

“BOARD’S REPORT”

To,
The Members,

Your Director’s are pleased to present the 8th Annual Report of the Company together with the Audited Financial Statement for the year ended on 31st March 2021.

1. FINANCIAL RESULTS AND OPERATION:

PARTICULARS	(In Rupees)	
	2020-2021	2019-2020
Total Revenue	774,841,935	259,008,359
Less: Total Expenditure including Depreciation	-750,807,374	-245,756,187
Extra Ordinary Items	21,66,243	-2,74,440
Profit/Loss Before Tax	26,200,804	12,977,732
Less: Tax (including Current Tax, deferred tax & Provision)	-9,458,050	-7,199,294
Profit After Tax	16,742,754	5,778,438

2. DIVIDEND:

During the year under review, Directors deems 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 31st March, 2021.

3. GENERAL RESERVE:

The profit after tax for the year has been carried as balance in profit and loss account along with accumulation of opening balance and the same has been shown under the head Other Equity under shareholders fund in the balance sheet as at 31st March, 2021. No part of the profit has been transferred to General reserve.

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

During the Financial Year, the Authorised share capital of the Company increased to Rs. 20,00,00,000/- (Twenty Crore) divided into 2,00,00,000 (Two 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 increased to Rs. 20,00,00,000/- (Twenty Crore) divided into 2,00,00,000 (Two 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 WEB LINK:

As per Companies (Management and Administration) Amendment Rules, 2021 Company shall not be required to attach the extract of the annual return with the Board's report in **Form No. MGT-9**, in case the web link of such annual return to be disclosed in the Board's report in accordance with sub-section (3) of section 92 of the Companies Act, 2013. As Company doesn't maintain website, this provision is not applicable on Company.

7. AUDITORS:

M/s. A. K. Agrawal & Associates (FRN:08009C) have been appointed as the Statutory Auditors of the Company for a period of 5 (Five) years i.e. from financial year 2020-21 to 2024-25.

8. AUDITOR'S REPORT:

The Notes on accounts, referred to in the Auditors' Report, are self-explanatory and therefore do not call for any further comments under Section 143 (3) of the Companies Act, 2013.

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 having borrowing less than Rs. 100 Crore.

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:-

- During the year Mr. Yusuf Khan (DIN: 00027127) has resigned from the post of Directorship w.e.f. 09/11/2020.

The Company has received disclosures from all Directors and none of the Director 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 31st March, 2021 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 and statement on declaration given by 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 12 (Twelve) 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:

Related Party Transactions that were entered during the financial year ended 31st March, 2021 were on an arm's length basis and were in the ordinary course of business. The details are given in Form AOC-2 attached in Annexure-A to this report.

24. CORPORATE SOCIAL RESPONSIBILITIES:

The Provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company during the financial year 2020-21, so the Company is not required to create Corporate Social Responsibility (CSR) Policy and also to form CSR Committee during the financial year ended 31st March, 2021.

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 endeavor 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 2020-21 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 lights and computers 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 (M.P.) 475661.

c) The Capital investment on energy Conservation equipment:

The company has invested a tentative amount 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)-**
 - a) The details of technology imported
 - b) The year of Import
 - c) Whether the technology been fully absorbed

- d) 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: 08.06.2021
Place: Indore**

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

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