

**"BOARD'S REPORT"**

To,  
The Members,

Your Director's are pleased to present the 7<sup>th</sup> Annual Report of the Company together with the Audited Financial Statement for the year ended on 31<sup>st</sup> March 2020.

**1. FINANCIAL RESULTS AND OPERATION:**

PARTICULARS	(In Rupees)	
	2019-2020	2018-2019
Total Revenue	25,90,08,359	18,44,24,219
Less: Total Expenditure including Depreciation	24,57,56,187	17,19,28,558
Profit/Loss Before Tax	1,29,77,732	1,24,95,661
Less: Tax (including Current Tax, deferred tax & Provision)	71,99,294	58,19,467
<b>Profit After Tax</b>	<b>57,78,438</b>	<b>66,76,194</b>

**2. DIVIDEND:**

During the year under review, Directors deem it proper to plough back the resources of the Company for its activities and therefore, do not propose any dividend for the Financial Year ended 31<sup>st</sup> March, 2020.

**3. GENERAL RESERVE:**

No amount has been transferred to General Reserve during the financial year 2019-2020; however Rs. 57,78,438 has been transferred to reserve & surplus during the financial year ended 31<sup>st</sup> March 2020.

**4. SHARE CAPITAL:****(i) Authorised Share Capital:-**

During the Financial Year, the Authorized share capital of the Company is Rs. 10,00,00,000/- (Ten Crore) divided into 1,00,00,000 (One Crore) Equity share of Rs. 10 (Ten) each.

**(ii) Issued, Subscribed and Paid-Up Capital:-**

During the Financial Year, the Paid up share capital of the Company is Rs. 10,00,00,000/- (Ten Crore) divided into 1,00,00,000 (One Crore) Equity share of Rs. 10 (Ten) each.

**5. PUBLIC DEPOSITS:**

The Company has neither invited nor accepted any deposit from the public with in the Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 during the year.

**6. ANNUAL RETURN:**

The Extract of Annual Return in Form No.MGT-9 as required under Section 92 of the Companies Act, 2013 for the financial year ending March 31, 2020 is annexed hereto and forms part of this report in ANNEXURE-A.

**7. AUDITORS:**

M/s. A. K. Agrawal & Associates, Chartered Accountants, Gwalior (FRN: 08009C) has been appointed as statutory Auditor for the Financial Year 2019-2020 to fill the casual vacancy arises due to resignation by M/s. P.K. Shishodiya & Co., the existing statutory auditors of the Company.

The Board now recommend the members for the re-appointment of M/s. A. K. Agrawal & Associates, Chartered Accountants, Gwalior (FRN: 08009C) for a further period of five years commencing from the conclusion of 7<sup>th</sup> Annual General Meeting till the Conclusion of 12<sup>th</sup> Annual

General Meeting of the Company (i.e. for the financial year from 2020-21 to 2024-25). The consent of the auditors has been obtained in this regard.

**8. AUDITOR'S REPORT:**

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self explanatory and do not call any further explanations.

**9. DISCLOSURE ABOUT COST AUDIT:**

The Provisions of Section 148 of the Companies Act, 2013 relating to the Cost Audit are not applicable to the Company during the financial year.

**10. SECRETARIAL AUDIT REPORT:**

The Provisions of Section 204 of the Companies Act, 2013 relating to the Secretarial Audit are not applicable to the Company since the Company is a Private Limited Company.

**11. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE BY STATUTORY AUDITORS IN AUDIT REPORT:**

There are no qualifications, reservations or adverse remarks made by the Auditors in their report.

**12. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The following changes occurred in the position of Directors and KMP of the Company during the year:-

- Mr. Burhanuddin Ali Husain Maksiwala (PAN No.: BTCPA1791E) has resigned from the post of Company Secretary w.e.f. 30/01/2020.
- During the year Mr. Vijai Singh Bharaktiya (DIN: 00017285) has resigned from the post of Directorship w.e.f. 10/10/2019.
- Mrs. Ruchi Sogani (DIN: 02805170) has resigned from the post of Directorship w.e.f. 10/10/2019.

The Company has received Disclosures from all Directors and none of the Directors has been disqualified as stipulated under Section 164 of the companies Act, 2013 and rules made there under.

**13. DISCLOSURE ABOUT ESOP AND SWEAT EQUITY:**

- **Sweat Equity:**  
The Company has not issued any Sweat Equity Shares during the year under review.
- **Employees Stock Option Plan:**  
The Company has not provided any Stock Option Scheme to the employees.
- **Issue of Shares with differential voting rights:**  
The Company has not issued any securities with differential voting rights.

**14. DISCLOSURE OF COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE:**

The Provisions of Section 178(1) of the Companies Act, 2013, relating to constitution of Nomination and Remuneration Committee are not applicable to the Company since the Company is a Private Limited Company.

**15. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM:**

The Provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.



**16. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the provision of Section 134(5) of the Companies Act, 2013 as amended with respect to Director's responsibility statement and subject to where so ever otherwise contained in the Audit Report, Your Directors hereby confirm:

- i) That in the preparation of the annual accounts for the financial period ended on 31<sup>st</sup> March, 2020 the applicable accounting standards had been followed, along with proper explanation relating to material departures;
- ii) That 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 period ended and of the profit or loss of the Company for the period under review;
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That the Directors have prepared the annual accounts on a going concern basis.
- v) The Company being unlisted, sub clause (e) of section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company.
- vi) The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

None of the company have become or ceased to be the Company's subsidiaries, joint ventures or associate companies during the financial year.

**18. DECLARATION OF INDEPENDENT DIRECTORS:**

The Provisions of Section 149(6) of the Companies Act, 2013 relating to the appointment of Independent Directors are not applicable to the Company since the Company is a Private Limited Company.

**19. PARTICULARS OF EMPLOYEES:**

None of the Employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Company is a private limited company and hence section 197 read with schedule V of the Companies Act, 2013 are not applicable.

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

The Company has in place an Anti Sexual Harassment policy in line with the requirements of the Sexual harassment of women at the work place (Prevention, Prohibition, and Redressal) Act, 2013. Internal complaints committee (ICC) has been setup to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the financial year under review, no case of sexual harassment was reported.

**21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The particulars of loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the financial year are given in the notes to the Financial Statements.

**22. BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:**

The Board of Directors of the Company have met 7 times during the year and in accordance with the provisions of the Companies Act, 2013 and rules made there under. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

**23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

There were no transactions entered with the related party during the financial year ended 31<sup>st</sup> March, 2020 which was categorized under Section 188 of the Companies Act, 2013. Therefore, Form AOC-2 is not required.

**24. CORPORATE SOCIAL RESPONSIBILITIES:**

The Provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company during the financial year 2019-20, so the Company is not required to create Corporate Social Responsibility (CSR) Policy and also to form CSR Committee during the financial year ended 31<sup>st</sup> March, 2020.

**25. RISK MANAGEMENT:**

The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time.

**26. INTERNAL FINANCIAL CONTROLS:**

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weaknesses in the design or operation were observed.

**27. DISCLOSURE OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:****CONSERVATION OF ENERGY:-**

The particulars as required under the provisions of section 134(3) (m) of the Companies Act, 2013, in respect of Conservation of energy, Technology absorption during the review is given as below:

**a) The steps taken or impact on Conservation of energy:**

Your Company continues to endeavour to improve energy efficiencies and conservation. During the year a host of initiatives were undertaken to reduce the impact on environment. Some of the initiatives taken by the Company towards power and fuel conservation during FY 2019-20 are outlined below:-

- The Company is utilizing its waste by-products (bagasse) as source of energy and take all necessary steps to conserve the energy and fuel consumption.
- Company follows the practice of switching off electric machines and equipments when not in use.
- Company has taken green initiative by reducing printing of documents.
- Company takes preventive measures to stop the leakage of energy and other scarce resources in all of its manufacturing and other activities.

**b) Steps taken by the Company for utilizing alternate source of energy:**

The Company has installed in-house power turbine of 3 MW and 1.5 MW respectively which generate electricity for captive consumption. The Company is utilising its waste by-products to generate the electricity which is now a main source of power supply in its manufacturing unit situated at Village Sankhini Dist. Datia (MP) 475661.

**c) The Capital investment on energy Conservation equipment:**

The Company has invested a tentative amount of Rs. Eight Crore in Turbine power plants over the years.

**TECHNOLOGY ABSORPTION:-**

- i. The efforts made by the Company towards technology absorption.-Your Directors are of the opinion that the Company has already for the latest technology in its manufacturing units.
- ii. The Benefits derived like products improvement, cost reduction, product development or import substitution.- Company is already using latest technology in its manufacturing units which resulted increase in efficiency and reduction in cost.



- iii. In case of Imported technology ( Imported during the last three years reckoned from the beginning of the financial year)-
- The details of technology imported
  - The year of Import
  - Whether the technology been fully absorbed
  - If not fully absorbed, areas where absorption has not taken place, and the reason thereof.

All the above imported technology is NIL during the last three years reckoned from the beginning of the financial year.

- iv. The expenditure incurred on Research and developments.-As research and development is part of ongoing quality control and manufacturing cost, the expenditure is not separately allocated and identified.

**28. FOREIGN EXCHANGE EARNING AND OUTGO:**

During the period Foreign exchange earning & outgo is NIL.

**29. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

**30. CHANGE IN THE NATURE OF BUSINESS :**

There is no change in the nature of the business of the company.

**31. MATERIAL CHANGES AND COMMITMENT:**

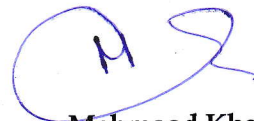
No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report.

**32. ACKNOWLEDGEMENT:**

Your Directors wish to place on record their immense appreciation for the assistance and co-operation extended by the various statutory authorities, Banks, Shareholders and Employees of the Company.

**For and on Behalf of the Board  
For Dollex Agrotech Pvt. Ltd.**

Date: 24/08/2020  
Place: Indore

  
**Mehmood Khan**  
Director  
(DIN:00069224)

  
**Munni Bee Khan**  
Director  
(DIN:00027334)