiliser off take. However, subsidy reduction remains a major negative takeaway for the fertiliser sector.

Despite the slowdown in the previous years, the SSP Industry is very optimistic for the coming financial year, on account of expected normal monsoon. Monsoons have a major impact on the agricultural sector, besides the commodity prices of major raw material inputs. In such a regime SSP fertilizer being a low cost fertilizer has an increased preference with the farmers

The performance of the Company is expected to be better in coming years considering its basic strengths as working with high efficiency, a good supply channel, skilled labour, geographical location of company's Plants, established brands. The well maintained plant and equipments ensure uninterrupted production and distribution of goods.

Risks and Concerns

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

1. Fertilizer Prices:

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

2. Fertilizer demand and purchases:

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

3. The cost of raw material input:

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

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

4. Change in Government Policies/ Procedures:

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

5. The fertilizer business is highly seasonal and such seasonality may affect our operating results.
6. We are subject to various laws and regulations relating to the handling and disposal of hazardous materials and wastes and bio-medical wastes. If we fail to comply with such laws and regulations, we can be subjected to prosecution, including imprisonment and fines or incur costs that could have a material adverse effect on the success of our business.
7. Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.
8. We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.
9. Our operations may be adversely affected in case of industrial accidents at any of our production facilities.
10. Conflicts of interest may arise out of common business undertaken by our Company, Promoters and our Group Company.

11. Our Company is dependent on third party transportation providers for the delivery of our goods and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.
12. Continued operations of our manufacturing facility are critical to our business and any disruption in the operation of our facility may have a material adverse effect on our business, results of operations and financial condition.
13. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.
14. The industry segments in which we operate being fragmented, we face competition from other players, which may affect our business operations and financial conditions.
15. We have taken guarantees from Promoters, Directors as well as others in relation to debt facilities provided to us.
16. Any changes in regulations or applicable government incentives can materially and adversely impact our operations and growth prospects.
17. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.
18. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.
19. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.
20. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.
21. Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.
22. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.

Internal Control System and their Adequacy

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

Health, Safety, Security and Environment

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

- Identification of hazard and risk present in work environment and its rectification.
- Continuous monitoring of unsafe condition and unsafe acts through safety inspection.
- Safety induction training for all employees and specific job safety awareness programs on a continuous basis.

Our factory are well equipped with required facilities including machinery, crane, conveyor belt, other handling equipments to facilitate smooth manufacturing process and easy logistics. We endeavor to maintain safety in our premises by adhering to key safety norms. we are having enough greenery at our plant location and also having modern and efficient system to dispose of factory waste, mainly we focus on re- made process of waste and scrap and we always keep in mind about optimum use of energy resources and conservation of natural resources, company is continuously visited by pollution control officers and, we will do it good, if they found any lack of safety measure and other element to protect the surrounding environment of the company.

During the COVID-19 Pandemic we have effectively take care of our employees and workers, company have provided them face mask, sanitizers and also established a sanitization tunnel at factories gate for workers and outsiders, also the company have provided food facility to all workers and other needy persons, a part of it, we are also following govt. guidelines regarding social distancing, shift wise work at plant and administrative office we also promoted work from Home.

Cautionary Statement:

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

Annexure to the Board Report Annexure 'F'

Annual Report on Corporate Social Responsibility

1. Overview

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

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

Brief of the CSR are as mentioned below

2. CSR Vision

Promote sustainable and inclusive development as a responsible corporate citizen.

3. CSR Objective

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

4. CSR Committee

The Composition of our CSR Committee is as follows

Mr. Raj Kumar Gupta	:	Chairman
Mr. Vishnu Kant Gupta	:	Member
Mr. Omprakash Chourey	:	Member

5. CSR Budget and investment of company

for the F.Y. 2019-20 company is not required to invest any amount in CSR, as company in this year came out from the ambit of CSR applicability due to company's net profit in last three F.Y. was not more than 5 Cr. nor the company fall under rest of two criteria of Turnover or Net worth.

However, Company is still required to invest the outstanding CSR Fund as continued from previous years. The total amount to be invested in CSR Activities is Rs. 2591621/-

6. Reason for not spending required amount in CSR Activities

Company's all previous arrangements regarding investment of CSR amount were not succeed due to some unavoidable circumstances hence no amount was spend by the company upto the closure of this Financial year however after the closure of this Financial Year and during this COVID-19 Pandemic period, company have spent fund to activities such as providing food to needy person, distribution of Health safety products to public at large, However the amount which invested in all these arrangements have not been included on CSR Investment this Year and will be consider in next year. also we strives to continue serve such services in future and very soon we will completely spent the amount of our CSR Liability.

**For and on behalf of the Board of Directors
Agro Phos (India) Limited**

Sd/-
Raj Kumar Gupta
(DIN: 00244925)
Managing Director

Annexure to the Board Report

Annexure- 'G'

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

A. Conservation of Energy:

1. CONSERVATION OF ENERGY:

The steps taken or impact on conservation of energy:

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

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

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

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

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

As During the year the company did not observed any need to expand it's energy sources because the available sources of energy are sufficient and therefore company has not taken any steps for utilising alternate sources of energy.

Capital Investment on energy consumption equipments during the year: NIL

B. Technology Absorption

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

(Figures in Lacs)

Particular	In USD	In Rs.
Foreign Currency Earning	Nil	Nil
Foreign Currency Outgo	10.85	818.03

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

Annexure to the Board Report
Annexure- 'H'

MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,
The Members,
AGRO PHOS (INDIA) LIMITED
CIN- L24123MP2002PLC015285
M-87, TRADE CENTRE 18M,
SOUTH TUKOGANJ,
INDORE (MP) 452001 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AGRO PHOS (INDIA) LIMITED** (hereinafter called 'the company'). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Company's Board of Directors is responsible for the matters of Compliances of the various provisions of the Companies Act, 2013 and other applicable laws. Our responsibility to conduct the audit of the Compliances made during the year upon test check basis, We have adopted such methods and procedure and based on our verification of the **AGRO PHOS (INDIA) LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the **financial year ended 31st March, 2020** has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

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

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

Not Applicable as there was no reportable event during the financial year under review;

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

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable as the Company has not delisted/ proposed to delist its equity shares from Stock Exchange during the financial year under review;**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable as there was no reportable event during the financial year under review;**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015;

(vi) The Company has informed that there are no laws which are specifically applicable to the Company

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

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

(ii) Listing Agreements entered into by the Company with National Stock Exchange of India Limited.

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

We further report that:

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

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

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

We further report that:

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

We further report that:-

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

Appointment of Cost Auditor

The Company has appointed M/s M.P. Turakhia & Associates, Cost Accountant as the cost auditor of the company under section 148 of the Companies act, 2013 and subject to the approval of Central Government in Board Meeting held on 14th August, 2019 to conduct audit of cost accounting records maintained by the Company for product(s)/Services covered under MCA Cost Audit Order for the year ending on 31st March 2020.

Appointment of Internal Auditor

M/s Pankaj Somaiya & Associates LLP, Chartered accountants is appointed as an Internal Auditor of the Company in Board Meeting held on 30th May 2019 to conduct the internal audit of the Company for the Financial Year 2019-20, as required under Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014.

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

The following appointments were made during the year:

- Mr. Vijay Singh Bharaktiya (DIN:00017285), Non-Executive & Independent Director of the Company), resigned w.e.f. 30th, May 2019.
- Mr. Abhay Gupta (DIN:07595771), Non-Executive Director), resigned w.e.f. 14th August 2019.
- Mr. Vishnu Kant Gupta (DIN:05233476), Re-appointed as Whole Time directors of the Company for a period of five years with effect from 14th November 2019.
- Change in designation of Mr. Ashok Pande (DIN 08374646) from additional director to Director (Independent, Non-Executive Director) on AGM dated 30.09.2019.

Regarding Applicability of CSR

Provision relating to CSR is not applicable to the Company for the year ended 31st March, 2020. The provisions were applicable for the year ended 2018 and Company has failed to spend any amount on it.

Date: 19.08.2020

Place: Indore

UDIN: F006381B000595189

For Neelesh Gupta & Co.
Company Secretarie

Sd/-

CS. Neelesh Gupta
Proprietor
C.P. No.6846

Independent Auditors Report

To,
The Members of
Agro Phos(India) Limited

Report on the Financial Statements

Opinion

We have audited the financial statements of **Agro Phos(India) Limited** ("the Company"), which comprise the Balance sheet as at 31st March 2020, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2020, and its profit (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Auditor's Response
Adoption of Ind AS 116 – Leases The Company has adopted Ind AS 116, which is effective from April 1, 2019 and applied the standard to its leases. Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognize a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet. The lease liabilities are initially measured by	Our audit procedures on adoption of Ind AS 116 include: <ul style="list-style-type: none"> Assessed the Company's procedure and evaluation on the identification of leases. It was based on the contractual agreements and our knowledge of the business. Assessed and tested controls in respect of the lease accounting standard (Ind AS 116); Evaluated the method of transition and related adjustments as at 1 April 2019:

discounting future lease payments during the lease term as per the contract / arrangement.	Tested completeness of the lease by reconciling the Company's operating lease commitments to computing ROU asset and the lease liabilities.
Adoption of the standard involves significant judgments and estimates including, determination of the discount rates and the lease term.	<ul style="list-style-type: none"> • On a statistical sample, we have assessed the key terms and conditions of each lease with the underlying lease contracts. • Assessed and tested the presentation and disclosures relating to Ind AS 116 including, disclosures relating to transition.

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

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

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

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

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

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 as amended.
- e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements - Refer Note 36 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- h. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 read with schedule V to the Act.

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

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

Place Indore
Date: 25/07/2020
UDIN : 20079722AAAACK3290

Annexure A to Independent Auditor's Report

Referred to in paragraph (1) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Agro Phos(India)Limitedon the Financial Statements for the year ended 31st March, 2020.

- i. In respect of its Fixed Assets :
 - a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to us, the fixed assets of the Company have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies noticed on such verification. In our opinion, the frequency of verification is reasonable.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. In respect of its Inventories:
The inventories has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable and no material discrepancies were noticed.
- iii. According to the information and explanations given to us, the Company has not granted loans secured or unsecured to company, firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion provisions of para 3 clause (iii) of the order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the investments made. The company has not granted any loan or given any guarantee or provided any security in terms of section 185 and 186 of the Act.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules, framed there under. As informed tousnoOrderhasbeenpassedbytheCompanyLawBoardorNationalCompanyLaw Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of Statutory dues:
 - a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion the Company is generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, goods and service tax, duty of customs, Cess and any other statutory dues as applicable with the appropriate authorities. There were no undisputed statutory dues in arrears, as at 31st March, 2020 for a period of more than six months from the date they became payable except Property tax amounting to Rs. 0.06 lacs related to 2017-18, Rs. 0.37 lacs related to 2018-19 and Professional Tax Rs. 0.16 lacs outstanding for more than six months not deposited.
 - b) According to the information and explanations given to us, there are no dues of income tax or service tax or goods and service tax or duties of customs or duties of excise or value added tax which have not been deposited with appropriate authorities on account of any dispute except sales tax demand as under :

Name of the Statute	Nature of Liability	# (Amount in Lacs)	Related Period	Forum where dispute is pending
Central Sales Tax Act 1956	Central Sales Tax	19.20	2016-17	The Dy. Commissioner Appeal Indore

Note : Net off Rs. 2.22 lacs deposited.

- viii. According to the records of the company examined by us and as per the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to a financial institution, bank or government as on the balance sheet date. The Company has not issued any debenture.
- ix. In our opinion and according to the information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) and In our opinion and according to the information and explanations given to us, the term loan has been applied for the purpose for which they were raised.
- x. According to the information and explanations given to us and to the best of our knowledge, no material fraud by the Company or on the company by the officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to information and explanation given to us, the company is not a Nidhi Company therefore, the provision of para 3 (xii) of the Order is not applicable to the company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, therefore the provision of para 3 (xiv) of the Order is not applicable to the company.
- xv. In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him during the year, hence the provision of para 3 (xv) of the Order is not applicable to the company.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 therefore, the provision of para 3 (xvi) of the Order is not applicable to the company for the year under audit.

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

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

Place Indore
Date: 25/07/2020
UDIN : 20079722AAAACK3290

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

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

We have audited the internal financial controls over financial reporting of Agro Phos (India) Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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 over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

Place Indore
Date: 25/07/2020
UDIN : 20079722AAAACK3290

AGRO PHOS INDIA LIMITED
CIN:L24123MP2002PLC015285
BALANCE SHEET AS AT MARCH 31, 2020

(Rs. In Lacs)

Particulars		Notes	As at March 31, 2020	As at March 31, 2019
I.	ASSETS			
(1)	Non-current assets			
	(a) Property, Plant and Equipment	1	1319.01	1391.95
	(b) Right of use asset	1.1	18.31	-
	(c) Capital work-in-progress	2	-	8.83
	(d) Intangible Assets	3	4.72	-
	(e) Financial Assets			
	(i) Investments	4	-	39.97
	(ii) Loans	5	25.92	21.37
	(iii) Others	6	4.62	0.60
	(f) Other non-current assets	7	8.57	26.87
	Total Non-current assets		1381.15	1489.59
(2)	Current assets			
	(a) Inventories	8	2689.52	1901.75
	(b) Financial Assets			
	(i) Trade receivables	9	2125.20	2014.49
	(ii) Cash and cash equivalents	10	12.44	12.98
	(iii) Bank balances other than (ii) above	11	84.81	90.67
	(iv) Loans	12	173.02	154.44
	(v) Others	13	1296.69	998.85
	(c) Other Current Assets	14	612.92	349.97
	Total Current assets		6994.60	5523.15
	Total Assets		8375.75	7012.74
II.	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity share capital	15	2027.41	2027.41
	(b) Other Equity	16	1814.65	1441.50
	Total Equity		3842.06	3468.91
	LIABILITIES			
(1)	Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17	22.95	161.58
	(ii) Others	18	6.61	7.11
	(b) Provisions	19	50.00	14.97
	(c) Deferred tax liabilities (Net)	20	213.23	300.53
	Total Non-Current Liabilities		292.79	484.19
(2)	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	21	1713.54	1750.39
	(ii) Trade payables	22		
	(a) Total outstanding dues of Micro and Small Enterprises		112.12	2.62
	(b) Total outstanding dues of creditors other than Micro & Small Enterprises		1942.45	1095.73
	(iii) Other financial liabilities	23	175.37	56.80
	(b) Other current liabilities	24	182.25	152.24
	(c) Provisions	25	1.96	1.86
	(d) Current Tax liabilities (net)	26	113.19	-
	Total Current liabilities		4240.88	3059.64
	Total Equity and Liabilities		8375.75	7012.74

The accompanying notes to accounts forming an integral part to the financial statement
General information and significant accounting policies

1 to 51

A-B

As per our report of even date attached.

For and on behalf of the Board of Directors

Sd/-
For ASHOK KHASGIWALA & CO.LLP
Chartered Accountants
(Firm Reg No.000743C/0C400037)

Sd/-
Rajkumar Gupta
Managing Director
DIN : 00244925

Sd/-
Vishnukant Gupta
Whole Time Director
DIN : 05233476

CA Avinash Baxi
Partner
Membership No. 079722
Indore, 25-07-2020

Sd/-
CS Sumit Sharma
Company Secretary

Sd/-
Rajendra Kumar Mittal
Chief Financial Officer

AGRO PHOS INDIA LIMITED
CIN:L24123MP2002PLC015285
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31,2020

(Rs. In Lacs)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
INCOME			
I Revenue from Operations	27	5194.47	6292.51
II Other Income	28	1810.08	923.91
III Total Income (I+II)		7004.55	7216.42
EXPENSES			
Cost of material consumed	29	3987.16	3066.35
Purchases of Stock-in-Trade	30	1277.29	2479.99
Changes in inventories of finished goods, work-in-progress and stock in trade	31	(590.76)	16.81
Employee Benefits Expense	32	252.51	231.47
Finance Costs	33	226.87	258.86
Depreciation, amortisation and impairment Expenses	34	113.44	107.48
Other Expenses	35	1290.90	892.21
IV Total Expenses		6557.41	7053.17
V Profit/(loss) before exceptional items and tax (III-IV)		447.14	163.25
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		447.14	163.25
VIII Tax expense			
Current Tax		134.93	34.55
MAT Credit		(60.62)	-
Deferred Tax		(19.35)	45.91
IX Profit/(loss) after tax for the year (VII-VIII)		392.18	82.79
X (A) Other Comprehensive Income			
(i) Items that will not be reclassified to statement of profit or loss			
Remeasurement of defined benefit obligation		(26.36)	(0.06)
Tax thereon		7.33	0.02
(ii) Items that will be reclassified to statement of profit or loss			
Total other comprehensive income		(19.03)	(0.05)
XI Total comprehensive income for the year (IX+X)		373.16	82.74
XII Earnings per equity share of face value of ₹10 each			
Basic and Diluted earnings per share			
a. Basic (in ₹)	39	1.93	0.41
b. Diluted (in ₹)		1.93	0.41

The accompanying notes to accounts forming an integral part to the financial statement
General information and significant accounting policies

1 to 51

A-B

As per our report of even date attached.

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO.LLP
Chartered Accountants
(Firm Reg No.000743C/0C400037)

Sd/-
Rajkumar Gupta
Managing Director
DIN : 00244925

Sd/-
Vishnukant Gupta
Whole Time Director
DIN : 05233476

Sd/-
CA Avinash Baxi
Partner
Membership No. 079722
Indore, 25-07-2020

Sd/-
CS Sumit Sharma
Company Secretary

Sd/-
Rajendra Kumar Mittal
Chief Financial Officer

AGRO PHOS INDIA LIMITED

CIN:L24123MP2002PLC015285

STATEMENT OF CHANGE IN EQUITY (SOCIE) FOR THE YEAR ENDED MARCH31,2020

(Rs. In Lacs)

a. Equity Share Capital

Particular	March 31,2020		March 31,2019	
	No of shares	Amount	No of shares	Amount
Balance at the beginning of the year	20274115	2027.41	20274115	2027.41
Changes in Equity share capital during the year	-	-	-	-
Balance at the end of the year	20274115	2027.41	20274115	2027.41

b.Other equity

(i) As at March 31, 2020

Particulars	Reserve and Surplus			Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	
Balance at the beginning of the year	20.00	705.60	715.90	1441.50
Profit/(Loss) for the year	-	-	392.18	392.18
Other Comprehensive Income for the year (net of tax)	-	-	(19.03)	(19.03)
Total comprehensive income for the year	-	-	373.16	373.16
Balance at the end of the year	20.00	705.60	1089.06	1814.65

(i) As at March 31, 2019

Particulars	Reserve and Surplus			Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	
Balance at the beginning of the year	20.00	705.60	645.36	1370.95
Profit/(Loss) for the year	-	-	82.79	82.79
Dividend (including tax thereon)	-	-	(12.20)	(12.20)
Other Comprehensive Income for the year (net of tax)	-	-	(0.05)	(0.05)
Total comprehensive income for the year	-	-	70.54	70.54
Balance at the end of the year	20.00	705.60	715.90	1441.50

The accompanying notes to accounts forming an integral part to the financial statement
General information and significant accounting policies

1 to 51

A-B

As per our report of even date attached.

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO.LLP

Chartered Accountants
(Firm Reg No.000743C/0C400037)

Sd/-

Rajkumar Gupta
Managing Director
DIN : 00244925

Sd/-

Vishnukant Gupta
Whole Time Director
DIN : 05233476

Sd/-

CA Avinash Baxi

Partner

Membership No. 079722

Indore,25-07-2020

Sd/-

CS Sumit Sharma
Company Secretary

Sd/-

Rajendra Kumar Mittal
Chief Financial Officer

AGRO PHOS INDIA LIMITED
CIN:L24123MP2002PLC015285
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2020

(Rs.in Lacs)

Particulars	Year Ended	Year Ended
	31.03.2020	31.03.2019
	(Audited)	(Audited)
A. Cash flow from Operating activities		
Net Profit/ (Loss) before Tax	447.14	163.25
Adjustment for :		
Depreciation and amortisation	113.44	107.48
Finance costs	226.88	258.86
Interest Received	(6.12)	(5.70)
(Gain) / Loss on sale of Property, Plant and Equipment	-	(1.12)
Net gain on sale of investments	(1.89)	-
Net gain on fair value of investments	-	(2.54)
Provision /(Reversal of provision) on doubtful debts	6.48	3.67
Employee Benefits directly charged to OCI	(26.36)	(0.06)
Unrealised gain / (loss) on Foreign currency translation	44.60	(4.47)
Operating profit/(loss) before working capital changes	804.17	519.37
Adjustment for :		
Trade and Other receivables	(706.67)	607.67
Inventories	(787.77)	(360.24)
Trade and Other Payables	1025.29	(464.89)
Cash generated from Operations	335.02	301.91
Income Tax (Paid)/Refund	(21.75)	(53.91)
A. Net Cash Flow from Operating activities	313.26	248.00
Cash flow from investing activities		
Purchase of Property, Plant and Equipment (including CWIP)	(34.82)	(59.42)
Sale of Investment	41.86	5.89
Interest Received	6.10	4.62
Change in investment in FD with banks	5.86	(1.67)
B. Net Cash Flow from Investing activities	18.99	(50.58)
Cash flow from Financing activities		
Proceeds from Borrowings	11.12	73.91
Repayment of Borrowings	(111.47)	-
Dividend paid (including tax thereon)	-	(12.20)
Finance costs	(232.44)	(253.41)
C. Net Cash flow from Financing activities	(332.79)	(191.70)
Net Increase / (Decrease)in Cash and Cash Equivalent	(0.54)	5.72
Cash and Cash Equivalent at the beginning of the year	12.98	7.26
Cash and Cash Equivalent at the end of the year	12.44	12.98
Cash and Cash Equivalent Comprises :		
Balances with Banks	10.90	6.92
Cash on hand	1.54	6.06

For ASHOK KHASGIWALA & CO.LLP

Chartered Accountants
(Firm Reg No.000743C/0C400037)

Sd/-

Rajkumar Gupta

Managing Director
DIN : 00244925

Sd/-

Vishnukant Gupta

Whole Time Director
DIN : 05233476

Sd/-

CA Avinash Baxi

Partner
Membership No. 079722
Indore,25-07-2020

Sd/-

CS Sumit Sharma

Company Secretary

Sd/-

Rajendra Kumar Mittal

Chief Financial Officer

Notes forming part of financial statements						(Amount in Lacs)
NOTE: 1 - PROPERTY, PLANT AND EQUIPMENT						
TANGIBLE ASSETS						
Particulars	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Total
a. Gross carrying amount						
As at April 1, 2018	640.06	840.17	23.59	27.63	9.04	1540.49
Additions	27.78	7.60	0.56	28.31	4.48	68.73
Deduction/Adjustments	-	-	-	7.01	-	7.01
As at March 31, 2019	667.84	847.77	24.15	48.93	13.52	1602.20
Additions	8.83	0.93	-	24.70	3.94	38.40
Deduction/Adjustments	-	-	-	-	-	-
As at March 31, 2020	676.67	848.70	24.15	73.63	17.45	1640.60
b. Accumulated depreciation and impairment						
As at April 1, 2018	22.54	72.27	2.53	4.57	3.10	105.01
Depreciation charge for the year	22.98	72.72	2.54	6.06	3.18	107.48
Deduction/Adjustments	-	-	-	2.23	-	2.23
As at March 31, 2019	45.52	144.99	5.07	8.40	6.27	210.25
Depreciation charge for the year	25.10	71.78	2.30	8.06	4.11	111.35
Deduction/Adjustments	-	-	-	-	-	-
As at March 31, 2020	70.62	216.77	7.37	16.46	10.38	321.60
c. Net Carrying Amount						
As at March 31, 2019	622.32	702.78	19.08	40.53	7.24	1391.95
As at March 31, 2020	606.05	631.92	16.78	57.17	7.08	1319.01

Note

(1) Refer Note no 21 for details of Property, Plant and Equipment pledged

NOTE: 1.1 - RIGHT OF USE ASSETS

Gross carrying amount			
Particulars			Land - Lease hold
As at 31st March, 2019			-
Additions			19.87
Disposals/Adjustments			
As at 31st March, 2020			19.87
Accumulated Depreciation and Impairment			
As at 31st March, 2019			-
Depreciation for the year			1.56
Disposals/Adjustments			-
As at 31st March, 2020			1.56
Net Carrying Value			
As at 31st March, 2019			-
As at 31st March, 2020			18.31

Refer Note 49

NOTE: 2- CAPITAL WORK-IN-PROGRESS

Capital Work in Progress	Building WIP
As at April 1,2018	18.14
Additions	18.47
Deduction/Adjustments	27.78
As at 31st March, 2019	8.83
Additions	-
Deduction/Adjustments	8.83
As at March 31, 2020	-

NOTE: 3- INTANGILBLE ASSETS

Particulars	Computer Software
a. Gross carrying amount	
As at April 1,2019	-
Additions	5.25
Deduction/Adjustments	-
As at March 31, 2020	5.25
b. Accumulated Amortisation	
As at April 1,2019	-
Additions	0.53
Deduction/Adjustments	
As at 31st March, 2020	0.53
c. Net Carrying Amount	
As at 31st March, 2019	-
As at 31st March, 2020	4.72

Notes forming financial statements

(Rs.in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
NOTE: 4 - NON-CURRENT INVESTMENTS		
Investment in Mutual Funds		
(Measured at Fair value through Profit and Loss (FVTPL))		
A) Quoted		
Union Capital Protection Oriented Fund Series 7 - Regular Plan - Growth - INF582M01CN2, Nil units (Previous year 350000 Units)	-	39.97
	-	39.97
Aggregate amount of quoted investments and market value thereof	-	39.97
Aggregate amount of unquoted investments - Cost	-	-
Aggregate provision for diminution in value of investments	-	-
NOTE: 5 - LOANS - NON CURRENT ASSETS		
(Unsecured, considered good)		
Security Deposits	25.92	21.37
	25.92	21.37
NOTE: 6 - OTHER FINANCIAL ASSETS - NON CURRENT		
a. Interest Accrued but not due		
On Fixed Deposits With Bank	0.05	0.02
b. Balance with Banks in Deposit Accounts having maturity over 12 months (earmarked as security for Guarantees issued by Bank)	0.57	0.57
c. Other receivable	4.00	-
	4.62	0.60
NOTE: 7 - OTHER NON CURRENT ASSETS		
Advance Tax (Net of Provision)	8.57	8.56
Prepaid Lease rentals (refer note 49)	-	18.31
	8.57	26.87
NOTE: 8 - INVENTORIES		
Raw Materials (including packing material's)	986.14	789.13
Work-in-progress	794.38	111.19
Finished goods	480.55	321.32
Stock- in- Trade (in respect of goods acquired for trading)	428.45	680.11
	2689.52	1901.75
Note: Inventories are valued at lower of cost and net realisable value, except scrap, which is valued at net realisable value.		
NOTE: 9 - TRADE RECEIVABLES		
Unsecured, considered good	2125.20	2014.49
Credit Impaired	27.49	21.00
	2152.68	2035.49
Less : Provision/Allowance for doubtful debts	27.49	21.00
	2125.20	2014.49
Note: The above includes debts due from firms/private companies in which directors are interested Rs. 351.85 lacs [previous year Rs. 331.87 lacs]		

NOTE: 10 - CASH AND CASH EQUIVALENTS

Balance with Banks		
In Current Accounts	1.54	6.92
Cash on hand	10.90	6.06
	12.44	12.98

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

Earmarked Balances with bank		
(a) Unpaid Dividend	0.25	0.25
(b) In Deposit Accounts with original maturity less than 12 months	84.56	90.42
	84.81	90.67

NOTE: 12 - LOANS - CURRENT ASSETS

Unsecured, considered good		
Security Deposits	173.02	154.44
	173.02	154.44

NOTE: 13 - OTHER FINANCIAL ASSETS - CURRENT

Accrued interest	3.31	3.31
Subsidy Receivable	1293.38	995.54
	1296.69	998.85

NOTE: 14 - OTHER CURRENT ASSETS

Advance against supply*	224.76	92.33
Balance with Government Authorities	376.04	254.86
Other Advance	10.26	-
Prepaid Insurance	1.86	1.22
Prepaid lease rentals (refer note 49)	-	1.56
	612.92	349.97

* Includes (Rs.24.50 lacs) dues from parties in which directors are interested

Notes forming part of financial statements

(Rs.in Lacs)

Particulars	As atMarch 31, 2020	As atMarch 31, 2019
NOTE: 15 - EQUITY SHARE CAPITAL		
(a) Authorised		
210,00,000 (previous year 210,00,000 Equity shares) of Rs. 10/- each	2100.00	2100.00
	2100.00	2100.00
(b) Issued, Subscribed and paid-up		
2,02,74,115 (previous year 2,02,74,115) Equity share of Rs. 10 each fully paid up	2027.41	2027.41
	2027.41	2027.41

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

Particulars	As atMarch 31, 2020		As at March 31,2019	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares :				
Equity Shares at the beginning of the year	20274115	2027.41	20274115	2027.41
Add: Shares issued during the year	-	-	-	-
Equity Shares at the end of the year	20274115	2027.41	20274115	2027.41

1.2 Terms / Rights attached to Equity Shares :

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

The details of shareholders' holding more than 5 % Shares

1.3

EQUITY SHARES	As atMarch 31, 2020		As at 31st March 2019	
	No. of Shares	% age of holding	No. of Shares	% age of holding
Raj Kumar Suhane	4,300,435	21.21	4,300,435	21.21
Vishnu Kant Gupta	1,596,075	7.87	1,596,075	7.87
Ramesh Chand Suhane	1,795,050	8.85	1,795,050	8.85

1.4 For a period of five years immediately preceding the date of Balance Sheet i.e. 31st March 2020 the company has :-

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

(ii) Allotted 11515292 equity shares as fully paid up by way of bonus shares during F.Y. 16-17.

(iii) Not bought back any shares.

(Rs.in Lacs)

(Rs.in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019	
NOTE: 16 - OTHER EQUITY			
A Capital Reserve			
Balance as at the beginning of the year	20.00	20.00	
Less : Utilised during the year	-	-	
Balance as at the end of the year	20.00	20.00	
B Securities Premium			
Balance as at the beginning of the year	705.60	705.60	
Add : Received during the year	-	-	
Balance as at the end of the year	705.60	705.60	
C Retained Earnings			
Balance as at the beginning of the year	715.90	645.36	
Add: Net Profit/(Loss) for the year	392.18	82.79	
Less: Dividend paid (including tax thereon)	-	(12.20)	
Less: Remeasurement of the defined benefit plans through OCI (net of tax)	(19.03)	(0.05)	
Balance as at the end of the year	1089.06	715.90	
Total Other equity	1814.65	1441.50	
NATURE AND PURPOSE OF RESERVES			
(I) Securities Premium			
Securities Premium Reserve is created on recording of premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.			
(II) Retained Earnings			
The same is created out of profits over the years and shall be utilised as per the provisions of the Act.			
NOTE: 17 - BORROWINGS - NON CURRENT			
A Secured			
Term Loans from Banks			
a.From Banks (refer note A below)	22.59	11.47	
Less : Shown under current maturities of Long Term Debt (Refer Note 23)	6.63	3.56	
	15.96	7.91	
b. From Others (refer note B below)	81.75	156.38	
Less : Shown under current maturities of Long Term Debt (Refer note 23)	74.76	2.71	
	6.99	153.66	
	22.95	161.58	
Note : Nature of Security and terms of repayment for secured borrowings			
(A) Name of the lender	Nature of Security	Terms of Repayment	Rate of interest
Term loan from Axis Bank, Sanctioned amount Rs. 7.65lacs, Outstanding amount Rs.4.57lacs (March 31, 2019: Rs.6.00 lacs)	Secured by hypothecation of asset purchased.	Repayable in 60 monthly instalments of Rs. 0.16lacs (including interest) each, commenced from January, 2018 and last intsalment due in December 2022.	8.36% p.a.(Pre.Year 8.36%)
Term loan from Axis Bank, Sanctioned amount Rs. 6.65lacs Outstanding amount Rs.3.34lacs (March 31, 2019: 5.46lacs)	Secured by hypothecation of asset purchased.	Repayable in 36 monthly instalments of Rs.0.21lacs (including interest) each, commenced from September, 2018 and last intsalment due in August 2021	9.51% p.a.(Pre Year 9.51%)
Term loan from Yes Bank, Sanctioned amount Rs. 16.00lacs, Outstanding amount Rs.14.68lacs- (March 31, 2019- Nil)	Secured by hypothecation of asset purchased.	Repayable in 60 monthly instalments of Rs.0.33lacs (including interest) each, commenced from October, 2019 and last intsalment due in September 2024	9.5% p.a. (Prev Yr Nil)

(B)	Term loan from MPFC , Sanctioned amount Rs. 6.50lacs, Outstanding amount Rs. 71.81lacs (March 31, 2019: Rs. 146.59lacs)	Secured by first charge by way of equitable mortgage of land (leasehold), factory building, plant & machinery, furniture & fixtures (existing & future) of the company, situated at plot no. 135-A, 136-A, 137-A and 137-A Industrial Area, Meghnagar & Personal guarantee of directors.	Repayable in 24 quarterly instalments, first 8 instalments of Rs. 12.50lacs each, next 4 instalments of Rs. 25.00lacs each and balance 12 instalments of Rs. 37.50lacs each, commenced from November, 2014 and last installment due in August, 2020	14.25% p.a.(Pre.Year 14.25% p.a.)
	Term loan from Kotak Mahindra Prime Limited, Sanctioned amount Rs. 15.00lacs, Outstanding amount Rs.9.94lacs (March 31, 2019: 12.60lacs)	Secured by hypothecation of asset purchased.	Repayable in 60 monthly instalments of Rs. 0.31lacs (including interest) each, commenced from May, 2018 and last intsalment due in April 2023.	8.34% p.a.(Pre Year 8.34%)
Secured long term borrowings from financial institution aggregating to Rs.75.58lacs (Previous year Rs.152.10lacs) [including interest accrued and due Rs.3.77lacs (Previous Year Rs.5.51lacs)] are secured by personal guarantee of directors.				
NOTE: 18 - OTHER FINANCIAL LIABILITIES - NON CURRENT				
Dealership Deposit			6.61	7.11
			6.61	7.11
NOTE: 19 - PROVISIONS				
Provision for employee benefits				
Gratuity			50.00	14.97
			50.00	14.97
NOTE: 20 - DEFERRED TAX LIABILITY (NET)				
Deferred Tax Liabilities				
Depreciation on property, plant & equipment			295.44	315.35
Total (A)			295.44	315.35
Deferred Tax Assets				
Provision for Doubtful Debts			7.65	5.84
Other Timing Difference			13.94	6.61
Loss Carried Forward				2.37
Total (B)			21.59	14.82
MAT Credit Entitlement			60.62	-
Net Defrred Tax Liability/(Assets)			213.23	300.53

Notes forming part of financial statements

(Rs.in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
NOTE: 21 - BORROWINGS - CURRENT		
Secured		
Loans repayable on demand		
Working Capital Loans from bank	1713.54	1750.39
	1713.54	1750.39
Note		
1 Working Capital Loans from Axis Bank Rs. 1713.54 lacs (Pre.Year Rs. 1750.39 lacs) Interest rate 10% (PY 9.10%)is secured by :		
a) Hypothecation of stocks of raw materials, finished goods, stores and spares, stock in process, packing materials and book debts, and all other movable fixed assets, both present and future,of the Company and personal guarantee of Directors.		
b) Further secured by Equitable Mortgage on following property:		
1. Factory land and building situated at 13A/2, Dewas Industrial Area ,Office premises of M-91-92 Trade Center, 18 South Tukoganj Indore and Office premises at gold plaza, MG Road Indore .		
2.Resident Plot no. 120 PLCC DLF Garden city Indore, 37 & 38 Megha Apartment , Ram Nagar, Annex ,Dewas , Residential Plot no. WB-93, Sector B, Scheme No. 94, IDA, Ring road Indore and Residential Plot No. 40 Ramanagar Annex, A.B road ,Dewas in the name of Rajkumar Gupta (Director),		
3. Residential House A-7, Mangal Murti Nagar, Navlakha Main Road Indore in the name of Mrs. Uma Gupta,		
4. Residential House WA-12, Sector A, Scheme No. 94, Ring Road Indore in the name of Ms. Shraddha Gupta		
5. Pledge of 10 Lacs Equity shares of promoters having market value of Rs. 212 lacs as on 24.07.2017		
2 Secured by hypothecation of Inventories & Book debts. Also Secured by personal guarantee of Directors of the company.		
3 Short term borrowings aggregating to Rs. 1713.54lacs (Pre. Year Rs. 1750.39 lacs) is personally guaranteed by directors.		
NOTE: 22 - TRADE PAYABLE		
(a) Total outstanding dues of Micro and Small Enterprises (Refer note 37)	112.12	2.62
(b) Total outstanding dues of creditors other than Micro & Small enterprises	1942.45	1095.73
	2054.57	1098.35
NOTE: 23 - OTHER FINANCIAL LIABILITIES		
Current maturities of long-term debt(refer note 17)	81.39	6.27
Interest accrued	4.66	10.24
Unclaimed Dividends (refer note (i) below)	0.25	0.25
Others		
(i) Bank Overdraft as per book	10.46	7.92
(ii) Other Liabilities (refer note (ii) below)	78.61	32.12
	175.37	56.80
Note		
i) There are no amounts due for payment to the Investor Education and Protection Fund under Companies Act, 2013.		
ii) other liabilities includes liabilities for expenses		
NOTE: 24 - OTHER CURRENT LIABILITIES		
Advances from customers	175.40	135.54
Statutory Dues	6.85	16.69
	182.25	152.24
NOTE: 25 - PROVISIONS		
Provision for Gratuity	1.84	1.49
Provision for Compensated absences	0.12	0.38
	1.96	1.86
NOTE: 26 - CURRENT TAX LIABILITIES (NET)		
Provision for taxation	113.19	-
	113.19	-

Notes forming part of financial statements

(Rs.in Lacs)

Particulars	For the year 2019-20	For the year 2018-19
NOTE: 27 - REVENUE FROM OPERATIONS		
Sales of products	5194.47	6292.51
	5194.47	6292.51
NOTE: 28 - OTHER INCOME		
a Interest Income (at amortised cost)	6.12	5.70
b Net Gain on Sale/Discard of Property, Plant and Equipments	-	1.12
c Net gain on Foreign Currency Transactions and Translations	-	2.59
d Rent received	4.80	4.80
f Subsidy on SSP	1778.82	903.45
g Other Non-Operating Income	18.45	3.71
h Net gain on fair value of investments	1.89	2.54
	1810.08	923.91
NOTE: 29 - COST OF MATERIAL CONSUMED		
a) Raw Material	3813.06	2919.74
b) Packing Material	174.09	146.61
	3987.16	3066.35
NOTE: 30 - PURCHASE OF STOCK IN TRADE		
Purchases of Stock-in-Trade	1277.29	2479.99
	1277.29	2479.99
NOTE: 31 - CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE		
Inventory at the beginning of the Year		
Finished Goods	321.32	435.31
Work in Progress	111.19	107.00
Stock In Trade	680.11	587.12
	1112.62	1129.43
Inventory at the end of the year		
Finished Goods	480.55	321.32
Work in Progress	794.38	111.19
Stock In Trade	428.45	680.11
	1703.38	1112.62
Net (Increase) / Decrease in Inventories	(590.76)	16.81
NOTE: 32 - EMPLOYEE BENEFITS EXPENSES		
Salary, Wages and Bonus	242.75	221.16
Contribution to Provident and Other Funds	4.54	5.34
Staff Welfare expenses	5.21	4.97
	252.51	231.47

NOTE: 33 - FINANCE COST

Interest Expense	213.77	218.95
Other borrowing costs	13.10	39.90
	226.87	258.86

NOTE: 34 - DEPRECIATION, AMORTISATION AND IMPAIRMENT EXPENSES

Depreciation and amortisation	113.44	107.48
	113.44	107.48

NOTE: 35 - OTHER EXPENSES

Power and Fuel	263.03	201.14
Stores, spares and consumables	56.95	98.63
Processing Charges	66.11	17.39
Rent	17.95	18.21
Repairs to Machinery	19.89	24.51
Repairs to Buildings	30.45	3.69
Repairs to Others	30.60	24.64
Insurance	4.19	2.95
Rates & Taxes excluding taxes on income	6.72	1.67
Factory Expenses	0.19	1.14
Legal and Professional Charges	25.21	15.06
Travelling & Conveyance Expenses	21.28	20.58
Vehicle Expenses	8.70	6.22
Selling and Distribution expenses	14.67	29.02
Freight and Forwarding	593.57	383.46
Net Loss on Foreign Currency Transactions and Translations	63.39	-
Provision for doubtful debts	6.48	3.67
Bad Debts Written off	32.60	-
Miscellaneous Expenses	28.95	40.22
	1290.90	892.21

Notes forming part of financial statements

(Rs.in Lacs)

NOTE: 36 - CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31st March, 2020	As at 31st March, 2019
a. Contingent Liability		
Sales Tax demand disputed in appeal	21.42	Nil
b. Capital commitments	Nil	Nil

NOTE: 37 - DISCLOSURE REQUIRED UNDER SECTION 22 OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

- a. Trade Payables includes Rs. 112.12 lacs (previous year Rs.2.62 lacs) amount due to Micro and Small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).
- b. The detail of amount outstanding to Micro and Small Enterprises are as under:

Particular	As at March 31, 2020	As at March 31, 2019
Principle amount due and remain unpaid	112.12	2.62
Interest due on above and unpaid interest	0.89	0.16
Interest paid	-	-
Interest payment made beyond appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

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

NOTE: 38 - PAYMENT TO AUDITOR

Particular	2019-2020	2018-2019
a. For Statutory audit	2.50	2.50
b. For Tax Audit	1.00	1.00
c. For Other services	0.75	0.86
d. For Cost audit	0.25	0.25

NOTE: 39 - EARNING PER SHARE (EPS)

Particular	2019-2020	2018-2019
Basic and diluted earnings per share :		
a. Net Profit after tax	392.18	82.79
c. Weighted average number of equity shares	20,274,115	20,274,115
d. Nominal value of ordinary share (Rs.)	10.00	10.00
e. Basic and diluted earning per share	1.93	0.41

NOTE: 40

The Company is not required to spend any amount on Corporate Social Responsibility activities under Section 135 of the Companies Act, 2013 for the year ended 31st March 2020, (previous year nil) calculated as per Section 198 of the Companies Act, 2013.

Notes forming part of financial statements

Note 41 : Tax Expenses

Tax expenses recognised in the statement of Profit and Loss

(Rs.in Lacs)

I. Income tax related to items recognised directly in profit or loss of the statement of profit and loss during the year	As at March 31, 2020	As at March 31, 2019
Current Tax on profit for the year	134.93	34.55
MAT credit	(60.62)	-
Deferred Tax	(19.35)	45.91
Tax expenses for the year charged in Profit & Loss (a)	54.96	80.46
Deferred tax recognized in Other Comprehensive Income (OCI) (b)	7.33	0.02
Total Tax expenses for the year (a+b)	62.30	80.48
Reconciliation of effective tax rate		
Profit before tax	447.14	163.25
Applicable Tax Rate	27.82%	20.58%
Computed tax expense	124.39	33.60
Adjustments for taxes for		
- Allowance for expenses/income	(16.38)	(11.22)
- Disallowance for expenses	34.25	12.19
MAT Credit entitlement	(60.62)	-
Deferred Tax on Account of PPE	(19.91)	(19.60)
Deferred tax on account of other Financial assets and other items	(6.77)	65.49
Income tax as per statement of profit and loss	54.96	80.46
Effective Tax Rate	12.29%	49.29%

The movement in Deferred tax assets and liabilities during the year ended March 31st, 2020 and March 31st, 2019

Particulars	Opening Balance	Recognition in Profit or Loss	Recognition in OCI	Closing Balance
For the Year 2019-20				
Deferred Tax Liabilities				
Depreciation on Property, Plant & Equipments	315.35	(19.91)	-	295.44
I.	315.35	(19.91)	-	295.44
Deferred Tax Assets				
Provision for Doubtful Debts & advances	5.84	1.80	-	7.65
Other Timing Differences	6.61	-	7.33	13.94
Loss carried forward	2.37	(2.37)	-	-
II.	14.82	(0.57)	7.33	21.59
Deferred Tax Liabilities (Net)	300.53	(19.35)	(7.33)	273.85
For the Year 2018-19				
Deferred Tax Liabilities				
Depreciation on Property, Plant & Equipments	334.95	(19.60)	-	315.35
I.	334.95	(19.60)	-	315.35
Deferred Tax Assets				
Provision for Doubtful Debts & advances	4.82	1.02	-	5.84
Other Timing Differences	3.82	2.77	0.02	6.61
Loss carried forward	71.67	(69.30)	-	2.37
II.	80.31	(65.51)	0.02	14.82
Deferred Tax Liabilities (Net)	254.64	45.91	(0.02)	300.53

Notes forming part of financial statements

(Rs.in Lacs)

NOTE: 42 - DISCLOSURE AS PER IND AS 19 - EMPLOYEE BENEFITS

A. Defined Contribution Plans

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

Particulars	2019-20	2018-19
Employer's contribution to Provident Fund	3.38	3.32
Employer's contribution to ESIC	1.16	2.03

B. Gratuity

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31,2020.The present value of the defined benefit obligations and the related current service cost, were measured using the Projected Unit Credit Method.

Particulars	2019-20	2018-19
I. Reconciliation of defined benefit obligation.		
Liability at the beginning of the year	16.46	11.34
Current Service Cost	7.91	4.17
Interest Cost /(income)	1.12	0.87
Remeasurement due to :		
Actuarial loss/ (gain) arising change in financial assumptions	5.68	-
Actuarial loss/ (gain) arising change in demographic assumptions	-	-
Actuarial loss/ (gain) arising on account of experience adjustments	20.68	0.06
Benefit Paid	-	-
Defined benefit obligation at the end of the year	51.84	16.46
II. Reconciliation of opening and closing balance of fair value of plan assets.		
Fair value of pan assets at the beginning of the year	-	-
Interest on plan assets	-	-
Other	-	-
Contributions Paid by Employer	-	-
Benefit Paid from Fund	-	-
Included in OCI	-	-
actuarial (Gains)/Losses on Obligation for the period	-	-
Return on Plan Assets Excluding Interest Income	-	-
Fair value of plan asset at the end of the year	-	-
III. Amount Recognized in the Balance Sheet		
Present Value of funded defined benefit obligation	51.84	16.46
Fair Value of Plan Assets at the end of the year	-	-
Net funded obligation	51.84	16.46
Present value of unfunded defined benefit obligation	-	-
Amount not recognised due to asset limit	-	-
Net defined benefit liability / (asset) recognised in Balance sheet	51.84	16.46
Net defined benefit liability / (asset) is bifurcated as below :		
Current	1.84	1.49
Non - Current	50.00	14.97

IV.	Expense Recognised in Statement of Profit & Loss					
	Current Service Cost	7.91		4.17		
	Net Interest Cost	1.12		.87		
	Administrative expenses	-		-		
	Past Service Cost	-		-		
	Acturial (Gain)/ Loss on settlement			-		
	Expense Recognized in P&L	9.03		5.05		
V.	Amount Recognised in Other Comprehensive Income (OCI)					
	Opening amount recognised in OCI outside profit and loss account	-		-		
	Remeasurement due to :					
	Changes in financial assumptions	5.68		-		
	Changes in demographic assumptions	-		-		
	Experience adjustments	20.68		0.06		
	Actual return on plan assets less interest on plan assests					
	Closing amount recognised in OCI outside profit and loss account		26.36		0.06	
VI.	Net defined liability / (asset) reconciliation					
	Opening Net defined benefit liability / (asset)	16.46		11.34		
	Expense charged to profit and loss account	9.03		5.05		
	Employers Contribution			-		
	Amount recognised outside Profit& loss	26.36		0.06		
	Impact of liability assumed or settled					
	Closing net defined benefit liability /(asset)	51.84		16.46		
VII.	Assumptions					
	The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages)					
	Particulars	31-Mar-20		31-Mar-19		
	Discount Rate	6.80%		7.7%		
	Salary Escalation Rate	7%		7%		
	Attrition Rate	5%		5%		
VIII.	Sensitivity analysis					
	Reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant, would have					
	affected the defined benefit obligation by the amounts shown below : Particulars	31-Mar-20		31-Mar-19		
		1% Increase	1% Decrease	1% Increase	1% Decrease	
		Change in discounting rate	45.58	59.30	14.47	18.87
		Change in Salary escalation rate	59.21	45.54	18.86	14.44
Withdrwal Rate		51.80	51.89	16.53	16.38	

NOTE: 43 - RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES

Disclosure of transactions with related parties as per Ind AS -24 :

A. List of related parties and their relationships

(i) Key Managerial Personnel

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

(ii) Entity where person, close member or Key Managerial Personnel (KMP) has significant influence and with whom transactions have taken place

Name of Person / entity	Relation
Mrs Uma Gupta	Relative of KMP
Nitin Suhane	Relative of KMP
Abhay Gupta	Relative of KMP as well as non executive director of company upto 14.08.2019
Shradhha Gupta	Relative of KMP
Suhane Agro India Pvt Ltd.	Relative of KMP able to exercise significant influence
Madhav Agrochem Pvt Ltd	Relative of KMP able to exercise significant influence
M/s. Vinod Trading Co.	Relative of KMP able to exercise significant influence
Mahadhan Phoshate Pvt. Ltd.	Relative of KMP able to exercise significant influence
Madhav Sales Corp Pvt. Ltd.	Relative of KMP have significant influence (wef 25.04.2018)
Madhav Sales Corp	Relative of KMP have significant influence
Nafco Commodities Pvt Ltd.	KMP able to exercise significant influence (up to 04.01.2019)
APINDIA Biotech Ltd.	KMP able to exercise significant influence (up to 30.09.2018)
Vinod Sales Corpoartion	Relative of KMP able to exercise significant influence
M/s Abhay Sales Corporation	Relative of KMP is able to exercise significant influence

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

(Rs.in Lacs)

Nature of Transaction	2019-20	2018-19
Managerial Remuneration		
Raj Kumar Gupta	30.00	30.00
Vishnu Kant Gupta	18.00	18.00
Salary Paid		
Vidit Garg	-	2.50
Dilip Kumar Jain	-	2.43
CS Neelam Jain	-	0.95
Mrs Uma Gupta	4.80	4.80
Shradhha Gupta	2.70	3.05
Rajendra Kumar Mittal	16.00	1.33
Sumit Sharma	2.76	1.42
Nature of Transaction	2019-20	2018-19

Sitting Fees		
Abhay Gupta	0.10	0.25
Purchase of Goods		
Mahadhan Phosphate Pvt. Ltd.	-	60.50
Suhane Agro India Pvt Ltd.	0.42	56.81
Madhav Agrochem Pvt Ltd	-	43.89
Nafco Commodities Pvt Ltd.	-	464.41
Madhav Sales Corp Pvt. Ltd.	-	5.69
APINDIA Biotech Ltd.	-	347.45
Sales of Goods		
M/s. Vinod Trading Co.	182.67	169.16
Suhane Agro India Pvt Ltd.	466.88	405.39
Madhav Agrochem Pvt Ltd	240.00	27.07
Madhav Sales Corp Pvt. Ltd.	104.61	61.71
Madhav Sales Corp	-	8.02
M/s Vinod sales corporation	9.02	-
Nafco Commodities Pvt Ltd.	-	142.10

Balance with related parties	As at 31.03.2020	As at 31.03.2019
Trade Receivables		
Madhav Agrochem Pvt Ltd	-	53.96
Madhav Sales Corp Pvt. Ltd.	20.09	32.34
Suhane Agro India Pvt Ltd.	313.79	245.57
M/s Vinod Sale Corp.	17.98	-
Trade Payables		
Suhane Agro India Pvt Ltd.	-	7.21
Advance from Customers		
M/s Abhay Sales Corporations	22.00	-
M/s. Vinod Trading Co.	11.56	15.00
Madhav Agrochem Pvt Ltd	6.31	20.79
Other Payables		
Vishnu Kant Gupta	20.53	-
Raj Kumar Gupta	0.75	-
Advance to Suppliers		
Mahadhan Phosphate Pvt.Ltd	24.50	-

Notes forming part of financial statements

(Rs.in Lacs)

NOTE: 44 - FINANCIAL INSTRUMENTS BY CATEGORY AND FAIR VALUE HIERARCHY

A. Accounting classification and fair values

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

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

(i) March 31, 2020 (Amount)	FVTPL	FVTOCI	Carrying amount		Fair value		
			Amortised Cost	Total	Level 1	Level 2	Level 3
Financial assets							
(i) Investments	-	-	-	-	-	-	-
(ii) Trade receivables	-	-	2125.20	2125.20	-	-	-
(iii) Cash and cash equivalents	-	-	12.44	12.44	-	-	-
(iv) Bank Balance other than above	-	-	84.81	84.81	-	-	-
(v) Loans	-	-	198.95	198.95	-	-	-
(vi) Others	-	-	1301.31	1301.31	-	-	-
	-	-	3722.70	3722.70	-	-	-
Financial liabilities							
(i) Borrowings	-	-	1817.89	1817.89	-	-	-
(ii) Trade payables	-	-	2054.57	2054.57	-	-	-
(iii) Other Financial liability	-	-	100.59	100.59	-	-	-
	-	-	3973.05	3973.05	-	-	-

(i) March 31, 2019 (Amount)	FVTPL	FVTOCI	Carrying amount		Fair value		
			Amortised Cost	Total	Level 1	Level 2	Level 3
Financial assets							
(i) Investments	39.97	-	-	39.97	39.97	-	-
(ii) Trade receivables	-	-	2014.49	2014.49	-	-	-
(iii) Cash and cash equivalents	-	-	12.98	12.98	-	-	-
(iv) Bank Balance other than above	-	-	90.67	90.67	-	-	-
(v) Loans	-	-	175.81	175.81	-	-	-
(vi) Others	-	-	999.45	999.45	-	-	-
	39.97	-	3293.40	3333.37	39.97	-	-
Financial liabilities							
(i) Borrowings	-	-	1918.24	1918.24	-	-	-
(ii) Trade payables	-	-	1098.35	1098.35	-	-	-
(iii) Other Financial liability	-	-	57.64	57.64	-	-	-
	-	-	3074.23	3074.23	-	-	-

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

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

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

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

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

Notes forming part of financial statements

(Rs.in Lacs)

NOTE: 45 - FINANCIAL INSTRUMENTS- FAIR VALUES AND RISK MANAGEMENT

Financial risk management

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

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

Risk management framework

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

(i) Market risk

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

i(a) Currency risk

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

Exposure to currency risk

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

Particulars	As at 31st March 2020	As at 31st March 2019
	Foreign Currency Exposure in INR	Foreign Currency Exposure in INR
Receivable net exposure		
Trade receivables	-	-
Receivable net exposure	-	-
Payable net exposure		
Trade payables and other financial liabilities	818.03	230.20
Payable net exposure	818.03	230.20
Forward exchange contracts against imports and foreign currency payables	-	-
Payable net exposure	818.03	230.20
Total net exposure on Receivables /(Payables)	(818.03)	(230.20)

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

Particulars	Profit/(Loss) March 31, 2020		Profit/(Loss) March 31, 2019	
	Strengthening	Weakening	Strengthening	Weakening
Effect in Indian Rupees				
INR	(8.18)	8.18	(2.30)	2.30

Notes forming part of financial statements

i (b) Interest Rate Risk

(Rs.in Lacs)

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

Interest rate risk exposure -variable rate

Particulars	As at 31st March 2020	As at 31st March 2019
Borrowing from bank	1736.14	1761.86
Borrowing from financial institution	81.75	156.38
	1817.89	1918.24

Interest rate sensitivity

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

Particulars	Impact on Profit/(loss) before tax	
	1% Increase	1% Decrease
March 31, 2020		
On account of Variable Rate Borrowings from Banks	(18.18)	18.18
Sensitivity	(18.18)	18.18
March 31, 2019		
On account of Variable Rate Borrowings from Banks	(19.18)	19.18
Sensitivity	(19.18)	19.18

i(c) Commodity Risk

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

While the Company is exposed to fluctuations in agricultural commodities prices, its policy is to minimise its risks arising from such fluctuations by hedging its sales either through direct purchases of a similar commodity or through futures contracts.

In the course of hedging its sales either through direct purchases the Company may also be exposed to the inherent risk associated with trading activities

conducted by its personnel. The Company has in place a risk management system to manage such risk exposure.

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

(Rs.in Lacs)

	Profit/(loss) March 31, 2020		Profit/(loss) March 31, 2019	
	Increase	Decrease	Increase	Decrease
Effect of increase / (decrease) in prices				
Profit before taxes	2.11	(2.11)	0.87	(0.87)

Notes forming part of financial statements

(Rs.in Lacs)

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customer. The Company establishes an allowance for doubtful debts and impairment that represents its estimate on expected loss model .

A. Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

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

Particulars	As at March 31, 2020	As at March 31, 2019
Past due but not impaired		
Past due 0-90 days	1001.59	1245.35
Past due 91-180 days	445.90	222.13
Past due more than 180 days	705.19	568.01
	2152.68	2035.49

Expected credit loss assessment for customers as at March 31, 2020 and March 31, 2019

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

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

Particulars	Amount
Balance as at April 1, 2019	21.00
Bad debts written off	32.60
Provision for Doubtful debts	39.08
Balance as at March 31, 2020	27.49

Particulars	31-Mar-19
Balance as at April 1, 2018	17.33
Bad debts written off	-
Provision for Doubtful debts	3.67
Balance as at March 31, 2019	21.00

B. Cash and cash equivalents

The Company holds cash and cash equivalents with credit worthy banks of Rs.1.54 lacs as at March 31, 2020, (Rs.6.92 lacs as at 31st March 2019).The credit worthiness of such banks is evaluated by the management on an ongoing basis and is considered to be good.

D. Investments

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

Notes forming part of financial statements

(iii) Liquidity risk

(Rs. in Lacs)

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained fund based lines from various banks. The Company also constantly monitors various funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Exposure to liquidity risk

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

* all non derivative financial liabilities

A As at March 31, 2020

(i) Non-derivative financial liabilities

Secured term loans and borrowings
Trade payables
Other financial liabilities (repayable on demand)

Carrying amount	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
1817.89	1817.89	1794.94	8.90	14.05	-
2054.57	2054.57	2054.57	-	-	-
100.59	100.59	93.98	6.61	-	-
3973.05	3973.05	3943.49	15.51	14.05	.00

B As at March 31, 2019

(i) Non-derivative financial liabilities

Secured term loans and borrowings
Trade payables
Other financial liabilities (repayable on demand)

Carrying amount	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
1918.24	1844.58	1756.66	8.18	79.73	-
1098.35	1098.35	1098.35	-	-	-
57.64	57.64	50.53	7.11	-	-
3074.23	3000.57	2905.55	15.29	79.73	-

NOTE: 46 - CAPITAL MANAGEMENT

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

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

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

Particulars	As at March 31, 2020	As at March 31, 2019
Total liabilities	1822.55	1928.48
Less : Cash and cash equivalent	12.44	12.98
Adjusted net debt	1810.11	1915.49
Total equity	3842.06	3468.91
Adjusted net debt to adjusted equity ratio	0.47	0.55

B. Dividends

Amount of Dividends approved during the year by shareholders

Particulars	March 31, 2020		March 31, 2019	
	No. of Shares	Figures In Rs.	No. of Shares	Figures In Rs.
Equity Shares	20,274,115	-	20,274,115	9.99

NOTE: 47 - SEGMENT REPORTING

A. General Information

(i) Factors used to identify the entity's reportable segments, including the basis of organisation Based on the criteria as mentioned in Ind As 108 "Operating Segment", the Company has identified its reportable segments as under :

- Segment - 1 Fertilizers
- Segment - 2 Commodities
- Segment - 3 Unallocable

The Chief Operating Decision Maker ("CODM") has evaluated the Company's performance and segments have been identified taking into account the type of products, the differing risk and returns and internal reporting system.

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

(Amount in lacs)

A. Operating Segment Information				
Particulars	Fertilizers	Commodities	Unallocable	Total
Segment Revenue	6,746.66	245.08	12.81	7,004.54
	6,142.00	1,060.39	14.00	7,216.39
Segment Result before Finance Cost and Tax	820.98	1.97	(148.93)	674.02
	512.11	5.11	(95.00)	422.22
Finance Cost				226.88
				258.89
Profit Before Tax , Exceptional Items				447.14
				163.33
Exceptional Items				-
				-
Profit Before Tax				447.14
				163.33
Provision for Taxes				
Current Tax				134.93
				34.55
Tax for earlier Year				-
				-
Deferred Tax				(79.97)
				45.91
Profit After Taxes				392.18
				82.87
Segment Assets	7,921.48	359.19	95.09	8,375.76
	6,618.00	219.00	176.00	7,013.00
Segment Liabilities	2,113.94	283.65	2,136.09	4,533.69
	1,419.00	36.00	2,089.00	3,544.00
Segment Depreciation	97.53	-	15.91	113.44
	93.77		13.70	107.47
Capital Expenditure				-
				-
Non Cash expenditure other than depreciation	-	-	-	-
	-	-	-	-

B. Geographical Segment

All Operating facilities of the Company are located in India

Particulars	2019-20	2018-19
Domestic Revenue	7,004.54	7,216.39
Export Revenue	-	-
Total Revenue	7,004.54	7,216.39

C. Revenue from Major Products

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

Particulars	2019-20	2018-19
i) Fertilizers		
NPK Products	464.95	985.21
SSP Products	3169.08	2571.84

D. Revenue fro Major Customers

Customer contributed 10% or more to the company's revenue for the year ended March 31,2020 from following segment:

Fertilizer

SSP Products

913.94

Notes forming part of financial statements

NOTE: 48 - DISCLOSURE ON FINANCIAL AND DERIVATIVE INSTRUMENTS

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

- 1 Notional amount of forward contracts entered into by the Company and outstanding - Nil
(Previous Year Nil as at 1st April 2018 Nil)

- 2 Foreign Currency exposure which are not hedged as at the year end:

- a. Payable in foreign currency on account of refund of Import of Materials (Rs.in Lacs)

2019-20			2018-19		
Currency	Amount in foreign	Amount in Lacs	Currency	Amount in foreign	Amount in Lacs
USD	10.85	818.03	USD	3.32	230.20

- b. Receivables in Foreign currency on account of exports - Nil (Previous Year Nil as at 1st April 2018 - Nil)

NOTE: 49 - LEASE

(Where company is lessor)

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

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

(Where company is lessee)

- a. The Company has adopted Ind AS 116 'Leases' effective from April 1, 2019 and elect not to apply requirements of Ind AS 116 since leases are short - term leases.

- b. Lease holdland are amortized over period of lease and shown as Right to Use asset under Note 1

- c. Prepaid lease rental amounting to Rs.19.87 lacs as on 31.03.2019 classified as Right to use assets under Note 1.1 as per requirement of Ind AS 116.

NOTE: 50 COVID

Company is manufacturer of Fertilizer Products, which covers under essential commodities as announced by government therefore company was allowed to continue production process w.e.f initial phase of lockdown during COVID - 19 Pandemic, hence there is no such adverse impact on company's operations.

NOTE: 51

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

As per our report of For and on behalf of the Board of Directors

Sd/-
For ASHOK KHASGIWALA & CO.LLP
Chartered Accountants
(Firm Reg No.000743C/0C400037)

Sd/-
Rajkumar Gupta
Managing Director
DIN : 00244925

Sd/-
Vishnukant Gupta
Whole Time Director
DIN : 05233476

Sd/-
CA Avinash Baxi
Partner
Membership No. 079722
Indore, 25-07-2020

Sd/-
CS Sumit Sharma
Company Secretary

Sd/-
Rajendra Kumar Mittal
Chief Financial Officer

A. General Information

Agro Phos (India) limited is a Public Limited Company incorporated under the Companies Act, 1956 bearing Corporate Identity No. L24123MP2002PLC015285 dt. 19.09.2002 having registered office at M-87, Trade Centre 18M, South Tukoganj, Indore, MP -452001. The Company was initially incorporated as a private limited company and has converted into public limited company w.e.f.28.02.2004. Initially company established its fertilizer manufacturing facility at Industrial Area, Dewas (M.P.). During the year 2014-15 company also established its new manufacturing facility at Meghnagar Distt. Jhabua (M.P.). The company is also engaged in fertilizer and commodities trading. The shares of the company are listed at the National Stock exchange.

B. Significant accounting policies

i. Statement of compliance

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

ii. Basis of Preparation

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

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

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Functional and presentation currency

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

iii. Use of Estimates, Judgments and Assumptions

The preparation of financial statements in accordance with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect on amount recognized in the financial statements are:

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

iv. Revenue

Recognition

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

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

Measurement

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

The transaction price is the amount that the entity expects to be entitled to in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some taxes on sales). The consideration promised may include fixed amounts, variable amounts, or both.

i. Sale of goods

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

ii. Interest and Dividend

Interest income is recognized on accrual basis using the effective interest method. Dividend income is recognised in profit or loss on the date on which the company's right to receive payment is established.

v. Inventories

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

vi. Property, Plant and Equipment

a. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses (if any).

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit or loss, Lease hold land is recognised as right of use asset and amortised over period of lease.

b. Subsequent expenditure

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

c. Depreciation

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

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

The estimated useful lives, residual value and depreciation method are reviewed at the end of each balance sheet date, any changes therein are considered as changes in estimate and accordingly accounted for prospectively.

e. Capital Work In progress

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

vii. Intangible Assets

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

Recognition and measurement

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

Subsequent expenditure

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

Amortisation

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

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

viii. Employee benefits

i. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised 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 benefit plans

The liability for gratuity a defined benefit plan is determined annually by a qualified actuary using the projected unit credit method.

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

Premeasurement of the net defined benefit plans in respect of post-employment are charged to other comprehensive income. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

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

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

iii. Other employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of obligation as at the Balance sheet date determined based on an actuarial valuation.

iv. Defined Contribution Plan

The company's payments to the defined contribution plans are recognized as expenses during the period in which the employees perform the services that payment covers. Defined contribution plan comprise of contribution to the employees' provident fund with government, Employees' State Insurance and Pension Scheme.

ix. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to other comprehensive income or a business combination, or items recognised directly in equity.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year 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 also includes any tax arising from dividends.

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

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

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets and liabilities are reviewed at the end of each reporting period.

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

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

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off deferred tax assets against deferred tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

x. Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Difference arising on settlement of monetary items are recognised in statement of profit and loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets.

Non-monetary items that are measured based on historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Exchange difference arising out of these transactions are generally recognised in statement of profit and loss.

In respect of the Forward Exchange contracts entered into to hedge foreign currency risk, the difference between the Forward Rate and exchange Rate at the inception of the contract is recognized as income or expense.

xi. Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Qualifying asset are the assets that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss in the period in which they are incurred.

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

xii. Cash and Cash Equivalent

Cash and cash equivalent includes the cash and Cheques in hand, bank balances, demand deposits with bank and other short term, highly liquid investments with original maturity 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.

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

xiii. Cash Flow Statement

Cash flows are reported using indirect method, whereby profit/ (loss) before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flow. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

xiv. Earning Per Share

- i. Basic earnings per share is arrived at based on net profit / (loss) after tax available to equity shareholders divided by Weighted average number of equity shares, adjusted for bonus elements in equity shares issued during the year (if any) and excluding treasury shares.
- ii. Diluted earnings per share is calculated by dividing Profit attributable to equity holders after tax divided by Weighted average number of shares considered for basic earning per share including potential dilutive equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

xv. Provisions, Contingent Liabilities and Contingent Assets

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

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

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

xvi. Leases

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.

As per the requirements of Ind AS 116 the company evaluates whether an arrangement qualifies to be a lease. In identifying a lease the company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Right of Use Assets

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the lease term. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable and impairment loss, if any, is recognised in the statement of profit and loss.

Lease Liability

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Operating leases

The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right-of-use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at April 1, 2019.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor.

xvii. Impairment of Non-Financial Assets

The company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the company estimates the amount of impairment loss.

For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as cash generating unit.

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

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

xviii. Financial Instruments

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

i. Financial assets

Classification

The Company classifies financial assets in the following measurement categories :

- a. Those measured at amortised cost and
- b. Those measured subsequently at fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

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

Measured at amortised cost

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

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

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

Measured at fair value through other comprehensive income (FVOCI)

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

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Financial assets included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

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

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

In addition, the group company may elect to classify a financial asset, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

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

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

Impairment of financial assets

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

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

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

- i. Trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

ii. Financial liabilities

Classification

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

Initial recognition and measurement

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

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

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

Financial liabilities at fair value through profit or loss.

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

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

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

Loans and borrowings

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

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

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

Derecognition

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

Derivative financial instruments

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

Offsetting

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

xix. Measurement of fair values

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

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

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

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

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

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

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

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

xx. Government Grants

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

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

Form No. MGT-11 Proxy

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

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

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

1.Name:.....Address:..... E-mail Id:.....

Signature:..... or failing him/her

2.Name:.....Address:.....E-mail:.....

Signature:..... or failing him/her

3.Name:.....Address:..... E-mail Id:.....

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the Wednesday 30th September 2020 At 12.30 P.M. at Hotel Surya, 5/5, Surya Circle, Nath Mandir Road, South Tukoganj, Indore, Madhya Pradesh 452001 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolution type	Description	For	Against
1.	Ordinary Resolution	To Consider and adopt the Audited Financial Statements comprising Balance Sheet, Statement of Profit and Loss Account, Cash Flow Statements for the year ended 31st March, 2020 together with the report of the Board of Directors & Auditors thereon.		
2.	Ordinary Resolution	To appoint Director in place of Mr. Abhishek Kalekar (DIN:07758751) who retires by rotation and, being eligible offers himself for re-appointment..		
3.	Ordinary Resolution	To confirm payment of remuneration to M/s MP Turkhia & Associates, cost auditors as Rs. 30,000/- Plus GST to conduct audit of cost Records of company for the financial year ending March 31, 2021		
4.	Special Resolution	To appoint Mr. VishnuKant Gupta (DIN: 05233476) as Whole-Time Director of company for a term of Five w.e.f. 14 th November 2019 at a Remuneration of Rs. 1,50,000/-(Rupees One Lakh Fifty Thousand Only)		

Signed this..... day of..... 2020

Signature of Shareholder.....

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

Affix Rs.1
Revenue
Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. This is only optional. Please put "x" in the appropriate column against the resolution indicated in the box. If you leave the "For" or "Against" column blank against any or all resolutions. Your proxy will be entitled to be vote in the manner/as he/she thinks appropriate.

AGRO PHOS (INDIA) LIMITED
M-87, Trade Centre 18m, South Tukoganj Indore MP 452001

FORM NO. MGT.12
POLLING PAPER/ BALLOT PAPER

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

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

No.	Particulars	Type of Resolution	No. of shares held by me	I assent to the resolution	I dissent from the resolution
Ordinary Business					
1.	To Consider and adopt the Audited Financial Statements comprising Balance Sheet, Statement of Profit and Loss Account, Cash Flow Statements for the year ended 31st March, 2020 together with the report of the Board of Directors & Auditors thereon.	Ordinary Resolution			
2.	To appoint Director in place of Mr. Abhishek Kalekar (DIN:07758751) who retires by rotation and, being eligible offers himself for re-appointment..	Ordinary Resolution			
Special Business					
3.	To confirm payment of remuneration to M/s MP Turkhia & Associates, cost auditors as Rs. 30,000/- Plus GST to conduct audit of cost Records of company for the financial year ending March 31, 2021	Ordinary Resolution			
4.	To appoint Mr. VishnuKant Gupta (DIN: 05233476) as Whole-Time Director of company for a term of Five w.e.f. 14 th November 2019 at a Remuneration of Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand Only)	Special Resolution			

Place :Indore
Date:30/09/2020

(Signature of the shareholder)

Route Map to the Vanue of AGM HOTEL SURYA

5/5, Surya Circle, Nath Mandir Road, South Tukoganj, Indore, Madhya Pradesh 452001

