

**NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED**  
**ANNUAL REPORT 2019-20**

DATE OF AGM: 30/09/2020

**NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED**

[CIN: L25209GJ1992PLC017791]

**ANNUAL REPORT 2019-20**

BOARD OF DIRECTORS	:	MR. VRAJLAL VAGHASIA MR. JITENKUMAR VAGHASIA MRS. DAXA VAGHASIA MR. VINESH BABARIA MR. KANTIBHAI DEVANI MR. GIRISHBHAI BALDHA
AUDIT COMMITTEE	:	MR. GIRISH BALDHA MR. VINESH BABARIA MR. JITENKUMAR VAGHASIA
NOMINATION AND REMUNERATION COMMITTEE	:	MR. VINESH BABARIA MR. GIRISH BALDHA MR. KANTIBHAI DEVANI
STAKEHOLDERS RELATIONSHIP COMMITTEE	:	MR. VINESH BABARIA MR. GIRISH BALDHA MR. JITENKUMAR VAGHASIA
STATUTORY AUDITORS	:	M/S. HARDIK KADIA & CO., CHARTERED ACCOUNTANTS AHMEDABAD
COMPANY SECRETARY AND COMPLIANCE OFFICER	:	MRS. DIPIKA SONI (W.E.F 20.07.2020)
CHIEF FINANCIAL OFFICER	:	MR. ABHISHEK A PATEL
REGISTERED OFFICE	:	PLOT NO. 119-120, SANTEJ-VADSAR, AT & POST SANTEJ, TALUKA: KALOL, DISTRICT: GANDHINAGAR – 382 721
REGISTRAR & SHARE TRANSFER AGENT	:	PURVA SHAREGISTRY PVT LTD UNIT NO. 9, SHIV SHAKTI IND. ESTATE, J .R. BORICHA MARG, OPP. KASTURBA HOSPITAL LANE, LOWER PAREL (E) MUMBAI 400 011

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**NOTICE**

NOTICE is hereby given that the 28<sup>th</sup> Annual General Meeting of M/s. Narmada Macplast Drip Irrigation Systems Limited (L25209GJ1992PLC017791) will be held on Wednesday, 30<sup>th</sup> September, 2020 at 3:00 P.M. through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), to transact the following business: -

**ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2020, the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jiten Vaghasia (DIN - 02433557) who retires by rotation and being eligible, offers himself for re-appointment.

**BY ORDER OF THE BOARD**  
**For NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED**

**Sd/-**

**VRAJLAL VAGHASIA**  
**MANAGING DIRECTOR**  
**DIN- 02442762**

Date: 05<sup>th</sup> September, 2020  
Place: Ahmedabad

**NOTES:**

1. In view of the global outbreak of COVID-19, the Ministry of Corporate Affairs (MCA), Government of India, has vide its General Circular No. 14/ 2020 dated 8th April 2020, General Circular No. 17/ 2020 dated 13th April 2020, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19” and General Circular No. 20/ 2020 dated 5th May 2020, in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020, in relation to “Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 - Covid-19 pandemic” (“SEBI Circular”) have permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 (the “Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the “Rules”), as amended from time to time, read with the MCA Circulars, SEBI Circular and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) the Annual General Meeting (“AGM”) of the Company is scheduled to be held on Wednesday, 30th September 2020, at 3 P.M. (IST) through VC/OAVM and the voting for items to be transacted in the Notice to this AGM only through remote electronic voting process (“e-Voting”).
2. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.
3. Corporate Members intending to send their authorized representatives to attend and vote at the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members intending to appoint their authorized representatives to attend the AGM through VC or OAVM and to vote thereat through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at thakrarassociates@yahoo.com with a copy marked to evoting@nsdl.co.in and narmadadrip@gmail.com
5. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on National Securities Depository Limited's ("NSDL") e-Voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars.
8. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on National Securities Depository Limited's ("NSDL") e-Voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars.
9. Further, due to threat posed by COVID-19 and in terms of the MCA Circulars and the SEBI Circular, the Company is sending this AGM Notice along with the Annual Report for FY2020 in electronic form only to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the AGM and the Annual Report for FY2020 has been uploaded on the website of the Company at <https://www.narmadadrip.com/> and may also be accessed from the relevant section of the website of the Stock Exchanges i.e. BSE Limited ("BSE") at [www.bseindia.com](http://www.bseindia.com) respectively. The AGM Notice is also available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
10. Members may join the AGM through laptops, smartphones, tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
11. Members are provided with the facility for voting through Voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, are eligible to exercise their right to vote at the AGM.
12. Members who have already cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already cast the vote through remote e-Voting.
13. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's e-mail address at [narmadadrip@gmail.com](mailto:narmadadrip@gmail.com) before 3.00 p.m. (IST) on Wednesday, September 23, 2020. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.

14. Members who would like to express their views/ask questions as a Speaker at the AGM may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/ folio number, PAN and mobile number to narmadadrip@gmail.com between Monday, September 7, 2020 (9:00 a.m. IST) and Wednesday, September 23, 2020 (5:00 p.m. IST). Only those Members who have pre-registered themselves as speakers will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Members who need assistance before or during the AGM, can contact NSDL on their Toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in or contact NSDL officials Mr. Pratik Bhatt at designated email ID: pratikb@nsdl.co.in or at telephone nos.: +91-22-24994738, or Ms. Sarita Mote at designated email ID: saritam@nsdl.co.in or at telephone nos. : +91-22-24994890.

15. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. Wednesday, September 23, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or the Company/TSR.
16. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 26th September, 2020 to Wednesday, 30th September, 2020 (both days inclusive).
17. The details of the Directors seeking appointment in forthcoming Annual General Meeting to be provided in terms of Regulation 36 of SEBI (LODR) Regulations, 2015 with the Stock Exchanges is furnished in the Annexure.
18. The Register of Director and Key Managerial Personnel and their shareholding, maintained under section 170 of the companies Act, 2013 ('the Act'), and the Register of Contract or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available for inspection by the member at the AGM.
19. Shareholders seeking any information with regard to Accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
20. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company on all working days between 11.00 a.m. to 1.00 p.m. prior to date of Annual General Meeting.
21. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Share registrars and Transfer Agents.

22. Members holding the shares in physical mode are requested to convert their shares in Demat Form and further to notify immediately the change of their address, email id and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address, email id and bank particulars should be given to their respective Depository Participant.

**23. Voting through electronic means:**

- i. The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in compliance of Section 108 of the Companies Act, 2013 read with the Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the business set out in the notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through e-voting platform of Central Depository Services (India) Limited ("remote e-voting).
- ii. Members whose names are recorded in the Register of members or in the register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. 23 September, 2020, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- iii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. 23 September, 2020, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.
- iv. The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the Meeting, but shall not be entitled to cast their vote again.

The instructions for e-voting are as under:  
SECTION A - E-VOTING PROCESS –

**A. The instructions for shareholders voting electronically are as under:**

**The remote e-voting period begins on Sunday, September 27, 2020 at 09:00 A.M. and ends on Tuesday, September 29, 2020 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.**

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

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

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.



5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [thakrarassociates@yahoo.com](mailto:thakrarassociates@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to (Name of NSDL Official) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [narmadadrip@gmail.com](mailto:narmadadrip@gmail.com).  
In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [narmadadrip@gmail.com](mailto:narmadadrip@gmail.com).
2. Alternatively member may send an e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER: -**

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

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at (company email id)..
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Contact Details**

**Company:** **NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD**  
Regd. Office: Plot No.119-120, Santej Vadsar Road Near Alex Cable  
At.Santej TI.Kalol Gandhinagar  
CIN: L25209GJ1992PLC017791  
Phone: (079) 27498670  
E-mail ID: narmadadrip@gmail.com

**Registrar and Transfer Agent:**  
PURVA SHAREGISTRY PVT LTD  
Unit no. 9, Shiv Shakti Industrial Estate, J .R. Boricha Marg,  
Opp. Kasturba Hospital Lane, Lower Parel (E)  
Mumbai 400 011  
Phone: (022) 23016761  
E-mail: purvashr@gmail.com

**e-Voting Agency:**  
National Securities Depository Limited  
E-mail ID: evoting@nsdl.co.in

**Scrutinizer:** **Viral Thakrar – Thakrar & Associates**  
Company Secretaries  
E-mail ID: csviralthakrar@gmail.com

**BY ORDER OF THE BOARD**  
**For NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED**

**Sd/-**

**VRAJLAL VAGHASIA**  
**MANAGING DIRECTOR**  
**DIN- 02442762**

Date: 05<sup>th</sup> September, 2020  
Place: Ahmedabad

**Details of the Directors seeking appointment in forthcoming Annual General Meeting  
(in pursuance of Regulation 36 of SEBI(LODR), Regulations. 2015)**

Name of Director	Mr. Jiten Vaghasia
Director Identification No.	02433557
Date of Birth	02/02/1973
Date of appointment	05/04/2011
Relationship with directors	Mr. Vrajlal Vaghasia (Father) Mrs. Daxa Vaghasia (wife)
Expertise in specific functional areas	Rich experience of Plastic industry.
Qualifications	Graduate
Shareholding in Narmada Macplast Drip Irrigation Systems Limited as on 31/03/2020	88200
List of other Public Companies in which Directorship held as on 31/03/2017	NA
Chairman / Membership of the Committees of the Board of the Companies on which he / she is a Director	<u>Narmada Macplast Drip Irrigation Systems Ltd</u> Audit Committee-Member Stakeholders Relationship Committee-Member Risk Management Committee-Member Share Transfer Committee-Chairman

**DIRECTORS' REPORT**

To  
The Members  
**Narmada Macplast Drip Irrigation Systems Limited**  
Ahmedabad

Your Directors have pleasure in presenting the 28<sup>th</sup> Annual Report of the Company with the audited statements of accounts for the year ended 31<sup>st</sup> March, 2020.

**1. FINANCIAL RESULTS:**

(Rs. In Lakhs)

Particulars	For the Year 2019-20	For the Year 2018-19
Turnover & Other Income	401.54	898.68
Net Profit before Depreciation & amortization	2.02	10.88
<b>Less:</b> Depreciation	1.71	1.89
Net Profit /Loss Before Extra-Ordinary Item	0.30	8.99
<b>Current Tax</b>	0.08	2.21
Net Profit for the year	0.22	6.90

**2. STATE THE COMPANY'S AFFAIRS AND OPERATIONS:**

The Company is engaged in business of drip irrigation system. During the year, your Company had a turnover and earned other income in tune of Rs 401.54 lakhs as compare to the total revenue of Rs. 898.68 lakhs recorded for the previous year and the net profit before tax for the current year is Rs. 0.30 lakhs compared to profit of Rs.8.99 lakhs as recorded in the previous year.

**3. CHANGE IN NATURE OF BUSINESS:**

During the year under Report, there was no change in the nature of business of the Company.

**4. TRANSFER TO RESERVES:**

The Board of Directors has carried profit of Rs. 22573/- to reserve account.

**5. DIVIDEND:**

Your directors have not recommended any dividend.

**6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

There is no dividend declared in the previous year and hence no amount required to transfer to Investor Education and Protection Fund

**7. FIXED DEPOSITS:**

The Company neither has accepted nor invited any deposit from the public, within the meaning of section 73 of the Companies, Act, 2013 and the Rules made thereunder.

## **8. SHARE CAPITAL**

The Authorized Share Capital of the Company is Rs. 5,00,00,000/- and paid up share capital of the Company is Rs. 3,62,30,000/-. Each share is of Rs. 10/-

## **9. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR**

There are no any material changes and commitments occurred after the end of the financial year, which is affecting the financial position of the Company.

## **10. THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:**

There are no holding, subsidiaries, joint ventures or associate company of the Company. During the financial year ended on 31<sup>st</sup> March, 2020, The performance and financial position of subsidiaries, associates and joint ventures as per rule 8(1) of the Companies (Accounts) Rules, 2014 is not applicable.

## **11. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

There was no change in Directors during the year under review.

The Board of Directors as on 31<sup>st</sup> March, 2020 is Mr. Vrajlal Vaghasia, Mr. Jiten Vaghasia, Mr. Girish Baldha, Mr. Kantibhai Devani, Mr. Vinesh Babariya and Mrs. Daxa Vaghasia.

Ms. Juhi Shah was appointed as Company Secretary and Compliance officer on 09<sup>th</sup> April, 2019 and she resigned on 14<sup>th</sup> November, 2019.

## **12. ANNUAL RETURN:**

The extract of Annual Return as prescribed under Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is set out in an annexure as 'Annexure I' to this report. The same will be available on company's website [www.narmadadrip.com](http://www.narmadadrip.com).

## **13. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY**

The company does not have and subsidiary, holding or associate company. The Company has not come into Joint Venture with any other organization.

## **14. MEETINGS OF BOARD:**

During the financial year 2019-20, 05 (Five) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI listing Regulations.

## **15. BOARD EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors based on inputs from the directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings. Also, the Chairman was also evaluated on the key aspects of his role.

In the separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated. The same was discussed in the Board meeting that followed the meeting of the independent directors, at which the performance of the Board, its committee and individual director was also discussed.

## **16. INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has adequate internal financial controls commensurate with the nature & size of business of the Company

## **17. DECLARATION BY INDEPENDENT DIRECTORS: (Pursuant to Provisions of section 149(6) OF the Companies Act 2013)**

All the Independent Directors of the Company do hereby declare that:

- (1) All the Independent Directors of the Company are neither Managing Director, nor a Whole Time Director nor a Manager or a Nominee Director.
- (2) All the Independent Directors in the opinion of the Board are persons of integrity and possesses relevant expertise and experience.
- (3) Who are or were not a Promoter of the Company or its Holding or subsidiary or associate company.
- (4) Who are or were not related to promoters or directors in the company, its holding, subsidiary or associate company.
- (5) Who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year.
- (6) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary, or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lacs rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year,
- (7) Who neither himself, nor any of his relatives,
  - (a) Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of three financial years immediately preceding the financial year in which he is proposed to be appointed.

- (b) Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial years in which he is proposed to be appointed of
- (i) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; OR
  - (ii) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent, or more of the gross turnover of such firm;
  - (iii) Holds together with his relatives two per cent, or more of the total voting power of the company; OR
  - (iv) Is a Chief Executive or director, by whatever name called, or any non-profit organization that receives twenty five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; OR
- (v) Who possesses such other qualifications as may be prescribed?

#### **18. DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of section 134 Clause (C) of Sub-Section (3) of the Companies Act, 2013, in relation to financial statements for the year 2019-20, the Board of Directors state:

- a) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2020, as far as possible and to the extent, if any, accounting standards mentioned by the auditors in their report as not complied with, all other applicable accounting standards have been followed along with proper explanation relating to material departure;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit and loss account of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis; and
- e) The directors in the case of a listed company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



## **19. DECLARATION BY BOARD AS PER REQUIREMENT OF SECTION 178 (1)**

In compliance with Section 178 (1) of the Companies Act, 2013 the Board of Directors do hereby declare that:

- a. The Company has proper constitution of the Board of Directors including Independent Directors.
- b. The Company has constituted Nomination and Remuneration Committee, Stakeholders Relationship Committee, Audit Committee as per requirements of provisions of the Companies Act 2013.
- c. The Company has the policy for selection and appointment of independent directors who are persons of reputation in the society, have adequate educational qualification, sufficient business experience and have integrity & loyalty towards their duties.
- d. Company pays managerial remuneration to its Managing/Whole Time Director.
- e. The Independent Directors are not paid sitting fee for attending Board and other committee meetings held by the Board from time to time.
- f. The Company is not paying any commission on net profits to any directors.

## **20. AUDIT COMMITTEE**

The Detail pertaining to composition of audit committee, its scope and attendance of members are included in the Corporate Governance Report, which forms part of this report.

## **21. STATUTORY AUDITORS:**

M/s. Hardik Kadia & Co, Chartered Accountants have been appointed as Statutory Auditors of the Company for period of Five years from the conclusion of the 25<sup>th</sup> Annual General Meeting till the conclusion of the 29<sup>th</sup> Annual general Meeting of the Company, In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Report given by the Auditors on the financial statement for the financial year ending on 31<sup>st</sup> March, 2020 of the Company is part of this Report. There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/explanation. The Notes on financial statements are self-explanatory, if any, and needs no further explanation.

## **22. SECRETARIAL AUDITORS:**

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration personnel) Rules, 2014, the Board of Directors appointed M/s. Thakrar & Associates, Company Secretaries in Practice to conduct Secretarial Audit of the Company for Financial Year 2019-20. The Report of the Secretarial Audit Report is set out in an annexure as 'Annexure 'II' to this report.

In connection, with the auditors' observation in the Secretarial Audit Report, the explanation / clarifications of the Board of Directors are as under:

With regard to observations of the Secretarial Auditor for non-compliances of various provisions of the Companies Act, 2013 and Listing Regulation, it is stated that the Company is not having major operations and the management of the Company is striving hard to operate effectively and taking steps to make necessary compliances under the Companies Act, 2013 and Listing Regulation.

**23. PARTICULARS OF EMPLOYEES:**

The particulars of employees in accordance with the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is set out in an Annexure 'IV' to this report. On an average during the year total employees in the Company were four excluding Managing Director and Whole time Director of the Company.

The particulars of employees falling under the purview of Section 197 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are - NIL.

**24. DISCLOSURE WHETHER MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013**

Under Section 148 of the Companies Act, 2013, the Central Government has prescribed maintenance and audit of cost records vide the Companies (Cost Records and Audit) Rules, 2014 to such class of companies as mentioned in the Table appended to Rule 3 of the said Rules. The Company does not fall under Maintenance and audit of cost records and accordingly maintenance cost records and audit provisions are not applicable to the Company.

**25. DISCLOSURE ON FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE ACT**

There were no offences involving an instance of fraud reported by the Auditors of the Company under sub-section (12) of Section 143 of the Act other than those which are reportable to the Central Government for the year ended March 31, 2019.

**26. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Details of Loan, Guarantee and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**27. RELATED PARTY TRANSACTIONS:**

All the transactions entered into with related parties as defined under the Companies Act, 2013 and the Listing Regulation, if any, during the year were on an arm's length price basis and in the ordinary course of business. Such transactions have been approved by the Audit Committee. The Board of Directors of the Company has formulated the Policy on Related Party Transactions.

During the Financial Year 2019-20, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors. In the preparation of financial statements, the Company has followed the Accounting Standards. The significant accounting policies which are applied have been set out in the Notes to Financial Statements. The Board has received disclosures from Key Managerial Personnel, relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.

**28. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:**

The Company production unit is closed since more than two years, hence this clause is not applicable.

**29. CORPORATE GOVERNANCE:**

The Board of Directors of the Company have evolved and adopted a Code of Conduct based on the principles of Corporate Governance and best management practices being followed globally.

Compliance Report, in accordance with the Regulation 27 of the Listing Regulation with Stock Exchanges, on Corporate Governance forms part of the Annual Report. The Auditors' Certificate on the compliance of Corporate Governance Code embodied in Listing Obligation and Disclosure Requirement Regulation, 2015 of the SEBI attached hereto and forms part of this Report.

**30. MANAGEMENT DISCUSSION AND ANALYSIS:**

Pursuant to Listing Obligation and Disclosure Requirement Regulation, 2015 of the SEBI, Management Discussion and Analysis Report are annexed herewith and form part of this Report.

**31. CORPORATE SOCIAL RESPONSIBILITY(CSR) COMMITTEE:**

The provisions for Corporate Social Responsibility Committee and Corporate Social Responsibility activities are not applicable to the Company.

**32. ESTABLISHMENT OF VIGIL MECHANISM:**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has adopted a Whistle-Blower Policy/ Vigil mechanism, which provides a formal mechanism for all employees of the Company to make protected disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. During the year under review, no employee of the Company has been denied access to the Audit Committee.

**33. BOARD COMMITTEE:**

The Board of Directors of your Company had already constituted various Committees in compliance with the provisions of the Companies Act, 2013 and / or Listing Regulation viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee. During the year under review, in compliance with the Listing Regulations.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference / role of the Committee are taken by the Board of Directors.

Details of the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings, are provided in the Corporate Governance Section of the Annual Report.

#### **34. INDEPENDENT DIRECTORS MEETING:**

During the year under review, the Independent Directors of the Company met on 10<sup>th</sup> February, 2020, inter alia to discuss:

- i) Evaluation of Performance of Non-Independent Directors and the Board of Directors of the Company as a whole.
- ii) Evaluation of performance of the Chairman and / or Managing Director of the Company, taking into views of Executive and Non-executive Directors.
- iii) Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

#### **35. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:**

Your Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 is set out in an annexure as 'Annexure III' to this report.

#### **36. RISK MANAGEMENT POLICY:**

The Board reviews the risks associated with the Company every year while considering the business plan. Considering the size of the Company and its activities, it is felt that the development and implementation of a Risk management policy is not relevant to the Company and in the opinion of the Board there are no risks which may threaten the existence of the Company.

#### **37. IND AS**

The financial statements have been prepared in accordance with Ind AS prescribed under the Companies Act, 2013 as amended from time to time and other relevant provisions of the Act.

#### **38. SECRETARIAL STANDRAD OF ICSI**

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

#### **39. LOCKDOWN**

The Company has observed lockdown from March 23, 2020 as per the directions of the Ministry of Home Affairs, Govt. Of India during the current financial year.

#### **40. SHARES**

##### **A. BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

##### **B. SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

##### **C. BONUS SHARES**

The Company has not issued any Bonus Shares during the year under review.

##### **D. EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees.

**41. SEXUAL HARASSMENT POLICY:**

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year 2019-20, no complaints were received by the Company related to sexual harassment.

**42. APPRECIATION:**

Your Directors wish to place on record their sincere appreciation and gratitude for the valuable support and co-operation received from the Customers and Suppliers, various Financial Institutions, Banks, Government Authorities, Auditors and Shareholders during the year under review. Your Directors wish to place on record their deep sense of appreciation for the devoted services of the Executives, Staff and Workers of the Company for its success.

**ON BEHALF OF THE BOARD  
FOR NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED**

**Sd/-**

**VRAJLAL VAGHASIA  
MANAGING DIRECTOR  
DIN: 02442762**

**Sd/-**

**JITEN VAGHASIA  
WHOLE TIME DIRECTOR  
DIN: 02433557**

Date: 05<sup>th</sup> September, 2020  
Place: Ahmedabad

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**For the financial year ended on 31<sup>st</sup> March, 2020**  
**[Pursuant to section 92(3) of the Companies Act, 2013 and**  
**Rule 12(1) of the Companies (Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	L25209GJ1992PLC017791
ii)	Registration Date	9 <sup>th</sup> June, 1992
iii)	Name of the Company	Narmada Macplast Drip Irrigation Systems Limited
iv)	Category / Sub-Category of the Company	Public Company / Company having Share Capital
v)	Address of the Registered office and contact details	Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka: Kalol, District Gandhinagar-382721 Tel. 079-27498670 E-mail: narmadadrip@gmail.com
vi)	Whether Listed Company Yes/No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	PURVA SHAREGISTRY PVT LTD Unit no. 9, Shiv Shakti Ind. Estate, J .R. Boricha marg, Opp. Kasturba Hospital Lane Lower Parel (E) Mumbai 400 011 Tel: 91-22-2301 6761 / 8261 Fax: 91-22-2301 2517

**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:

Sl. No.	Name and Description of main products/ services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Trading of drip irrigation systems	471	100%

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

Sl. No.	Name and address of the company	CIN/GL N	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
NOT APPLICABLE					

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

**(i) Category-wise Share Holding**

Category of shareholder	No. of Shares held at the beginning of the year (i.e. 01 <sup>st</sup> April, 2019)				No. of Shares held at the end of the year (i.e. 31 <sup>st</sup> March, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares*	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individuals / HUF	0	1654600	1654600	45.67	1654600	0	1654600	45.67	0.00
b) Central Govt/	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub - Total (A)(1)</b>	<b>0</b>	<b>1654600</b>	<b>1654600</b>	<b>45.67</b>	<b>1654600</b>	<b>0</b>	<b>1654600</b>	<b>45.67</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Others- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Cor.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub - Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)=A(1)+A(2)</b>	<b>0</b>	<b>1654600</b>	<b>1654600</b>	<b>45.67</b>	<b>1654600</b>	<b>0</b>	<b>1654600</b>	<b>45.67</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	14300	14300	0.39	0	14300	14300	0.39	0.00
b) Banks / FI	0	34400	34400	0.95	0	34400	34400	0.95	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>48700</b>	<b>48700</b>	<b>1.34</b>	<b>0</b>	<b>48700</b>	<b>48700</b>	<b>1.34</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	22600	61800	84400	2.33	22600	61800	84400	2.33	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									

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i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	31100	1483300	1514400	40.45	35100	1479300	1514400	41.80	0.00
ii) Individual shareholders nominal share capital in excess of Rs 2 lakh	25000	293100	318100	10.12	25000	293100	318100	8.78	0.00
c) Others									
i) NRI	2000	0	2000	0.06	1500	0	1500	0.04	0.00
ii) HUF	1300	0	1300	0.04	1300	0	1300	0.04	0.00
<b>Sub-total (B)(2):-</b>	<b>82000</b>	<b>1838200</b>	<b>1916900</b>	<b>53.41</b>	<b>84500</b>	<b>1835200</b>	<b>1919700</b>	<b>53.41</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>82000</b>	<b>1838200</b>	<b>1916900</b>	<b>54.75</b>	<b>84500</b>	<b>1883900</b>	<b>1968400</b>	<b>54.75</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>80500</b>	<b>3542500</b>	<b>3623000</b>	<b>100.00</b>	<b>1739100</b>	<b>1883900</b>	<b>3623000</b>	<b>100.00</b>	<b>-</b>

**(i) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (i.e. 1 <sup>st</sup> April, 2018)			Shareholding at the end of the year (i.e. 31 <sup>st</sup> March, 2019)			% change in share holding during
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Vrajlal Vaghasia	1566400	43.23	0.00	1566400	43.23	0.00	0.00
2	Jiten Vaghasia	88200	2.43	0.00	88200	2.43	0.00	0.00
	<b>Total</b>	<b>1654600</b>	<b>45.67</b>	<b>0.00</b>	<b>1654600</b>	<b>45.67</b>	<b>0.00</b>	<b>0.00</b>

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

No change in promoter shareholding during the Year.



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

<b>D. Shareholding Pattern of top ten Shareholders:</b>						
<b>SL No.</b>	<b>ShareHolder's Name</b>	<b>ShareHolding at the beginning of the year</b>		<b>Cumulative ShareHolding at the end of the year</b>		<b>Type</b>
		<b>31/03/2019</b>		<b>31/03/2020</b>		
		<b>No of Shares</b>	<b>% of Total Shares of the Company</b>	<b>No. of Shares</b>	<b>% change in shareholding during the year</b>	
1	KANTIBHAI PATEL	92500	2.55			
	31-03-2020			92500	2.55	
2	SAURIN INDUBHAI PATEL	65000	1.79			
2	LALITHA VAGHASIA			74500	2.06	
3	PRAKASH RAMBHAI PATEL	65000	1.79			
3	NISHA PATEL			65000	1.79	
4	SIDDHI HITESH SHETH	50500	1.39			
4	DIPEN PATEL			59000	1.63	
5	INDRA KUMAR BAGRI	25000	0.69			
5	SIDDHI HITESH SHETH			50500	1.39	
6	NATUBHAI UMEDBHAI PATEL	20100	0.55			
6	INDRAKUMAR BAGRI			25000	0.69	
7	BHUPENDRA AMIN	10100	0.28			
7	FALGUNI KETAN PAREKH			10800	0.30	
8	BHUPENDRA AMIN	10100	0.28			
8	BHUPENDRA AMIN			10100	0.28	
9	SANJAY SINGHAL	9900	0.27			
9	31/03/2020			9900	0.27	
10	NANJI GADA	8400	0.23			
10	NANJI GADA			8400	0.23	

\* The total number of shares has increased / decreased due to purchase / sale during the year.

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**(v) Shareholding of Directors and Key Managerial Personnel (KMP):**

Sl. No.	Name of Director / KMP	Shareholding at the beginning of the year (i.e. 1 <sup>st</sup> April, 2019)		Cumulative Shareholding during the year -2019-20	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Vrajlal Vaghasia</b>				
	<b>At the beginning of the year</b>	1566400	43.23	1566400	43.23
	Increase / Decrease	0	0.00	0	0.00
	<b>At the End of the year</b>	-	-	1566400	43.23
2	<b>Jitenkumar Vaghasia</b>				
	<b>At the beginning of the year</b>	88200	2.43	88200	2.43
	Increase / Decrease	0	0.00	0	0.00
	<b>At the End of the year</b>	-	-	88200	2.43
3.	<b>Kantibhai Devani</b>				
	<b>At the beginning of the year</b>	0	0.00	0	0.00
	Increase / Decrease	0	0.00	0	0.00
	<b>At the End of the year</b>	-	-	0	0.00
4.	<b>Vinesh Babaria</b>				
	<b>At the beginning of the year</b>	0	0.00	0	0.00
	Increase / Decrease	0	0.00	0	0.00
	<b>At the End of the year</b>	-	-	0	0.00
5.	<b>Girish Baldha</b>				
	<b>At the beginning of the year</b>	0	0.00	0	0.00
	Increase / Decrease	0	0.00	0	0.00
	<b>At the End of the year</b>	-	-	0	0.00

**V. INDEBTEDNESS:-**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	<b>33,75,915</b>	0	<b>33,75,915</b>
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>33,75,915</b>	<b>0</b>	<b>33,75,915</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	0	0	0	0
• Reduction	0	(18.52.680)	0	(18.52.680)
<b>Net Change</b>	<b>0</b>	<b>(18.52.680)</b>	<b>0</b>	<b>(18.52.680)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	15,23,235	0	15,23,235
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>15,23,235</b>	<b>0</b>	<b>15,23,235</b>

**NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED**  
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**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Vrajlal Vaghsia	Mr. Jitenkumar Vaghasia	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,78,000	1,20,000	<b>2,98,000</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	<b>0</b>
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	<b>0</b>
2	Stock Option	0	0	<b>0</b>
3	Sweat Equity	0	0	<b>0</b>
4	Commission	0	0	<b>0</b>
	- as % of profit	0	0	<b>0</b>
	- others, specify...	0	0	<b>0</b>
5	Others, please specify	0	0	<b>0</b>
	Total (A)	1,78,000	1,20,000	<b>2,98,000</b>
	Ceiling as per the Act	As per the Companies Act.		

**B. Remuneration to other directors: NIL**

**C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD: NIL**

SN	Particulars of Remuneration	Mr. Abhishek Patel - CFO In Rs - Yearly
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	45,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
2	Others, please specify	-
	Total	45,000

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

The has not paid any penalty to ROC/RD or MCA for any offences of compounding/punishment.

**FOR AND ON BEHALF OF THE BOARD**

Sd/-

\_\_\_\_\_  
**VRAJLAL VAGHASIA**  
**MANAGING DIRECTOR**  
**DIN : 02442762**

Date: 05<sup>th</sup> September, 2020

Place: Ahmedabad

**SECRETARIAL AUDIT REPORT**  
**FORM MR-3**

**FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 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  
**Narmada Macplast Drip Irrigation Systems Limited**  
Plot No. 119-120, Santej-Vadsar Road  
At& Post Santej, Taluka: Kalol  
District Gandhinagar – 382 721

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Narmada Macplast Drip Irrigation Systems Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **Narmada Macplast Drip Irrigation Systems Limited** books, papers minutes 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, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2020** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013; the Companies Act, 1956 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during the Audit Period)**;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period)**.
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India and company has complied with the standard.
- (ii) The SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 entered into by the Company with the BSE Limited/Stock exchanges.

During the period under review the Company has broadly complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

- 1) *The Company has not appointed Company Secretary within time frame as required to be appointed as per section 203 of the Companies Act, 2013, Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.*

**I further report that** the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by the statutory financial audit and other designated professionals.

**I further report that**

- The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings. Except where consent of the directors was received for scheduling meeting at a shorter notice, agenda and detailed notes on agenda were sent at least seven days in advance. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried out unanimously as recorded in the minutes of their meetings of the Board of Directors while the dissenting members' views are captured and recorded as part of the minutes.

**I further report that** the management of the Company taking necessary steps so that there would be adequate systems and processes in the Company commensurate with its size and operations, and would be done proper monitoring and compliances with all applicable laws, rules, regulations and guidelines.

**Place :** Rajkot  
**Date :** September 5, 2020

**For Thakrar And Associates**  
**Company Secretary in Practice**

**Viral Hareshbhai Thakrar**  
**Proprietor**  
**Membership No. : A46235**  
**CP No. : 16856**  
**UDIN: A046235B000667537**

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

To  
The Members  
**Narmada Macplast Drip Irrigation Systems Limited**  
Plot No. 119-120, Santej-Vadsar Road  
At& Post Santej, Taluka: Kalol  
District Gandhinagar – 382 721

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

1. The Management of the Company is responsible for maintenance of secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively. My responsibility is to express an opinion on these secretarial records and procedures followed by the Company with respect to secretarial Compliance.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. I believe that the processes and practices followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records, Books of Accounts and cost records of the company.
4. Wherever required and necessary, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place** : Rajkot  
**Date** : September 5, 2020

**For Thakrar And Associates**  
**Company Secretary in Practice**

**Viral Hareshbhai Thakrar**  
**Proprietor**  
**Membership No. : A46235**  
**CP No.: 16856**  
**UDIN: A046235B000667537**

### **REMUNERATION POLICY FOR DIRECTORS, KMPs AND OTHER EMPLOYEES**

The philosophy for remuneration of Directors, KMP and all other employees of 'Narmada Macplast Drip Irrigation Systems Limited ("Company") is based on commitment demonstrated by the Directors, KMPs and other employees towards the Company and truly fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy. The Company endeavours to attract, retain, develop and motivate the high-calibre executives and to incentivize them to develop and implement the Group's Strategy, thereby enhancing the business value and maintain a high-performance workforce. The policy ensures that the level and composition of remuneration of the Directors is optimum.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act") and the Listing Regulation. In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law. While formulating this Policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

- i. "the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and;
- iii. remuneration to Directors, KMP involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals".

➤ **Remuneration to Independent Directors and Non-Independent Non-Executive Directors:**

- Independent Directors ("ID") and Non-Independent Non-Executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits. Quantum of sitting fees may be subject to review on a periodic basis, as required.
- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- The aggregate commission payable to all the IDs and NEDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organized by the Company for Directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.



➤ **Remuneration for Managing Director /Executive Directors /KMP/rest of the employees:**

- The remuneration / compensation / commission, etc., as the case may be, to the Managing Director / Executive Director (Whole-time Director) will be governed by the relevant provisions of the Act and applicable Rules and Regulations and will be determined by the NRC and recommended to the Board for approval.
- The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required.
- The Company pays remuneration to its Managing Director / Executive Directors way of salary, perquisites and allowances. In addition to the salary, perquisites and allowances, the Company provides Managing Director / executive Directors such remuneration by way of commission, calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197of the Act.
- The Managing Director and Executive Directors, so long as they function as such shall not be entitled to any sitting fees for attending any meetings of Board or Committees thereof.
- Further, the Managing Director of the Company is authorised to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management, if any, based on the standard market practice and prevailing HR policies of the Company.
- The company provides retirement benefit as applicable.
- The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the company.

➤ **Remuneration payable to Director for services rendered in other capacity:**

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such Director in any other capacity unless:

- The services rendered are of a professional nature; and
- The NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

➤ **Policy implementation:**

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

➤ **Review of the Policy:**

This Policy will be reviewed and reassessed by the NRC as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.

**NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED**  
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**Annexure IV**

The particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

Sr. No.	Name of the Director/ KMP* and Designation	Remuneration of Directors for financial year 2014-15 (in Rs.)	Ratio of Remuneration to Median Remuneration of Employees	% increase in Remuneration	Comparison of the Remuneration of KMP against Company's Performance
1	Vrajlal Vaghshia Chairman & Managing Director	1,78,000	1.76	0.00	The remuneration paid to the KMP is viable in regards to performance of the company
2	Jitenkumar Vaghshia Whole Time Director	1,20,000	1.19	0.00	The remuneration paid to the KMP is viable in regards to performance of the company
3	Kantibhai Devani Independent Director	-	-	-	-
4	Vinesh Babaria Independent Director	-	-	-	-
5	Girishbhai Baldha Independent Director	-	-	-	-

**FOR AND ON BEHALF OF THE BOARD**

Sd/-

Date: 05<sup>th</sup> September, 2020  
Place: Ahmedabad

\_\_\_\_\_  
**VRAJLAL VAGHSIA (DIN: 02442762)**  
**CHAIRMAN & MANAGING DIRECTOR**

**REPORT ON CORPORATE GOVERNANCE**

**1. Company's Philosophy on Corporate Governance:**

The Company is committed to good corporate governance and taking steps for implementing corporate governance norms as prescribed by SEBI. The Company respects the rights of its shareholders to incorporation on the performance of the company and considers itself a trustee of its shareholders.

**2. Board of Directors:**

▪ **Composition & category of Directors and their other Directorships and Committee Memberships:**

The Board of Directors of the Company is having optimum combination of executive and Non-Executive Directors in compliance of Listing Regulation.

The Board of Directors of the Company comprises Six Members – Two (2) Executive Director and Three (3) Non-Executive and independent Directors and One (1) of Non-Executive Director. The composition of Board of Directors, the number of other Directorships or Board Committees of which he is a Member / Chairman is as under:

Name of Director	Category	Other Directorships/Board Committees	
		Directorships	Board Committee
Mr. Vrajlal Vaghasia	Promoter & Executive Director	1	NIL
Mr. Jitenkumar Vaghasia	Promoter & Executive Director	NIL	NIL
Mr. Kantibhai Devani	Non-Executive & Independent Director	NIL	NIL
Mr. Vinesh Babaria	Non-Executive & Independent Director	NIL	NIL
Mrs. Daxaben J. Vaghasia	Non-Executive & Non-Independent Director (Woman director)	NIL	NIL
Mr. Girishbhai Baldha	Non-Executive & Independent Director	NIL	NIL

- Directorships in other Companies mentioned above exclude Directorships in Private Limited Companies, foreign companies and companies under Section 8 of the Companies Act, 2013.
- While calculating the number of Membership / Chairmanship in Committees of other Companies, Membership / Chairmanship of only Audit Committee and Shareholders' / Investors' Grievance Committee have been considered pursuant to the Listing Regulation. None of the Director is a Member in more than ten Committees and acts as a Chairman in more than five Committees across all companies in which he is a Director.
- Mr. Vrajlal Vaghasia, Mrs. Daxaben J. Vaghasia and Mr. Jitenkumar Vaghasia are relatives of each other.

**3. Board Meetings:**

Five (05) Board Meetings were held, during the financial year 2019-20, details of Board Meeting are as under:

09 <sup>th</sup> April, 2019	28 <sup>th</sup> May, 2019	12 <sup>th</sup> August, 2018
14 <sup>th</sup> November, 2019	14 <sup>th</sup> February, 2020	NIL

All the meetings of Board of Directors of the Company are scheduled well in advance and the Board meets at least once in a quarter to review the quarterly performance and the financial results. Agenda of the meeting were prepared and all necessary papers were circulated to Members of the Board in advance. All Members of the Board have access to all information of the Company and are free to recommend inclusion of any matter in the Agenda for discussions.

**4. Attendance of Directors at the Board Meetings and Last Annual General Meeting:**

Name of Director	Board Meetings Attended	Attendance in AGM (Yes/No)
Mr. Vrajlal Vaghasia	5	Yes
Mr. Jitenkumar Vaghasia	5	Yes
Mr. Vinesh Babaria	5	Yes
Mr. Kantibhai Devani	5	Yes
Mrs. Daxaben Vaghasia	5	Yes
Mr. Girish Baldha	5	No

**5. AUDIT COMMITTEE:**

**Terms of Reference:**

The Audit Committee has been mandated with the same terms of reference specified in Clause 49 II of the Listing Regulations with the Stock Exchange, as revised from time to time and as well as those stipulated by SEBI Guidelines.

**Composition:**

Presently, the Audit Committee comprises two Non-Executive and Independent Directors Mr. Girish Baldha & Mr. Vinesh Babaria and one Executive Director - Mr. Jitenkumar Vaghasia. Mr. Girishbhai Baldha is a Chairman of the Audit Committee.

**Meeting and the Attendance during the year 2018-19:**

Four (4) Audit Committee meetings were held during the year 2019-20. The Committee also met prior to finalization of accounts for the year ended on 31<sup>st</sup> March, 2020. The details of attendance at the Audit Committee meetings is as under:

Name of Director	Designation	No. of Meetings Attended
Mr. Girishbhai Baldha	Chairman	4
Mr. Vinesh Babaria	Member	4
Mr. Jitenkumar Vaghasia	Member	4

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

**6. NOMINATION AND REMUNERATION COMMITTEE:**

- The Nomination and Remuneration Committee constitutes with Mr. Girishbhai Baldha, Mr. Vinesh Babaria and Mr. Kantibhai Devani, all are Non-Executive and Independent Directors. Mr. Girishbhai Baldha is a Chairman of the Committee.

- The Remuneration Committee recommends to the Board the compensation, terms of Executive Director(s) and its responsibilities include:
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Devising a policy on Board diversity.
- During the period under review, one Nomination and Remuneration Committee meetings were held respectively on 14.07.2018

<b>Name of Director</b>	<b>Position</b>	<b>No. of Meetings</b>	<b>Meetings attended</b>
Mr. Girishbhai Baldha	Non-Executive and Independent Directors	1	1
Mr. Vinesh Babaria	Non-Executive and Independent Directors	1	1
Mr. Kantibhai Devani	Non-Executive and Independent Directors	1	1

The remuneration committee has been constituted to recommend/review the remuneration package of the Managing/ Whole Time Directors based on performance and defined criteria.

#### **DETAILS OF REMUNERATION PAID TO DIRECTORS DURING 2019-20**

- The Company paid remuneration to Managing Director and Whole Time Director.
- The Company does not have scheme for grant of stock option to the directors.

#### **7. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholder Relationship Committee, specifically, deals with the matters relating to redressal of shareholder and investor complaints such as transfer of shares, non-receipt of annual report, non-receipt of declared dividend etc.

The Committee comprises of three directors. Mr. Vinesh Babaria is the Chairman of the Committee, Mr. Girish Baldha and Mr. Jitenkumar Vaghasia are members of the Committee. During the year 2019-20, committee met four times.

During the year under review, the Company has not received any compliant.

## 8. DETAILS OF GENERAL MEETINGS

- **Annual General Meeting:**

The last three Annual General Meeting of the Company were held within the statutory time period and the details of the same areas under:

Financial Year	Location	Date	Time
2016-2017	Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar	29 <sup>th</sup> September, 2017	4.00 P.M.
2017-2018	Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar	29 <sup>th</sup> September, 2018	4.00 P.M.
2018-2019	Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar	29 <sup>th</sup> September, 2019	4.00 P.M.

- **Extra Ordinary General Meeting:**

During the last three years, No Extra Ordinary General meeting (EGM) was held.

- **Special Resolutions passed during last three years:**

The Company has passed no special resolution in last three financial year.

There were no resolutions put through postal ballot last year. There is no business at the ensuing AGM requiring implementation of the postal ballot under the applicable rule.

## 9. Disclosures:

- Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of Company at large. There are no materially significant related party transactions during the Financial Year 2019-20 that may have potential conflict with the interest of the Company at large.
- Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority(ies), on any matter related to capital markets, during the last three years. The company has received notices from BSE Limited for non-submission of various compliances under the Listing Regulations.
- Corporate Governance certificate: The Managing Director of the Company has furnished the requisite certificate to the Board of Directors under Listing Regulation.
- Whistle Blower Policy/ Vigil mechanism: The Company has adopted a Whistle-Blower Policy/ Vigil mechanism, which provides a formal mechanism for all employees of the Company to make protected disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. No employee of the Company has been denied access to the Audit Committee.

**10. Means of Communication:**

- Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchanges in terms of the requirement the Listing Regulation.
- No presentation has been made to Institutional Investors or to analysts.
- The Management Discussion and Analysis Report is attached with the Director's report in this Annual Report.

**11. Compliance Certificate of the Auditors:**

The Certificate from the Auditors of the Company, M/s. Hardik Kadia & Co., Chartered Accountants, Ahmedabad, confirming compliance with the conditions of Corporate Governance as stipulated under Listing Regulation, is attached to the Directors' Report forming part of the Annual Report. This Certificate has also been forwarded to the Stock Exchanges where the securities of the Company are listed.

**12. General Shareholder Information:**

**I. Annual General Meeting**

Date and Time : **30<sup>th</sup> September, 2020 at 3.00 P.M.**  
Venue : Through video conferencing/virtual meeting

**II. Financial Calendar (Tentative)**

Financial Year : 1<sup>st</sup> April 2019 - 31<sup>st</sup> March, 2020  
First Quarter Results : Second week of August, 2019  
Second Quarter Results : Second week of November, 2019  
Third Quarter Results : Second week of February, 2020  
Results for the year ending 31<sup>st</sup> March, 2020 : Last week of June, 2020

**III. Book Closure Date** : 26th September, 2020 to 29th September, 2020  
(Both days inclusive)

**IV. Registered Office** : Plot No. 119-120, Santej-Vadsar Road,  
At & Post Santej, Taluka: Kalol, Dist.: Gandhinagar

**V. Dividend Payment Date** : No dividend is recommended for the financial year 2019-20

**VI. Listing of Equity Shares on Stock Exchange:**

Your Company's equity shares are listed on

Sr. No.	Name of Stock Exchange	Address of Stock Exchange
1	The Ahmedabad Stock Exchange Ltd.	Kamdhenu Complex, Opp. Sahajanand College, Ambawadi, Ahmedabad – 380 015
2	The BSE Ltd.	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001
3	The Saurashtra Kutch Stock Exchange Ltd	Popatbhai Sorathiya bhawan, Sardar Bazar, Rajkot – 360 001
4	Madras Stock Exchange Ltd	No. 30, Second Line Beach, Chennai – 600 001

Annual Listing Fees have been paid to the BSE till date.

**VII. Stock Code:**

- a) The Ahmedabad Stock Exchange Limited, Ahmedabad : 39200  
 b) The BSE Limited, Mumbai : 517431  
 c) The Saurashtra Kutch Stock Exc. Ltd. : Not Available  
 d) The Madras Stock Exchange Ltd. : Not Available

**VIII. Registrar & Share Transfer Agent:**

The Company has appointed M/s. Purva Sharegistry Pvt. Ltd. as the Registrar and Share Transfer Agent for Demat shares w.e.f November, 2011 having their Registered Office at:

Unit no. 9, Shiv Shakti Ind. Estate,  
 J .R. Boricha marg, Opp. Kasturba Hospital Lane  
 Lower Parel (E) Mumbai 400 011  
 Tel: 91-22-2301 6761 / 8261  
 Fax: 91-22-2301 2517

**IX. Share Transfer System:**

Trading in Equity Shares of the Company is permitted only in dematerialized form w.e.f. 23<sup>rd</sup> March, 2001 as per circular issued by the Securities and Exchange Board of India (SEBI).

The transfer of shares in physical form is processed and completed by M/s. Purva Sharegistry Pvt. Ltd., Registrar & Share Transfer Agent, within the statutory stipulated period. In case where shares are held in electronic form, the transfers are processed by CDSL through the Depository Participants and Registrar.

**X. Distribution of Shareholding (as on 31st March, 2020):**

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	Total No. of Shares Held	% of Shareholding
1-5000	2254	82.78	779900	21.53
5001-10000	278	10.21	249700	6.89
10001-20000	105	3.86	171100	4.72
20001-30000	43	1.58	114800	3.17
30001-40000	4	0.15	13100	0.36
40001-50000	15	0.55	70700	1.95
50001-100000	10	0.37	72600	2.00
1,00,001 and Above	14	0.51	2151100	59.37
<b>Total</b>	<b>2733</b>	<b>100.00</b>	<b>3623000</b>	<b>100.00</b>



**XI. Categories of Shareholding (as on 31st March, 2020):**

Category of Holder	No. of Shares	% of Shareholding
Promoters / Persons acting in concert	1654600	45.67
Banks / Institutions / Mutual Funds	48700	1.34
Private Corporate Bodies	84400	2.33
Indian Public	1832000	50.57
NRIs	2000	0.05
Any other – (HUF)	1300	0.04
<b>Total</b>	<b>3623000</b>	<b>100.00</b>

**XII. Details on use of public funds obtained in the last three years:**

No funds have been raised from the public during the last three years.

**XIII. Outstanding GDR / ADRs / Warrants and Convertible bonds, conversion date and likely impact on the equity:** No GDRs / ADRs / Warrants issued by the company.

**XIV. Investor Correspondence:**

In case any problem or query shareholders can contact at:

**Name** : Mrs. Dipika Soni, Compliance officer  
**Address** : Naramada Macplast Drip Irrigation Limited,  
 16/A Parulnagar Society, 1<sup>st</sup> floor, Bhuyandev Char Rasta,  
 Opp. Mahakali Temple, Sola Road, Gathlodia, Ahmedabad - 380061  
**Phone** : +91 9016428484 **Email** : [narmadadrip@gmail.com](mailto:narmadadrip@gmail.com)

Shareholders may also contact Company's Registrar & Share Transfer Agent at:

**RTA: PURVA SHAREGISTRY PVT LTD**  
 Unit no. 9, Shiv Shakti Ind. Estate,  
 J .R. Boricha marg, Opp. Kasturba Hospital Lane  
 Lower Parel (E) Mumbai 400 011  
 Tel: 91-22-2301 6761 / 8261  
 Fax: 91-22-2301 2517

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **ECONOMY OVERVIEW:**

Overall, the macroeconomic situation in India improved during 2019-20. Also, in view of the Government's commitment to reforms, the economic outlook for FY 2019-20 looks positive and a GDP growth was 4.2% in FY 2019-20 as per the projections of the Government.

### **OPPORTUNITIES AND THREATS**

The rise the agriculture and infrastructure sectors bode well for the pipe market. The government spends on programmes for safe drinking water; rural sanitation, etc. are expected to generate substantial demand for piping products. Rise in PVC resin prices is the biggest potential threat for the Industry.

### **FUTURE OUTLOOK**

The Company is identifying the various opportunities available with the Company. Looking at the overall scenario of the economic conditions, the company is planning for the maximum utilization of the available resources. The Company expects in raising the demands of the products in which the company is engaged. Thus, the Overall outlook for the coming year looks good and may benefit your company at large.

### **RISKS AND CONCERNS**

The risk associated with the products of the Company is always a cause of concern for the Company. The general risk associated with the competition from large organization as well as from the unorganized and small-scale organizations affects the domestic market to a large extent. Your company is confident of performing better in spite of such business risks.

### **INTERNAL CONTROL SYSTEMS**

The Company does not have any formal internal audit system. The internal policies of the Company ensure efficient use and protection of assets and resources, compliance with policies and reliability of the financial and operational reports. The management is taking steps to introduce the internal audit system commensurate with the size and nature of the business of the company. The Audit Committee of the Board of Directors deals with the adequacy of internal controls and budgeting functions.

### **FINANCIAL PERFORMANCE**

The Company's performance was satisfactory during the year 2019-20.

### **HUMAN RESOURCES**

The Company continued to have cordial and harmonious relations with its employees during the year under review.

### **CAUTIONARY STATEMENT**

Statement in this Management Discussion and Analysis report describing the Company's objective, expectations or predictions 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 economic conditions affecting demand / supply and price conditions in the domestic and overseas markets, changes.

**Annexure to Corporate Governance Report**

**DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT BY  
BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

To the Members of  
Narmada Macplast Drip Irrigation Systems Limited

We the undersigned, in our capacities as Managing Director and Whole Time Director of Narmada Macplast Drip Irrigation Systems Limited ("the Company), to the best of our knowledge and belief certify that:

1. We have reviewed the financial statement and the cash flow statement for the financial year ended 31st March, 2020 and that to the best of our knowledge and belief:
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We further state that to best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violate the company's code of conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the company and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
  - a. significant changes, if any, in internal control over financial reporting during the year;
  - b. significant changes, if any, in accounting policies during the quarter and that the same have been disclosed in notes to the financial statements; and
  - c. Instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

	Sd/-	Sd/-
Place : Ahmedabad	_____	_____
Date : 05 <sup>th</sup> September, 2020	Managing Director (02442762)	WholeTime Director (02433557)

## Independent Auditor's Certificate on Corporate Governance

To the Members of  
Narmada Macplast Drip Irrigation Systems Limited

We, M/s. Hardik Kadia & Co., Chartered Accountants, the Statutory Auditors of Narmada Macplast Drip Irrigation Systems Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2020, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### **MANAGEMENTS' RESPONSIBILITY:**

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

### **AUDITOR'S RESPONSIBILITY:**

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

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

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

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **OPINION:**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2020.

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

**For, Hardik Kadia & Co.**  
*Chartered Accountants*  
**F.R. No. 145338W**

Sd/-

\_\_\_\_\_  
**Hardik Kadia**  
**Proprietor**

**Date: 05<sup>th</sup> September, 2020**  
**Place: Ahmedabad**

# **Narmada Macplast Drip Irrigation Systems Limited**

**Address:** Plot No. 119-120, Santej-Vadsar Road,  
Nr. Alex Cables, Santej,  
Tal: Kalol, Dist: Gandhinagar.

**Auditor's Report**  
*For Year Ended : 31-03-2020*

**AUDITORS:**

**Hardik Kadia & Co. (Chartered Accountants)**

A-3, Amijyot Apartment, Beside Core House,  
Near Parimal Garden, Ambawadi,  
Ahmedabad-380006.

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## Independent Auditors' Report

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To the Members of,  
**Narmada Macplast Drip irrigation Systems Ltd**

### 1. Opinion

We have audited the accompanying Ind AS financial statements of **Narmada Macplast Drip irrigation Systems Ltd** which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis of Opinion

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

#### Key Audit Matters:

Key audit matters ('KAM') 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.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India; of the state of the affairs of the company as at 31<sup>st</sup> March 2020, and its profits and cash flows for the year ended on that date.

## **2. Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in the 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 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## **3. Auditor's Responsibility for the Financial Statements**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedure that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentations of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### 4. Report on Other Legal and Regulatory Requirements

- i. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section (11) of section 143 of the Companies Act, 2015 we give in the "Annexure-A" a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
- ii. As required by section 143(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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"; and
  - 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 accordance to the explanation given to us:
    - i. The company does not have any pending litigations which would impact its financial position.
    - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Date: 30<sup>th</sup> June, 2020  
Place: Ahmedabad

For, **Hardik Kadia & Co.**  
Chartered Accountants  
(Registration No. 145338W)

**Hardik Kadia**  
Proprietor  
M. No.: 179290  
UDIN : 20179290AAAABE9491



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**Annexure-A to Independent Auditors' Report**

Referred to in Paragraph 5(i) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

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**1. In respect of Fixed Assets**

- a. The Company has maintained proper records showing full particulars, including quantitative details and situations of its Fixed Assets.
- b. The fixed assets are physically verified by the management at regular intervals and in our opinion is reasonable having regard to the size of Company and the nature of its assets. Pursuant to the verification a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- 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.

**2. In respect of its inventories:-**

- (a) Inventories have been physically verified by the management at reasonably regular intervals during the year. (b) In my opinion and according to the information and explanation given to me, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories. As explained to me, there were no material discrepancies noticed on physical verification of inventory as compared to the book.

- 3 The Company has not granted loans to parties covered in the Register maintained under Section 189 of the Companies Act, 2013. As such reporting requirements under this para are not applicable for the reporting period.
- 4 In respect of loan, the provisions of section 185 and 186 have been complied with. There are no loans to directors; there are no investments, guarantees and securities requiring compliance u/s 186 of the Companies Act, 2013.
- 5 During the year, the company has not accepted any deposits from public.
- 6 Company is not required to maintain cost records pursuant to section 148 (1) of the Companies Act, 2013.

**7 In respect of Statutory Dues:**

- a. According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Income Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues, payable in respect of above as at 31st March, 2020 for a period of more than six months from the date on which they became payable.
  - b. According to the information and explanations given to us and on the basis of our examination of books of account and record, No disputed dues were outstanding as on 31/03/2020.
- 8 As the Company has not availed any term loan the question of purpose and application does not arise.

- 9 No money has been raised by way of initial public offer or further public offer (including debt instruments).
- 10 To the best of our knowledge and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.
- 11 The Company has not paid or provided managerial remuneration under section 197 of the Companies Act, 2013 and hence, the provision of paragraph 3(xi) of the Order is not applicable to the Company.
- 12 The company is not a Nidhi company. As such The Nidhi rules, 2014 are not applicable.
- 13 All transactions with the related parties are in compliance with the sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by applicable accounting standards.
- 14 The company has not made any preferential allotment or Private placement of shares of fully or partly convertible debentures during the year under review.
- 15 The company has not entered into any non cash transactions with directors or persons connected with it.
- 16 Company is not required to be registered u/s. 45-IA of the Reserve Bank of India Act, 1934.

Date: 30<sup>th</sup> June, 2020  
Place: Ahmedabad

For, **Hardik Kadia & Co.**  
Chartered Accountants  
(Registration No. 145338W)

**Hardik Kadia**  
Proprietor  
M.No.: 179290  
UDIN: 20179290AAAABE9491

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**Annexure-B to Independent Auditors' Report**

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

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We have audited the internal financial controls over financial reporting of **Narmada Macplast Drip irrigation Systems Ltd** ("the Company") as of 31 March 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Date: 30<sup>th</sup> June, 2020  
Place: Ahmedabad

For, **Hardik Kadia & Co.**  
Chartered Accountants  
(Registration No. 145338W)

**Hardik Kadia**  
Proprietor  
M.No.: 179290  
UDIN: 20179290AAAABE9491

**Narmada Macplast Drip Irrigation Systems Ltd**

**Balance Sheet as at 31st March, 2020**

**(Amount In Rs.)**

Particulars	Note no.	As at 31st March, 2020		As at 31st March, 2019	
<b>ASSETS</b>					
<b>(1) Non-current assets</b>					
(a) Property, Plant & Equipment	4.01	3,001,900	<b>3,001,900</b>	3,138,953	<b>3,138,953</b>
(b) Capital work-in-progress					
(c) Investment Property					
(d) Goodwill					
(e) Other Intangible Assets					
(g) Biological Assets other than bearer plants					
(h) Financial Assets :					
(i) Investments	4.02	8,124,239		9,038,850	
(ii) Trade receivables					
(iii) Other Financial Assets	4.03	6,909,378		6,964,253	
(i) Deferred tax assets (net)		48,398		48,398	
(j) Other non-current assets			<b>15,082,015</b>		<b>16,051,501</b>
<b>(2) Current assets</b>					
(a) Inventories	4.04	-		-	
(b) Financial Assets :					
(i) Investments					
(ii) Trade receivables	4.04	6,647,835		16,644,403	
(iii) Cash and cash equivalents	4.05	415,678		2,634,128	
(v) Others (to be specified)					
(c) Current Tax Assets (Net)					
(d) Other current assets	4.06	857,913	<b>7,921,426</b>	878,603	<b>20,157,134</b>
<b>Total Assets</b>			<b>26,005,340</b>		<b>39,347,588</b>
<b>I. EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
(a) Equity Share capital	4.07	36,230,000		36,230,000	
(b) Other Equity	4.08	(13,175,482)	<b>23,054,518</b>	(13,198,055)	<b>23,031,945</b>
<b>LIABILITIES</b>					
<b>(1) Non-Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	4.09	1,523,235		3,375,915	
(ii) Trade Payables					
(iii) Other financial liabilities (other than those specified in item (b), to be specified)					
(b) Provisions					
(c) Deferred tax liabilities (Net)					
(d) Other non-current liabilities					
<b>(2) Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings					
(ii) Trade payables	4.10	89,282		11,386,085	
(iii) Other financial liabilities (other than those specified in item (c))					
(b) Other current liabilities	4.11	552,793		504,697	
(c) Provisions	4.12	785,511	<b>2,950,821</b>	1,048,945	<b>16,315,642</b>
<b>Total Equity and Liabilities</b>			<b>26,005,340</b>		<b>39,347,588</b>
Notes to Financial Statements	1				
Significant Accounting Policies	2				

As per our report of even date attached herewith.

For, **Hardik Kadia & Co.**  
Chartered Accountants  
FRN: 145338W

For and on behalf of the board of  
**Narmada Macplast Drip Irrigation Systems Ltd**

**Hardik Kadia**  
Proprietor

**Vrajlal Vaghasia**  
Managing Director

**Jitenbhai Vaghasia**  
Whole -time Director

Date: 30/06/2020  
Place: Ahmedabad  
UDIN : 20179290AAAAABE9491

**Abhishek Patel**  
Chief Financial Officer

**Narmada Macplast Drip Irrigation Systems Ltd**

**Statement of Profit and Loss for the year ended on 31st March, 2020**

**(Amount In Rs.)**

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
(I) Revenue from operations	4.13	39,735,327	89,429,525
(II) Other Income	4.14	418,982	438,940
(III) <b>Total Income (I+II)</b>		<b>40,154,309.00</b>	<b>89,868,465.00</b>
<b>(IV) EXPENSES</b>			
Purchase of Stock -in-Trade		34,669,000	85,175,313
Changes in Inventories of Finished goods, Work-in-Progress and by products	4.15	-	290,942
Employee Benefits Expense	4.16	783,815	1,664,580
Finance Costs	4.17	73,035	11,299
Depreciation and Amortization Expense		171,953	189,980
Other Expenses	4.18	4,426,433	1,637,759
<b>Total Expenses (IV)</b>		<b>40,124,236</b>	<b>88,969,873</b>
<b>(V) Profit / (Loss) Before Exceptional Items &amp; Tax ( III-IV)</b>		<b>30,073</b>	<b>898,592</b>
(VI) Exceptional Items		-	-
<b>(VII) Profit / (Loss) Before Tax ( V-VI)</b>		<b>30,073</b>	<b>898,592</b>
<b>(VIII) Tax Expenses :</b>			
(1) Current tax		7,500.00	221,297
(2) Deferred tax		-	(13,181)
(3) Income Tax of Earlier Year			
<b>(IX) Profit / (Loss) for the period from Continuing Operation (VII-VIII)</b>		<b>22,573</b>	<b>690,476</b>
(X) Profit / (Loss) from discontinued operations		-	-
(XI) Tax expense of discontinued operations		-	-
<b>(XII) Profit / (Loss) from discontinued operations (after tax) (X-XI)</b>		<b>-</b>	<b>-</b>
<b>(XIII) Profit / (Loss) for the period (IX+XII)</b>		<b>22,573</b>	<b>690,476</b>
<b>(XIV)</b> Other Comprehensive Income		-	-
<b>Earning per equity share of face value of Rs. 10 each</b> Basic & Diluted (In Rs.)	4.19	0.01	0.19
Notes to Financial Statements and significant accounting policies	1		

As per our report of even date attached herewith.

**For, Hardik Kadia & Co.**  
Chartered Accountants  
FRN: 145338W

For and on behalf of the board of  
**Narmada Macplast Drip Irrigation Systems Ltd**

**Hardik Kadia**  
Proprietor

**Vrajlal Vaghasia**  
Managing Director

**Jitenbhai Vaghasia**  
Whole-time Director

Date: 30/06/2020  
Place: Ahmedabad  
UDIN : 20179290AAAABE9491

**Abhishek Patel**  
Chief Financial Officer

## Narmada Macplast Drip Irrigation Systems Limited

### Cash flow statement for the year ended 31st March' 2020

(Amount in Rupees)

Particulars	For the year ended 31st March,2020		For the year ended 31st March,2019	
	Amount	Amount	Amount	Amount
<b>(A) Cash flow from operating activities</b>				
<b>(1) Net profit after tax and extraordinary items</b>		22,573		690476
ADD:(I) Depreciation Written off	171,953		189,980	
(ii) Provision for income tax	873,695		1,151,229	
(iii) Prelimnery Expense			-	
LESS: (i) Other Expense Written off			(202,015)	
(ii) Deferred tax Asset	-		13,181	
		(701,742)		1,126,013
<b>(2) Operating profit before working capital changes</b>		(679,169)		1,816,489
<b>Working capital changes</b>				
Add: (i) Decrease in Current Assets (Except Cash & Cash Equivalents)	10,017,258		290,942	
(ii) Increase in Current Liabilities	658,357		9,981,648	
Less: (i) Decrease in Current Liabilities	11,296,802		2,525,836	
(ii) Increase in Current assets (Except Cash & Cash Equivalents)	-	(621,187)	8,968,915	(1,222,161)
<b>(3) Cash generated from operating activities</b>		(1,300,356)		594,328
Less: Income Tax Paid	-		221,297	
		-		221,297
<b>(4) Cash flow before extraordinary items</b>		(1,300,356)		373,031
Add/ (less) extraordinary items				-
<b>Net cash inflow / outflow from operating activities</b>		<b>(1,300,356)</b>		<b>373,031</b>
<b>After tax &amp; extraordinary items</b>				
<b>(B) Cash flow from investing activities</b>				
Add : Proceeds on account of changes in Investments & Fixed Assets	914,611			
Less : Purchase of Fixed assets & Investments	34,900		369,680	
<b>Net Cash inflow / outflow from investing activities</b>		<b>879,711</b>		<b>(369,680)</b>
<b>( C ) Cash flow from financing activities</b>				
Add : Changes in Long term Loans & Advances	145,475		-	
Proceeds of Share Capital	-		-	
Less : Advances given	90,600		155,515	
Less : Repayment of Loans	1,852,680		542,836	
<b>Net cash inflow / outflow from financing activities</b>		<b>(1,797,805)</b>		<b>(698,351)</b>
(D) net increase / decrease in cash & cash equivalent		(2,218,450)		(695,000)
(E) Add: Cash & Cash Equivalents in the beginning of the year		2,634,128		3,329,127
<b>(F) Cash &amp; Cash Equivalents at the end of the year</b>		<b>415,678</b>		<b>2,634,128</b>

For, **Hardik Kadia & Co.**  
Chartered Accountants  
FRN: 145338W

For and on behalf of board  
**Narmada Macplast Drip Irrigation Systems Ltd.**

**Hardik M. Kadia**  
Proprietor

**Vrajlal Vaghasia**  
Managing Director

**Jitenbhai Vaghasia**  
Whole -time Director

Place: Ahmedabad  
Date: 30/06/2020  
UDIN : 20179290AAAABE9491

**Abhishek Patel**  
Chief Financial Officer

## Narmada Macplast Drip Irrigation Systems Ltd

### 4.01 Fixed Assets

(Amount In Rs.)

Sr. No.	Description	Gross Block				Depreciation and Amortisation				Net Block	
		As at April 1, 2019	Additions during the year	Disposals during the year	As at March 31, 2020	As at April 1, 2019	For the year	On Disposals during the year	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
	<b>Tangible Assets</b>										
	<b>Land</b>										
1	Land	1,044,241	-	-	1,044,241	-	-	-	-	1,044,241	(1,044,241)
	<b>Building</b>										
2	Building	8,028,383	-	-	8,028,383	6,402,272	79,192	-	6,481,463	1,546,920	1,626,111
	<b>Plant and Machinery</b>										
3	Plant & Machinery	14,496,845			14,496,845	14,204,989	52,826	-	14,257,815	239,030	291,856
4	Air Conditioner	247,434	34,900	-	282,334	91,315	34,575	-	125,889	156,445	156,119
5	Mobile	8,125			8,125	6,913	219	-	7,132	993	1,212
6	Dye	15,300			15,300	13,017	413	-	13,430	1,870	2,283
	<b>Furniture and Fixture</b>										
7	Furniture & Fixture	415,160	-	-	415,160	412,800	611	-	413,411	1,749	2,360
	<b>Laboratory Equipment</b>										
8	Laboratory Equipments	481,134	-	-	481,134	473,194	2,056	-	475,250	5,884	7,940
	<b>Motor Car</b>										
9	Four Wheeler	37,000	-	-	37,000	35,913	340	-	36,252	748	1,087
	<b>Motor Vehicle</b>										
10	Vehicle	522,658	-	-	522,658	517,547	1,323	-	518,871	3,787	5,111
	<b>Computer</b>										
11	Computer	589,599	-	-	589,599	588,968	398	-	589,366	233	631
	<b>Total</b>	<b>25,885,879</b>	<b>34,900</b>	<b>-</b>	<b>25,920,779</b>	<b>22,746,928</b>	<b>171,953</b>	<b>-</b>	<b>22,918,879</b>	<b>3,001,900</b>	<b>3,138,953</b>



#### 4.02 Investments

(Amount In Rs.)

Sr. No.	Particulars	As at 31/03/2020		As at 31/03/2019	
	<b>Investment in Shares (Unquoted)</b>				
	Investment in Equity	2,796,654		2,627,935	
	Shares of co-operative Bank	62,500		62,500	
	Term deposits	5,265,085		6,348,415	
			8,124,239		9,038,850
	<b>TOTAL</b>		<b>8,124,239</b>		<b>9,038,850</b>

4.02.a Investment in shares represents investment in unquoted shares of a company to the extent of Rs. 23,23,090/-. Reliable data for working out fair value measurement is not available after reasonable efforts by the management for such invested shares, and hence the same has been recorded at historical cost.

Further, the company has invested in ETF to the extent of Rs. 1,60,075/-, market value of the same as on 31st March is Rs. 94,754/-. However, the same has been continued to show at cost value.

4.02.b Term deposits include deposits in lien with Punjab National Bank worth Rs. 28,00,000/-.

#### 4.03 Other Financial Assets

Sr. No.	Particulars	As at 31/03/2020		As at 31/03/2019	
	(Unsecured and Considered good)				
	Deposits	217,288		217,288	
	Advances	6,692,090		6,746,965	
			6,909,378		6,964,253
	<b>TOTAL</b>		<b>6,909,378</b>		<b>6,964,253</b>

#### 4.04 Trade Receivable

Sr. No.	Particulars	As at 31/03/2020		As at 31/03/2019	
	Considered good	6,647,835		16,644,403	
			6,647,835		16,644,403
	<b>TOTAL</b>		<b>6,647,835</b>		<b>16,644,403</b>

#### 4.05 Cash & cash equivalents

Sr. No.	Particulars	As at 31/03/2020		As at 31/03/2019	
	<b>Bank Balance</b>				
	In Current Accounts	300,887		2,606,212	
	Cash on hand	114,791		27,916	
			415,678		2,634,128
	<b>TOTAL</b>		<b>415,678</b>		<b>2,634,128</b>

#### 4.06 Other current assets

Sr. No.	Particulars	As at 31/03/2020		As at 31/03/2019	
	Tender Fees	-		200,000	
	Balances with revenue authorities	857,913		678,603	
			857,913		878,603
	<b>TOTAL</b>		<b>857,913</b>		<b>878,603</b>

4.06.a Balance with revenue authorities mainly consists of Tax Deducted at Source and MAT Credit (under the Income Tax Act) and GST of the company which is in nature of receivable for the company of current and past years.

## 4.07 Share Capital

(Amount in Rs.)

Sr.	Particulars	As at 31/03/2020		As at 31/03/2019	
(a)	<b>Authorised Share Capital :</b> 50,00,000 Equity Shares of Rs. 10/- each	50,000,000		50,000,000	
			50,000,000		50,000,000
(b)	<b>Issued, Subscribed and Paid Up Share Capital :</b> 36,23000 Equity Shares of Rs. 10 each fully paid up Less: 283000 Calls unpaid at Rs.5/- on equity share	36,230,000		36,230,000	
		-		-	
	<b>TOTAL</b>		<b>36,230,000</b>		<b>36,230,000</b>

## i) The details of shareholders holding more than 5% of Equity shares

Name of Shareholder	As at 31/03/2020		As at 31/03/2019	
	No. of Share	% Held	No. of Share	% Held
Vrajlal Vaghasia	1,566,400	43.23	1,566,400	43.23

## ii) The reconciliation of the number of shares outstanding is set out below.

Particulars	As at 31/03/2020 No. of Shares	As at 31/03/2019 No. of Shares
Equity shares at the beginning of the year	3623000	3623000
<b>Add:</b> Shares issued during the year	-	-
<b>Equity shares Outstanding at the end of the year</b>	<b>3623000</b>	<b>3,623,000</b>

## iii) Terms /rights attached to equity shares

- (i) **Equity :** The company has equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to have one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

## 4.08 Other Equity

(Amount in Rs.)

Sr.	Particulars	As at 31/03/2020		As at 31/03/2019	
	<b>Profit &amp; Loss Account</b> As per last Balance Sheet	(13,198,055)		(13,686,516)	
	<b>Less:</b> Other Adjustments	-		202,015	
	<b>Add: Profit during the year</b>	22,573		690,476	
			(13,175,482)		(13,198,055)
	<b>TOTAL</b>		<b>(13,175,482)</b>		<b>(13,198,055)</b>

4.08.a Other adjustments are in nature of writing off of TDS receivable which was outstanding in the books of account. However, in view of the management, such TDS is no more receivable due to non-compliance of TDS Rules (under Incometax Act) by the TDS deductor.

**4.09 Borrowings (Non-current)**

(Amount in Rs.)

Sr.	Particulars	As at 31/03/2020		As at 31/03/2019	
	Long term loans and borrowings		1,523,235		3,375,915
	<b>TOTAL</b>		<b>1,523,235</b>		<b>3,375,915</b>

4.09.a Long term loans and borrowings mainly consists of unsecured loans received from Promoter directors of the company.

**4.10 TRADE PAYABLE**

(Amount in Rs.)

Sr.	Particulars	As at 31/03/2020		As at 31/03/2019	
	Trade payables				
	-For Goods	7,200		11,281,544	
	-For Expenses	82,082		104,541	
			89,282		11,386,085
	<b>TOTAL</b>		<b>89,282</b>		<b>11,386,085</b>

**4.11 Other Current Liabilities**

(Amount in Rs.)

Sr.	Particulars	As at 31/03/2020		As at 31/03/2019	
	Duties and taxes	40,462		14,697	
	Short term borrowings	142,331		-	
	Security and Deposit	370,000		490,000	
		-		-	
			552,793		504,697
	<b>TOTAL</b>		<b>552,793</b>		<b>504,697</b>

4.11.a Short term borrowings consists of Bank overdraft

**4.12 Short Term Provisions**

(Amount in Rs.)

Sr.	Particulars	As at 31/03/2020		As at 31/03/2019	
	For Expenditure	618,011		7,750	
	For Tax	167,500		1,041,195	
			785,511		1,048,945
	<b>TOTAL</b>		<b>785,511</b>		<b>1,048,945</b>

**4.13 Revenue from Operations****(Amount in Rs.)**

Sr. No.	Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
	Revenue from Sale of Products	34,876,375		85,712,369	
	Revenue from Sale of services	4,858,952		3,717,156	
			39,735,327		89,429,525
	<b>TOTAL</b>		<b>39,735,327</b>		<b>89,429,525</b>

**4.14 Other Income****(Amount in Rs.)**

Sr. No.	Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
	Interest income	418,970		410,757	
	Miscellaneous income	12		28,183	
			418,982		438,940
	<b>TOTAL</b>		<b>418,982</b>		<b>438,940</b>

**4.15 Change in Inventories of Finished Goods, Stock In Process and By Products****(Amount In Rs.)**

Sr. No.	Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
	Opening stock				
	Traded goods		-		290,942
	Closing stock				
	Traded goods		-		-
	<b>TOTAL</b>		<b>-</b>		<b>290,942</b>

**4.16 Employee Benefits Expense****(Amount in Rs.)**

Sr. No.	Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
	Salaries and wages		783,815		1,664,580
	<b>TOTAL</b>		<b>783,815</b>		<b>1,664,580</b>

**4.17 Finance Cost****(Amount in Rs.)**

Sr. No.	Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
	Interest expense	73,035		11,299	
	<b>TOTAL</b>		<b>73,035</b>		<b>11,299</b>

**4.18 Other Expenses**

(Amount in Rs.)

Sr. No.	Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
	Power & Fuel	91,745		35,100	
	Preliminary Expenses	-		-	
	Transport Charges	237,325		522,900	
			<b>329,070</b>		<b>558,000</b>
	<b><u>Administrative Expenses</u></b>				
	Payment to Auditor				
	As Auditor :				
	Statutory Audit Fees	-		55,000	
	Legal , Professional & Consultancy Expenses	262,701		456,397	
	Computer expense	35,945		13,348	
	Conveyance expense	11,280		12,534	
	Kasar & Vataav expense	3,010		-	
	Petrol & Diesel	1,000		-	
	Postage and Courier expense	14,104		14,052	
	Printing and Stationery expense	46,661		2,153	
	Telephone expense	54,860		48,701	
	Licence Fees	22,369		21,680	
	Exhibition and Travelling expense	53,928		-	
	Listing Fees	3,300,479		-	
	Other Administrative Expenses	291,026		455,894	
			<b>4,097,363</b>		<b>1,079,759</b>
	<b>TOTAL</b>		<b>4,426,433</b>		<b>1,637,759</b>

**4.19 Earning Per Share**

Sr. No.	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i)	Net profit after tax as per statement of profit and loss attributable to Equity Shareholders (Rs. in Lakhs)	22,573	690,476
(ii)	Weighted Average number of equity shares used as denominator for calculating EPS	3,623,000	3,623,000
(iii)	Basic & Diluted Earning per share (Rs.)	0.01	0.19
(iv)	Face value per equity share (Rs.)	10	10

# Notes to the financial statements

## 1. Basis of preparation of financial statements

### (i) Statement of compliance and basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Up to the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of the Indian GAAP ("Previous GAAP"), which included Standards notified under the Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS is April 1, 2017. Accounting policies have been applied consistently to all periods presented in these financial statements. The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

### (ii) Basis of measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis.

### (iii) Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those 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. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

**(a) Revenue recognition:** The Company uses the accrual method for primarily trading and rent income earned.

**(b) Deferred taxes:** Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible.

## 2. Significant accounting policies

### (i) Functional and presentation currency

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

### (ii) Financial instruments

#### (a) Non-derivative financial instruments:

Non derivative financial instruments consist of:

- Financial assets, which include cash and cash equivalents, trade receivables, employee and other advances, investments in equity and debt securities and eligible current and noncurrent assets;
- financial liabilities, which include long and short term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

#### A. Cash and cash equivalents

The Company's cash and cash equivalents consist of cash on hand and in banks and Demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits are considered as part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under cash and cash equivalents.

#### B. Investments

##### *Investments in equity instruments:*

The Company carries certain equity instruments (unquoted) which are not held for trading. The Company has elected to present such equity instruments at historical costs in the absence of any reliable data with the company in respect of investment.

#### C. Other financial assets:

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses.

These comprise trade receivables, cash and cash equivalents and other assets.

#### D. Trade and other payables

For these financial instruments, i.e. Trade and other payables, the carrying amounts approximate fair value due to the short term maturity of these instruments.

**(b) Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition. If the Company retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**(iii) Equity**

**(a) Share capital and share premium**

The authorized share capital of the Company as of March 31, 2020 is Rs. 5,00,00,000 divided into 50,00,000 equity shares of Rs. 10 each.

The paid-up share capital of the Company as of March 31, 2020 is Rs. 3,62,30,000 divided into 36,23,000 equity shares of Rs. 10 each. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as share premium. Every holder of the equity shares, as reflected in the records of the Company as of the date of the shareholder meeting shall have one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

**(b) Retained earnings**

Retained earnings comprises of the Company's undistributed earnings after taxes. The company has only accumulated losses of Rs. 1,31,75,482/- under the head of Retained Earnings.

**(c) Other comprehensive income**

Changes in the fair value of financial instruments measured at fair value through other comprehensive income and presented within equity as other comprehensive income.

**(iv) Property, plant and equipment**

**(a) Recognition and measurement**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

**(b) Depreciation**

The Company depreciates property, plant and equipment over the estimated useful life on a WDV basis from the date the assets are available for use. Freehold land is not depreciated.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. The cost of property, plant and equipment not available for use as at each reporting date is disclosed under capital work- in-progress.

**(v) Provisions**

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



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

**(vi) Revenue**

The Company derives revenue primarily from trading and rent income during the reporting period.

**(vii) Finance cost**

Finance cost comprise of interest cost on borrowings.

**(viii) Income tax**

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

a. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period.

b. Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences.

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

**(ix) Earnings per share**

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

### 3. Notes on Transition to Ind AS

These financial statements are prepared in accordance with Ind AS. For years up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with Indian GAAP (i.e. Previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS for periods ending on March 31, 2020, together with the comparative period data as at end for the year ended March 31, 2019.

### 4. Related party disclosure

a) The related parties are :

Name of related parties	Nature of relationship
Shri Vrajlal Vaghasia	Chairman & Managing Director
Shri Jitendrabhai Vaghasia	Whole-time Director

b) The Company has the following related party transactions for the year ended March 31, 2020 and 2019:

Transaction	Amount (Rs.)	
	2020	2019
Remuneration	298000	298000

c) The Company has the following balances outstanding as of March 31, 2020 and March 31, 2019:

Balances at the year end	Key managerial personnel	
	2020	2019
Payables	10,33,839/-	10,55,657/-

Above payables are in nature of unsecured loans received by the company from the directors of the company.