

28th Annual Report

— 2018-2019 —



Natraj 
Proteins Limited

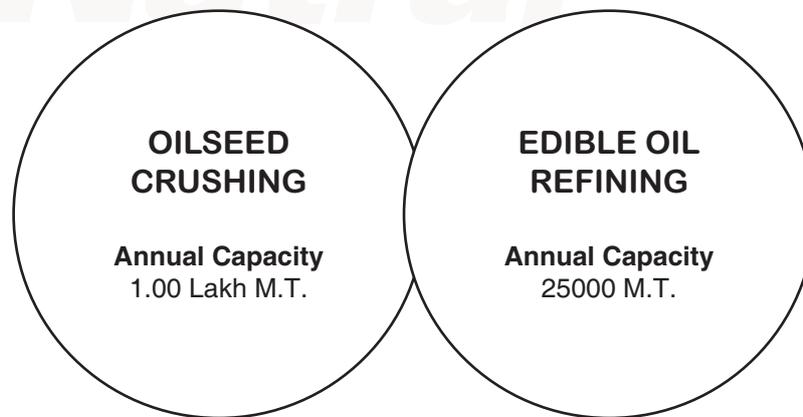
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Natraj Proteins in a Nutshell

Natraj Proteins Ltd. (Natraj) was established in the year 1990. Natraj has been consistently pushing technology frontiers for more than 25 years, to meet the challenging demands of edible soya oil. The Quality is the key driver of success at Natraj, having range of plants and equipments is based on a spectrum of energy and environmental research that will return benefit for generations. A three-stage quality control module is adopted which includes stringent check on incoming raw material, in-process control and final testing. Prior to the shipping of product, Natraj also conducts thorough inspection to ensure that they comply with client's specifications.

Natraj has well established infrastructure, characterized & experienced workforce and amiable working environment. As a part of our corporate social responsibility, we undertake community development activities and focus on promoting education and healthcare. The Capacity break-up of the company is as shown below:



Corporate Information

BOARD OF DIRECTORS

Name	Designation
Shri Kailash Chand Sharma	Chairman & Managing Director
Shri Sharad Kumar Jain	Whole Time Director
Shri Umesh Narayan Trivedi	Independent Director
Shri Pradeep Agrawal	Independent Director
Shri Rajender Singh Tomar	Independent Director
Smt. Namita Sharma	Non-Executive Women Director

Other Key Managerial Personnel

Name	Designation
Shri Ritesh Sharma	CFO & Add. Compliance Officer
CS Pooja Agrawal	Company Secretary & Compliance Officer

Committees of the Board

Audit Committee

S. No.	Name	Designation	Position in the Committee
1.	Shri Umesh N. Trivedi	Independent Director	Chairman
2.	Shri Pradeep Agrawal	Independent Director	Member
3.	Shri Rajender Singh Tomar	Independent Director	Member

Stakeholders' Relationship Committee

S. No.	Name	Designation	Position in the Committee
1.	Shri Umesh N. Trivedi	Independent Director	Chairman
2.	Shri Pradeep Agrawal	Independent Director	Member
3.	Shri Rajender Singh Tomar	Independent Director	Member

Nomination & Remuneration Committee

S. No.	Name	Designation	Position in the Committee
1.	Shri Umesh N. Trivedi	Independent Director	Chairman
2.	Shri Pradeep Agrawal	Independent Director	Member
3.	Shri Rajender Singh Tomar	Independent Director	Member

Corporate Social Responsibility Committee

S. No.	Name	Designation	Position in the Committee
1.	Shri Kailash Chand Sharma	Managing Director	Chairman
2.	Shri Pradeep Agrawal	Independent Director	Member
3.	Shri Umesh N. Trivedi	Independent Director	Member

Internal Committee on Sexual Harassment of Women at the Workplace

S. No.	Name	Designation	Position in the Committee
1.	Smt. Namita Sharma	Women Director	Chairperson
2.	CS Pooja Agrawal	Company Secretary	Member
3.	Shri Ritesh Sharma	Chief Financial Officer	Member

Risk Management Committee*

S. No.	Name	Designation	Position in the Committee
1.	Shri Kailash Chand Sharma	Managing Director	Chairman
2.	Shri Pradeep Agrawal	Independent Director	Member
3.	Shri Umesh N. Trivedi	Independent Director	Member

*Constituted Voluntarily

<u>Statutory Auditor:</u> M/s Anup Shrivastava & Associates Chartered Accountant Rama Complex, 163, Zone-1, S-1, Second Floor, M.P. Nagar, Bhopal (M.P.) -462011	<u>Secretarial Auditor</u> D.K. Jain & Co. Company Secretaries Janjirwala Chouraha, Near Curewell Hospital, Indore (M.P.)- 452001
<u>Cost Auditor</u> Yogesh Chourasia & Associates Cost & Management Accountants R-73, Zone-II, M.P. Nagar, Bhopal (M.P.)- 462011	<u>Internal Auditor</u> Mr. Abhinandan Prajapati
<u>Banker:</u> Andhra Bank, Bhopal	<u>Name of the Stock Exchange</u> BSE Limited, Scrip Code: 530119
Registered Office & Plant Nagpur Kalan, Ordinance Factory Road Itarsi (M.P.) 461111 Phone 07572-262636-38 Email: natrajproteinltd@rediffmail.com Website: www.natrajproteins.com	Share Transfer Agent: Ankit Consultancy Pvt. Ltd. Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) Phone: 0731-2551745 Email: ankit_4321@yahoo.com

NOTICE

NOTICE is hereby given that **28th** Annual General Meeting of the members of **NATRAJ PROTEINS LIMITED** will be held on Friday, 20th day of September, 2019 at 2.00 P.M. at the Registered Office of the company situated at Nagpur Kalan, Ordinance Factory Road, Itarsi (M.P.) 461111 to transact the following businesses:

ORDINARY BUSINESSES:

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company including the Audited Balance Sheet as at 31st March, 2019, Statement of changes in Equity, the Statement of Profit & Loss and Cash Flow for the year ended 31st March, 2019 and the Reports of the Board's and Auditors thereon.
2. To appoint a director in place of Shri Sharad Kumar Jain (DIN:02757935) who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESSES:

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors Rules) 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, **M/s Yogesh Chourasia & Associates, Cost Accountants (Firm Registration No.: 000271)** appointed as the Cost Auditors by the Board for conducting Cost Audit for the Financial Year 2019-20 on a remuneration of Rs. 67,500/- plus GST be and is hereby ratified.”

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), **Shri Rajender Singh Tomar (DIN-07102758)**, who was appointed as an Independent Director for a 1st term of 5 years which is ending on 26th February, 2020 and being eligible, and has submitted a declaration for confirming his independence and upon recommendation of the Nomination and Remuneration Committee and the Board, Shri Rajender Singh Tomar, be and is hereby re-appointed as an Independent Director of the Company for a second term of 5 (five) consecutive years, w.e.f. 27th February, 2020 to 26th February, 2025 and he shall not be liable to retire by rotation.”

BY ORDERS OF THE BOARD

Date: 31st July, 2019

Place: Itarsi

Natraj Proteins Ltd.

CIN: L00153MP1990PLC006090

Nagpur Kalan, Ordinance Factory Road,

Itarsi - 461111(M.P.)

POOJA AGRAWAL

COMPANY SECRETARY &

COMPLIANCE OFFICER

ACS 49139

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/IES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY.
2. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregating not more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or Shareholder.
The instrument of proxy in order to be effective should be deposited at the Registered Office of the Company duly completed and signed not less than 48 hours before the time fixed for the Meeting. A Proxy form is sent herewith.
3. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting is annexed hereto.
4. The company has notified closure of Register of Members and Share Transfer Books from **Saturday, 14th September, 2019 to Friday, 20th September, 2019, Tuesday** (both days inclusive) for the purpose of the Annual General Meeting.
5. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Boards.
6. Members seeking any information are requested to write to the Company by email at natrajproteinltd@rediffmail.com at least 7 days before the date of the AGM to enable the management to reply appropriately at the AGM.
7. Members are requested to notify immediately correct address for any change in their address and also intimate their active E-Mail ID to their respective Depository Participants (DPs) and in respect of shares held in the company in physical form to the Registrar and Share Transfer Agent i.e. Ankit Consultancy Pvt. Ltd., Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) having email Id ankit_4321@yahoo.com, or rtaindore@gmail.com to receive the soft copy of the annual report and all other communication and notice of the meetings etc., of the Company.
8. Electronic copy of the Annual Report for the year 2018-19 is being sent to the members whose email IDs are registered with the Share Transfer Agent /Depository Participants unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual reports being sent in the permitted mode.
9. Members may also note that the Annual Report for the year 2018-19 is also available on Company's website www.natrajproteins.com.
10. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting pursuant to section 113 of Companies Act, 2013 are requested to send a duly certified copy of the relevant Board Resolution together with the respective specimen signatures of those representatives authorized under the said resolution to attend and vote on their behalf at the Meeting.
11. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the company on all working days, except Saturday, between 11:00 A.M and 1:00 P.M up to the date of the Annual General Meeting.
12. Members/proxies/authorized representatives are requested to bring the duly signed attendance slip in accordance with their specimen registered with the Company and a copy of Annual Report with them to attend the Meeting.
13. The Register of Directors, Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
14. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of

the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

15. SEBI has mandated that for registration of transfer of the shares in the d-mat form only after 1st April, 2019. Therefore, it is advised to the shareholders, holding their shares in the physical form to get convert into the D-mat form.
16. Members may also note that the Notice of 28th Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot Paper and the Annual Report for the year 2018-19 will also be available on the company website www.natrajproteins.com for their download.
17. The Brief profile of the director seeking re-appointment at the ensuing annual general meeting is annexed with the Notice.
18. As per SEBI Circular dated 20th April, 2018 such shareholders holding shares of the company in the physical form are required to provide details of the Income Tax Permanent Account No. and Bank Account Details to the Share Transfer Agent of the Company. The Company has sent three letter to all the shareholders holding shares in the physical form by the Registered Post. It may please be noted very carefully by the shareholders who has not provided required details to the Share Transfer Agent, or informed that the shares available in their name as per records to the share transfer agent does not belong to them or letter return back being undelivered shall be subject to enhanced due diligence by the Company and the Share Transfer Agent.

19. Voting through electronic means

- I. In compliance with provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through E-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again at the AGM.
- IV. The remote e-voting period commences on **17th September, 2019, Tuesday (I.S.T. 9.00 A.M.) and ends on 19th September, 2019, Thursday (I.S.T. 5.00 P.M.)**. During this period members of the Company, holding shares either in physical or in dematerialized form, as on the **cut-off date of 13th September, 2019**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is casted by the member, the member shall not be allowed to change it subsequently.
- V. **Members are requested to carefully read the below mentioned instructions for remote e-voting before casting their vote.**

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 :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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, your 'initial password' is communicated to you on your postal address.
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.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on 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 mentioning your demat account number/folio number, your PAN, your name and your registered address.

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 NATRAJ PROTEINS LTD.
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 ishan1619@yahoo.co.in with a copy marked to 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 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 or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.
- VI. CS Ishan Jain, Practicing Company Secretary (FCS No.9978 CP 13032) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- VII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting by “Ballot Paper” or “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility. However, no remote e-voting facility shall be made available at the venue of the AGM.
- VIII. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- IX. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.natrajproteins.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

DETAILS OF THE DIRECTOR SEEKING RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING

Name of Directors	Shri Sharad Kumar Jain	Shri Rajender Singh Tomar
Designation	Whole-time Director	Independent Director
DIN	02757935	07102758
Date of Birth	06/02/1964	29/05/1960
Expertise/Experience in specific functional areas	32 years' experience in Soya Industry and Real Estate business	Having more than 24 years of experience in the Agro Products.
Qualification	B.Sc.	M.Com.
No. & % of Equity Shares held	2,39,000 (6.38%)	0
Details of outside Company's directorship held	NIL	NIL
Chairman / Member of the Committees of the Board of Directors of the Company	N.A.	1. Audit Committee - Member 2. Stakeholder's Relationship Committee - Member 3. Nomination & Remuneration Committee - Member 4. Corporate Compliance Committee – Member
Chairman / Member of the Committees of the Board, Directors of other Companies in which he/she is director	-	-
Disclosures of relationships between directors and KMPs inter-se.	None	None

Brief Resume: -

Shri Sharad Kumar Jain is a graduate in Commerce and have 32 years of experience in the Soya Industry. He is one of the core promoters since the incorporation of the Company. He is also whole-time director and he is mainly responsible for general business activities besides other duties and responsibilities.

Shri Rajender Singh Tomar is a master's in commerce and have more than 24 years' experience in the Agro Products and he is an Independent Director.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013
Item No. 3

The Board on the recommendation of Audit Committee has approved the appointment of **M/s Yogesh Chourasia & Associates, Cost & Management Accountant (Firm Registration No. 000271)** as the Cost Auditor of the Company for conducting Cost Audit for the year 2019-20 at a remuneration of Rs. 67,500/- plus applicable GST. In accordance with the provision of section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditor is required to be ratified by the Members of the company, accordingly consent of the members are sought for passing an Ordinary Resolution as set out in Item No. 3 of the notice for ratification of remuneration payable to the cost auditors.

None of the directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested financially or otherwise in the proposed Resolution. The Board recommends to pass necessary resolution as set out in the Item No. 3 of the notice as an Ordinary Resolution.

Item No. 4

Shri Rajender Singh Tomar (DIN:07102758) was appointed as an Independent Director for a term of the 5 (Five) consecutive years to hold office upto 26th February, 2020 ("first term").

The Nomination and Remuneration Committee (NRC) of the Board, on the basis of the report of performance evaluation, has recommended for his re-appointment as the Independent Director for a second term of 5 (five) consecutive years on the Board of the Company w.e.f. 27th Feb., 2020.

The Board, based on the performance evaluation and as per the recommendation of the NRC, considers that, given his background and experience and contributions made by him during his tenure, the continued association would be beneficial to the Company and it is desirable to re-appoint him to avail his services as an Independent Director.

Accordingly, it is proposed to re-appoint him as Independent Directors, not liable to retire by rotation, for a second term of 5 (five) consecutive years w.e.f. 27th February, 2020 on the Board of the Company.

Shri Tomar is not disqualified as a Director in terms of Section 164 of the Act and other applicable laws and has given his consent to act as a Director. The Company has also received declaration from him that he meet the criteria of independence as prescribed both under Section 149(6) of the Act and under the SEBI (LODR) Regulations, 2015. In the opinion of the Board, he fulfil the conditions for appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (LODR) Regulation, 2015.

He shall be paid remuneration by way of fee for attending meetings of the Board. Copy of draft letter of appointment setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

The aforesaid director may be deemed to be interested in the resolution to the extent of the fee for attending the meetings as may be payable, if any. None of the other Directors / Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise.

Your directors recommend to pass the resolution as set out in the Item No. 4 by way of special resolution.

BY ORDERS OF THE BOARD

Date: 31st July, 2019

Place: Itarsi

Natraj Proteins Ltd.

CIN: L00153MP1990PLC006090

Nagpur Kalan, Ordinance Factory Road,

Itarsi - 461111(M.P.)

POOJA AGRAWAL
COMPANY SECRETARY &
COMPLIANCE OFFICER
ACS 49139

BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

To,
The Members of
Natraj Proteins Ltd.

Your Directors take pleasure in presenting their 28th Annual Report together with the Standalone Audited financial statements for the year ended 31st March, 2019.

HIGHLIGHTS OF FINANCIAL PERFORMANCE

- Total revenue for the year was Rs. 19093.60 Lakhs as compared to Rs. 19578.44 Lakhs.
- Net sales for the year was Rs. 19072.32 Lakhs as compared to Rs. 19555.25 Lakhs in the previous year.
- Profit/(Loss) before tax for the year was Rs. 135.33 Lakhs as compared to profit of Rs. 178.29 Lakhs in the previous year.
- Profit/(Loss) after tax for the year was Rs. 114.66 Lakhs as compared to Rs. 160.56 Lakhs in previous year.

SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. In Lakhs)

Particulars	Year ended	
	31.03.2019	31.03.2018
Revenue from Operations (Net)	19072.32	19555.25
Other Income	21.28	23.19
Total Income	19093.60	19578.44
Total Expenditure before Interest and Depreciation	19444.10	19887.44
Profit before Interest, Depreciation & Tax (EBIDTA)	621.17	665.58
Less: Interest	420.81	427.37
Less: Depreciation	65.03	59.92
Profit before Tax and exceptional item	135.33	178.29
Less: Exceptional Item	0.00	0.00
Profit before Tax	135.33	178.29
Less: (a) Current Tax	27.86	23.33
(b) Tax adjustments related to previous year	0.00	0.00
(c) Deferred Tax	(7.19)	(5.60)
Net Profit for the Year	114.66	160.56
Add: Other Comprehensive Income	1.78	1.75
Total Comprehensive Income	116.44	162.31
Paid up Equity Share Capital	374.70	374.70
EPS (Equity Shares of Rs. 10/- each) Basic & Diluted (in Rs.)	3.06	4.33

DIVIDEND

In order to conserve resources, your directors do not recommend any dividend for the Financial Year 2018-19 (Previous Year 2017-18 Rs. Nil) and propose to retain the profits for future requirements of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. that in the preparation of the annual accounts for the year ended 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently. Judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019.
- c. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that they have prepared the Annual Accounts on a going concern basis;
- e. that they have laid down internal financial controls for the company and such internal financial controls were adequate and were operating effectively.
- f. that they have devised proper systems to ensure compliance with the provisions of all applicable laws and such system are adequate and operating effectively.

STATE OF AFFAIRS

The company is basically engaged in manufacture of vegetable oils and fats through solvent extraction process and wholesale of cereals and pulses. Further, your company has undergone modernization/ upgradation of its existing plant and machinery of the plant situated at Nagpur Kalan, Ordinance Factory Road, Itarsi (M.P.)

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2019 was Rs. 374.70 Lakhs divided into 37.47 Lakhs equity shares of Rs.10/- each. During the year under review, the Company has not issued shares with differential voting rights or granted stock options or sweat equity.

TRANSFER TO RESERVES

The company has not transferred any amount to the general reserves or any other reserves during the year 2018-19. Your company has utilized Rs.7.08 Lakhs towards CSR activities which was reduced from CSR Reserve. The Company is having balance amount of Rs. 6.12 Lakhs, in the CSR reserves which has been created voluntarily.

FINANCE

Cash and cash equivalent as at 31st March, 2019 is Rs. 6.37 Lakhs & Bank balance other than cash & cash equivalents is Rs. 405.48 Lakhs. (Previous year Rs.34.87 Lakhs) The Company continues to focus on management of its working capital, receivables, and inventories. The other working capital parameters are kept under continuous monitoring.

DEPOSITS

Your Company has not accepted deposit from the public falling within the ambit of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and there were no remaining unclaimed deposits as on 31st March, 2019. Further, the Company has not accepted any deposit or loans in contravention of the provisions of the Chapter V of the Companies Act, 2013 and the Rules made there under.

S.No.	Particulars	Amt in Rs.
1.	Details of Deposits accepted during the year	Nil
2.	Deposits remaining unpaid or unclaimed at the end of the year	Nil
3.	Default in repayment of deposits At the beginning of the year Maximum during the year At the end of the year	N.A.
4.	Deposits not in compliance with law	N.A.
5.	NCLT/ NCLAT orders w.r.t. depositors for extension of time and penalty imposed	N.A.

Further, your company has filed form DPT-3 for One time and for the Annual compliance as at 31st March, 2019 for the amount received by the company which is not under the purview of section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) rules, 2014 as amended from time to time.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not provided any loan and guarantee and also not made any investment pursuant to section 186 of the Companies Act, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

a) Economic Scenario and Future Outlook

We hope that a normal onset of monsoon will help the crop production and lead to better quality crop in the current year. We are hopeful of improved performance in the current year. The Company is currently focusing on growing core business and improve sustainable margins. The company is also focusing on right sizing of capacities with a view to optimize the return on capital employed. The focus areas in future involves evaluation of:

- (a) investments for potential value creation,
- (b) proposals for strategic action,
- (c) schemes for exploitation of assets and resources to the maximum possible potential
- (d) controlling of costs to stay competitive in business

The industry expects that, due to improved weather conditions, the current year augurs well for better soya crop size than the previous year, entailing better availability of seeds for crushing and capacity utilization of the production capacities.

b) Industry Outlook and Opportunities

There is ever increasing potential in the edible oil business and growing consumption across the population. The company is positive in its outlook for demand for its products viz. refined edible oil and De-oiled cakes (DOC). The company perceives international price pressure as a major threat. Local demand for DOC is on the rise and will result in better realization. The export market though may be impacted due to cheaper supplies from China and South America.

c) Opportunities and Threats:

Since your company is catering the needs of almost all sectors of Industries, therefore it has a good business cushion against recession in one or other sector as the other sector may improve concurrently. The Indian Government focus on infrastructure growth will offer more opportunities to capital goods sector.

The Banking system in the domestic market is facing an unprecedented situation of uncertainty and economic challenge due to non-performing assets (NPAs). Though the Government and the central Bank are seized of the gravity of the situation and are moving ahead with initiative to contain and resolve the problem, global macro-economic factors, beyond the control of the domestic economy can disrupt the equilibrium. In such a scenario the entire capital goods sector itself will face difficulties due to lack of new projects and liquidity crisis.

Apart from the normal risk demand-supply conditions, raw material prices, competitor strategies, changes in government regulations, tax regimes, economic developments within the country and globally no major risks are foreseen.

d) Human Resources:

Many initiatives were taken to support business through organizational efficiency, process change support and various employee engagement programs which has helped the organization to achieve higher productivity level. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

The Company's HR processes such as hiring and on-boarding, fair & transparent performance evaluation, talent management process, workmen development process and market aligned policies are being seen as benchmark practices in the Industry.

During the year under review, the following Human Resources initiatives received greater focus:

- **Employer of Choice:** Employees are encouraged to express their views and are empowered to work independently. They were also given the opportunity to learn through various small projects which made them look at initiatives from different perspectives and thus provided them a platform to become result oriented. This has helped greatly in overall development of the employee.
- **Leadership Development:** As a part of Leadership Development, talented employees have been seconded to the senior leadership team to mentor them and prepare them for the next higher role.
- **Industrial Relations:** The Company's Industrial Relations Policy has been benchmarked by the Manufacturing Sector. The Company shares relevant business information with the Unions in order to enlighten them and make them sensitive towards business requirements. This has helped to build a healthy relationship and resolve issues through mutual dialogue.

e) Segment Reporting & Finance performance of the Product:

Company is dealing in 2 business activities i.e. Solvent Extraction and Commodity Derivative Trading. However, there is no requirement of segmental reporting as the sales of commodities/derivatives are less than the threshold limit.

f) Details of significant changes in Key Financial Ratios :

S. No.	Key Ratio	2018-19	2017-18	Variance	Comments for Variation in ratio above 25%
1	Debtors Turnover Ratio	11.08	15.27	-27.43	In few cases the company cannot liquidate its debtors within the credit period provided by the company due to their liquidity issues.
2	Inventory Turnover Ratio	2.72	2.30	18.63	-
3	Interest Coverage Ratio	1.53	1.61	-4.88	-
4	Current Ratio	1.84	1.38	33.18	The company is having liquidity due to which current assets of the company increases
5	Debt Equity Ratio	1.04	2.09	-50.15	Company is using Own Funds
6	Operating Profit Margin (%)	3.26	3.40	-4.31	-
7	Net Profit Margin (%)	0.60	0.82	-26.78	There is a reduction in overall turnover due to which profitability is also decreased because plant is closed for almost 3 months due to modernization/ upgradation.
8	Return on Networth (%) (Any Change)	30.60	42.85	-28.59	Do

Note: In calculations of the aforesaid ratios, the adjustments for accounting treatments given to comply with the requirements for IND-AS have not been considered.

h) Cautionary statement:

Statement made in the management discussion and analysis report as regards the expectations or predictions are forward looking statements within the meaning of applicable laws and Regulations. Actual performance may deviate from the explicit or implicit expectations.

MARKET DEVELOPMENT

VOLUME

The Company will continue to focus on growing its activities with a view to have better reach and realizations. The company is planning to introduce various packaging sizes to cater to a wider range of customers. The company will lay greater stress upon developing its brand and create better visibility in the market.

SELLING PRICE

The company is in the business of Extraction of Soya Solvent and in this industry, price is determined by the market influences.

CSR INITIATIVES

In view of the profits and turnover, the Company was not required make any new budget for CSR for the year 2018-19. However, the company carrying the unspent amount of Rs. 40.56 Lakhs for the year 2014-15, 2015-16 and 2016-17. However, the company has expended Rs. 7.08 Lakhs towards the CSR activities from it. Thus, the Company is now required to spend total amount of Rs. 33.48 Lakhs.

During the year 2018-19, the Company has provided various facilities to schools and has also purchased plants for environment sustainability. The Annual Report on CSR activities is annexed herewith as "Annexure A".

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

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act,

2013 ('Act') and Rules made thereunder, your company has constituted Internal Complaints Committees (ICC). Statement showing the number of complaints filed during the financial year and the number of complaints pending as on the end of the financial year is shown as under: -

Category	No. of complaints pending at the beginning of F.Y. 2018-19	No. of complaints filed during the F.Y. 2018-19	No. of complaints pending as at the end of F.Y. 2018-19
Sexual Harassment	Nil	Nil	Nil

Since, there is no complaints received during the year which is appreciable as the management of the company endeavor efforts to provide safe environment for the female employees of the company.

RISK MANAGEMENT POLICY AND INTERNAL ADEQUACY

The Company is engaged in the business of extraction of edible oil and de-oiled cakes from Soya seeds, which is associated with the normal business risk as well as the imbalance of demand-supply of products in the Domestic and International Market.

Other than this, the Government policy, local area authority, Taxation policy, fluctuations in foreign currency rate, monsoon activities, non-availability of proper soya seeds may adversely affect the profitability of the Company. In addition to that the product is also subject to various processes and clearances, like payment of compensations, subsidies etc. as may be decided by the State Government.

Moreover, weak International Market signals are deterrent to long term strategy, hence your company is trading safely and does not want to engage in the long-term risks. Further, we are focused on reducing trade barriers.

INTERNAL FINANCIAL CONTROL & ITS EFFECTIVENESS

The Board of Directors has devised systems, policies and procedures / frameworks, which are currently operational within the Company for ensuring the orderly and efficient conduct of its business, which includes adherence to Company's policies, safeguarding assets of the Company, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. In line with best practices, the Audit Committee and the Board reviews these internal control systems to ensure they remain effective and are achieving their intended purpose. Where weaknesses, if any, are identified as a result of the reviews, new procedures are put in place to strengthen controls. These controls are in turn reviewed at regular intervals.

Nothing has come to the attention of the Directors to indicate that any material breakdown in the function of these controls, procedures or systems occurred during the year under review. There have been no significant changes in the Company's internal financial controls during the year that have materially affected or are reasonably likely to materially affect its internal financial controls. There are inherent limitations to the effectiveness of any system of disclosure, controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a vigil mechanism named vigil mechanism/whistle blower Policy to deal with instance of the financial fraud and mismanagement, if any. The details of the Vigil Mechanism Policy are explained in the Corporate Governance Report and annexed to the Board Report as "**Annexure B**" and is also posted on the website of the Company. ([Link - http://www.natrajproteins.com](http://www.natrajproteins.com))

SUBSIDIARY, ASSOCIATE, JOINT VENTURE OF THE COMPANY

The Company does not have any subsidiary, associate or joint venture during the year 2018-19 as well as at the beginning or closing of the financial year therefore the financial statement is prepared on standalone basis and the requirement for disclosure in the Form AOC-1 is not applicable. Further that the Company is also not an associate or holding or subsidiary company of any other company during the year 2018-19.

BOARD OF DIRECTORS, KMPS AND THEIR MEETINGS

Constitution of the Board

Presently the Board of directors are comprising total of 6 (Six) Directors, which includes 3 Independent and One Non-Executive Women Director. The Chairman of the Board is Promoter and Executive director. The Board members are highly qualified with the varied experience in the relevant field of the business activities of the which plays significant roles for the business policy and decision-making process and provide guidance to the executive management to discharge their functions effectively.

Board Independence :

Our definition of 'Independence' of Directors or Regulation is derived from Regulation 16 of SEBI (LODR) Regulations, 2015 and section 149(6) of the Companies Act, 2013. The Company is having following 3 (Three) Independent directors;

1. Shri Umesh Narayan Trivedi
2. Shri Pradeep Agrawal
3. Shri Rajender Singh Tomar

As per provisions of the Companies Act, 2013, Independent Directors were appointed for a term of 5 (five) consecutive years but shall be eligible for re-appointment on passing of a special resolution by the Company and shall not be liable to retire by rotation. Therefore, your company has proposed the re-appointment of 1 (One) Independent Director, i.e. Shri Rajender Singh Tomar at the ensuing 28th Annual General Meeting of the Company for a second term of 5 (Five) consecutive years w.e.f 27th February, 2020 as their first tenure of 5 (Five) consecutive years is going to end on 26th February, 2020. Further, the company has re-appointed the other two Independent Directors in the 27th Annual General Meeting held on 18th Sept., 2018.

Shri Giriraj Gupta, Independent Director of the company has resigned from the Board on 29th May, 2018 due to his personal reasons and other assignments handled by him.

Declaration of independence by the Independent Directors

All the Independent Directors have given their declaration of Independence stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013. Further that the Board is of the opinion that all the independent directors fulfill the criteria as laid down under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 during the year 2018-19.

Independent Directors seeking re-appointment

Pursuant to the provision of section 149(10) of the Companies Act, 2013 a first term of 5 (five) consecutive years on the Board of the Company of Shri Rajender Singh Tomar (DIN 07102758) as Independent Director will be completed on 26th February, 2020.

However, he is eligible for re-appointment on passing of special resolution for a second term of five consecutive years. Therefore, the Board in their meeting held on 31st July, 2019 upon the recommendation of the Nomination and Remuneration Committee has recommended his re-appointment w.e.f. 27th February, 2020 to 26th February, 2025. Your Board of directors recommends to pass necessary special resolutions to that effect as set out in the notice of the Annual General Meeting.

Directors liable to retire by rotation seeking re-appointment

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Shri Sharad Kumar Jain (DIN 02757935), Executive Director is liable to retire by rotation and being eligible offers himself for re-appointment.

Key Managerial Personnel

Shri K.C. Sharma, Chairman and Managing Director; Shri Sharad Kumar Jain, Whole-time Director, Shri Ritesh Sharma, Chief Financial Officer and CS Pooja Agrawal; have been categorized as the Key Managerial Personnel within the meaning of section 203 of the Companies Act, 2013.

Meetings of the Board

The Board meets at regular intervals to discuss and decide on Company/Business policy and strategy apart from other Board businesses. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting.

The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Itarsi, at the Registered Office. The Agenda of the Board/Committee meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. The Board met **6 (Six) times** during the Financial Year 2018-19 viz., on 29th May, 2018; 25th June, 2018; 13th August, 2018; 6th October, 2018; 13th Nov., 2018 and 7th Feb., 2019. The maximum interval between any two consecutive meetings did not exceeded 120 days.

Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013; a separate meeting of the Independent Directors of the Company was held on 13th November, 2018 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board has, on the recommendation of the nomination and remuneration committee framed a nomination, remuneration and evaluation policy which lays down the criteria for identifying the persons who are qualified to be appointed as directors and, or senior management personnel of the company, along with the criteria for determination of remuneration of directors, KMP's and other employees and their evaluation and includes other matters, as prescribed under the provisions of section 178 of Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015. Policy of the Company has been given at the website of the Company at [Link:-http://www.natrajproteins.com](http://www.natrajproteins.com). The details of the same are also covered in Corporate Governance Report forming part of this annual report.

ANNUAL EVALUATION BY THE BOARD

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- i. Attendance of Board Meetings and Board Committee Meetings
- ii. Quality of contribution to Board deliberations
- iii. Strategic perspectives or inputs regarding future growth of Company and its performance
- iv. Providing perspectives and feedback going beyond information provided by the management
- v. Commitment to shareholder and other stakeholder interests

The evaluation involves self-evaluation by the Board Member and subsequently assessment by the Board of directors. A member of the Board does not participate in the discussion of his/her evaluation.

COMMITTEES OF THE BOARD

During the year, in accordance with the Companies Act, 2013, the Board has the following Seven (7) Committees:

- (a) Audit Committee
- (b) Nomination and Remuneration Committee
- (c) Stakeholders' Relationship Committee
- (d) Risk Management Committee
- (e) Corporate Social Responsibility Committee
- (f) Corporate Compliance Committee
- (g) Internal Complaints Committee (ICC) under the Sexual Harassment of Women at the Workplace

A detailed note on the Board and its committees is provided under the Corporate Governance Report section in this report.

RELATED PARTY TRANSACTIONS

All Related Party Transactions (RPT) that were entered into during the Financial Year 2018-19 were on Arm's Length Basis and were in the Ordinary Course of business. No materially significant RPT made by the Company with Promoters, Directors, Key Managerial Personnel or their relatives which may have a potential conflict with the interest of the Company at large.

All RPT were approved by the Audit Committee and the Board. The RPT entered into by the company are audited. The Company has developed a RPT policy, Standard Operating Procedures for purpose of identification and monitoring of such transactions.

The policy of RPT as approved by the Board is available on the Company's website ([Link - http://www.natrajproteins.com/investor.html](http://www.natrajproteins.com/investor.html)). The company has done RPT in the ordinary course of business and which are on Arms' Length Basis and which are not material in nature and hence the requirement of Form AOC-2 is not applicable on the company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts during the year 2018-19 which would impact the going concern status of the Company and its future operations.

AUDITORS, THEIR REPORT AND COMMENTS BY THE MANAGEMENT:

Statutory Auditors

The Auditors, M/s Anup Shrivastava & Associates, Chartered Accountants, (F.R.No. 006455C) who were appointed for a term of 5 (five) consecutive years at the 26th Annual General Meeting of the Company held on 9th September, 2017 shall hold the office till the conclusion of the 31st Annual General Meeting to be held in the year 2022. As required under Regulation 33(d) of the SEBI (LODR) Regulation, 2015, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The Board of the company takes pleasure in stating that no such observation has been made by the Auditors in their report which needs any further explanation by the Board.

Cost Records and Auditors

The company is maintaining the Cost Records as specified by the Central Government under section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, and accordingly such accounts and records are made and maintained by the Company. Further, the cost records are also audited by M/s Yogesh Chourasia & Associates, Cost Auditors. However, The Company has already filed the Cost Audit Report for the year 2017-18 to the Central Government, which was self-explanatory and needs no comments. The Company is in process to file the Cost Audit Report for the year 2018-19.

Your Directors had, on the recommendation of the Audit Committee, appointed M/s Yogesh Chourasia & Associates, Cost Auditors to audit the cost accounts of the Company for the financial year 2019-20 on a remuneration of Rs. 67,500/- (plus GST). As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in General Meeting for their ratification. Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s Yogesh Chourasia & Associates, Cost Auditors is included at Item No. 3 of the Notice of the Annual General Meeting.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has re-appointed M/s D.K. Jain & Co., Company

Secretaries to undertake the Secretarial Audit of the Company for the year, 2018-19. The Report of the Secretarial Audit Report in the Form **MR-3** is annexed as “**Annexure C**” of this Report. Your Board is pleased to inform that there is no such observation made by the Auditors in their report which needs any explanation by the Board, except that;

S. No.	Auditors Observation	Management Comment
1	<p>The company has not complied with the Circular No. CIR/CFD/CMD/13/2015 issued by SEBI dated 30.11.2015 in respect of keeping 100% shares of Promoters in D-mate Form and at-least 50% of shares of Non-Promoter Group in D-mate Form.</p> <p>i. Only 83.15% shares of the promoter’s shareholding is in D-mat Form and the company/promoters has also claimed for exemption vide letter dated 2nd May, 2018 for 78,000 shares held by Mrs. Parveen Arora, about 3.93% to hold the shares in the physical form) as at 31st March, 2019;</p> <p>ii. Only 45.94% of the public shareholding is in the D-mate Form,</p> <p>iii. The BSE Ltd. has also observed the aforesaid non-compliances and has given an opportunity to the company to file revised Shareholding pattern for the quarter ended March-2018 by the BSE email dated 13th April, 2018 which was suitably replied by the Company by letter dated 18th April, 2018. It has been observed that the promoters holding of the shares in the D-mat Form has been increased from 53.02% as at 31st March, 2018 to 83.15% as on 31st March, 2019.</p>	<p>The company is in the process of compliance of the requirements and necessary action has already been initiated.</p>
2	<p>The Company has un-expended amount of Rs. 33.48 Lakhs towards the CSR activities as at 31st March, 2019 as required to be expended under section 135 of the Companies Act, 2013.</p>	<p>During the financial year, the Company has spent Rs.7.08 Lakhs out of Rs.40.56 Lakhs and the Company could not spend the remaining balance amount due to non-identification of the suitable source and place for proper utilization of the CSR amount and need more time for verification of various proposal received from Implementing Agencies. Company is fully committed and dedicated towards its Social Responsibility. The balance amount will be spent in the coming financial year.</p>
3	<p>The company has made compliance under regulation 74(5) of SEBI (Depository and Participant) Regulations, 2018 (erstwhile regulation 54 of SEBI (Depository and Participant) Regulations, 1996) for the year 2018-19 on yearly basis on dated 29th April, 2019.</p>	<p>The company has started making the compliance of the above said section on the quarterly basis w.e.f 1st April, 2019.</p>
4	<p>The company has filed Form CRA-4 related to Cost Audit Report for the year 2017-18 on 19.01.2019 which is filed by the Company after the prescribed time along with the adequate additional filing fee and this has reported as compliance by reference of payment of additional fees.</p>	<p>The company has filed the Form CRA-4 after the prescribed time with adequate late filing fees due to the Technical Problem in the Software</p>

DISCLOSURE FOR FRAUDS AGAINST THE COMPANY

There were no instances for other than reportable fraud to the Central Government covered under section 134(3)(ca) of the Companies Act, 2013. Further that, the auditors have not found any fraud as required to be reported by them under section 143(12) to the Central Government during the year 2018-19.

CORPORATE GOVERNANCE

Pursuant to SEBI (LODR) Regulations, 2015, a separate report titled 'Corporate Governance' has been attached in this Annual Report.

All Board members and senior management personnel have affirmed compliance with the Code of Conduct for the year 2018-19. A declaration to this effect signed by the Managing Director of the Company is contained in this Annual Report.

The Managing Director and CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8) of the SEBI Listing Regulations, 2015. Certificate from Practicing Company Secretary regarding compliance of conditions of corporate governance and disqualification of directors is annexed with the Corporate Governance Report.

Shri Kailash Chand Sharma, Managing Director and Shri Ritesh Sharma, Chief Financial Officer have certified that the financial statements and other matters as required under regulation 17(8), read with Part B of Schedule II of the SEBI (LODR) Regulations, 2015 are duly complied with. A copy of the certificate on the financial statements for the financial year ended 31st March, 2019 is also annexed with Corporate Governance Report.

CODE OF CONDUCT

Regulation 17(5) of the SEBI (LODR) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. The Company has adopted Code of Conduct for all the directors and senior management of the Company and the same has been hosted on the website of the company <http://www.natrajproteins.com/corporate-governance.html>

All the directors and senior management personnel have affirmed compliance with the Code for 2018-19. A declaration to this effect by the Managing Director is given in this Annual Report as the "**Annexure D**" with this Report.

CONSOLIDATED FINANCIAL STATEMENTS

Since the company is not having any subsidiary, associates or joint venture, therefore, the requirement for Consolidated Financial Statements in accordance with relevant Accounting Standards (AS) is not applicable to the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "**Annexure E**".

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year and the date of this Report.

APPLICABILITY OF THE IND -AS

Rule 4(1)(iii)(a) of the Companies (Indian Accounting Standards) Rules, 2015 notified vide Notification No.G.S.R.111(E) on 16th Feb., 2015, provides that if the company is a listed company or having a net worth of less than Rs. 500 Crore then Company is required to comply with the Indian Accounting Standards (IND AS) w.e.f. 01st April, 2017. Therefore, IND AS has been applicable on the company w.e.f. 01st April, 2017.

Further, the company has filed its Audited Financial Results for the year ended 31st March, 2019 in the IND AS Format only.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form **MGT-9** is annexed herewith as "**Annexure F**". Copy of Form MGT-9 is also available on the website of the company www.natrajproteins.com

RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND PARTICULARS OF EMPLOYEES.

Pursuant to provision of section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the details of Top 10 employees given in the "**Annexure G**".

During the year, none of the employees received remuneration in excess of Rs. One Crore Two Lakhs or more per annum or Rs. Eighty Lakhs Fifty Thousand per month for the part of the year. Therefore, there is no information to disclose in terms of the provisions of the Companies Act, 2013.

INDUSTRIAL RELATIONS

During the year under review your Company enjoyed cordial relationship with workers and employees at all levels.

PREVENTION OF INSIDER TRADING

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

The Code requires Trading Plan, pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

CAUTIONARY STATEMENT

The statements made in this Report and Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations and others may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ from expectations those expressed or implied. Some factors could make difference to the Company's operations that may be, due to change in government policies, global market conditions, foreign exchange fluctuations, natural disasters etc.

ACKNOWLEDGEMENTS

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

Place: Itarsi

Date: 31st July, 2019

For and on behalf of the Board

Kailash Chand Sharma

Chairman & Managing Director

DIN 00012900

Annexure-A

Annual Report on Corporate Social Responsibility (CSR) Activities

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

A brief outline of the Company's CSR policy, including overview of projects or programmers' proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes. Our aim is to be one of the most respected companies in India delivering superior and everlasting value to all our customers, associates, shareholders, employees and Society at large. The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society. The Company has framed a CSR Policy in Compliance with the provisions of the Companies Act, 2013. CSR Policy is stated at the Website: <http://www.natrajproteins.com>

2. **Composition of the CSR Committee:**

- | | | | |
|----|----------------------------|---|------------------------------|
| a) | Shri Kailash Chand Sharma | : | Managing Director- Chairman |
| b) | Shri Pradeep Agrawal | : | Independent Director- Member |
| c) | Shri Umesh Narayan Trivedi | : | Independent Director- Member |

3. Average net profit of the Company for last three financial years:

Financial Year	Profit (Rs. in Lakhs)
2017-18	178.29
2016-17	31.44
2015-16	(532.47)
Total (A)	(322.74)
Average of above said Profit	(107.58)

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):

The Company is not required to spend any fresh amount towards CSR for the financial year 2018-19 being the 2% of the average of the net profits for the previous three years as stated above towards CSR is negative. Further that the Company is carrying the unspent amount of Rs. 40.56 Lakhs for the year 2014-15, 2015-16 and 2016-17. However, the company has expended Rs. 7.08 Lakhs towards the CSR activities from it. Thus, the Company is now required to spend total amount of Rs. 33.48 Lakhs.

5. Details of CSR spend for the financial year

- Total Fresh amount required to be spent during the financial year 2018-19: NIL
- Total amount spent during the financial year (2018-19) out of the un-spent amount of Previous years: Rs. 7.08 Lakhs
- Unspent amount of CSR activities: Rs. 33.48Lakhs (Unspent accumulated Balance for the 2014-15, 2015-16 & 2016-17)
- Manner in which the amount spent during the financial year is detailed below: (Rs. In Lakhs)

S. No.	Project/Activities	Sector	Location	Amount Outlay (Budget for Project / Activities)	Amount spent on the Project / Activities)	Cumulative expenditure upto reporting period	Amount spent direct or through implementing agency
1.	Provided various facilities to school	Promotion of education	Itarsi	10.00	6.78	6.78	Direct
2.	Plants purchased for environment sustainability	Environment sustainability	Itarsi	5.00	0.10	0.10	Direct
3.	Other Activities	As per Schedule VII		25.56	0.20	0.20	
	TOTAL			40.56		7.08	

- During the financial year Company has spent Rs.7.08 Lakhs out of Rs.40.56 Lakhs and the Company could not spend the remaining balance amount due to non-identification of the suitable source and place for proper utilization of the CSR amount and need more time for verification of various proposal received from Implementing Agencies. Company is fully committed and dedicated towards its Social Responsibility. The balance amount will be spent in the financial year 2019-20.
- The CSR Committee of the Board of Directors hereby confirms that implementation and Monitoring is fully accordance with the CSR Policy of the Company. The amount spent under CSR activities was fully complied with CSR objective and Policy of the Company. The said contribution does not violate any provision of the Companies Act, 2013 and Rules made their under.

For and on behalf of the Board

Place: Itarsi

Date: 31st July, 2019

Kailash Chand Sharma
Chairman & Managing Director
& Chairman of CSR Committee
DIN 00012900

Vigil Mechanism/Whistle Blower Policy

1. PREFACE

- 1.1 Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. The Company has adopted a Code of Conduct for Directors and Senior Management Executives (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.
- 1.2 In the Rules under Companies Act, 2013, a company which has borrowed money from banks and public financial institutions in excess of Rs.50.00 crore needs to have a vigil mechanism.
- 1.3 Under these circumstances, NATRAJ PROTEINS LIMITED, being a Limited Company proposes to establish a Whistle Blower Policy/ Vigil Mechanism and to formulate a policy for the same.

2. POLICY OBJECTIVES

- 2.1 The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.
- 2.2 This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.

3. SCOPE OF THE POLICY

- 3.1 This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

4. DEFINITIONS

- 4.1 “**Alleged wrongful conduct**” shall mean violation of law, Infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority”.
- 4.2 “**Audit Committee**” means a Committee constituted by the Board of Directors of the Company in accordance to the guidelines of Companies Act, 2013.
- 4.3 “**Board**” means the Board of Directors of the Company.
- 4.4 “**Company**” means Natraj Proteins Ltd. and all its offices.
- 4.5 “**Code**” means Code of Conduct for Directors and Senior Management Executives adopted by Natraj Proteins Ltd.

- 4.6 “**Employee**” means all the present employees and whole time Directors of the Company (Whether working in India or abroad).
- 4.7 “**Protected Disclosure**” means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- 4.8 “**Subject**” means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 4.9 “**Vigilance and Ethics Officer**” means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.
- 4.10 “**Whistle Blower**” is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

5. ELIGIBILITY

All Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

6. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES.

- 6.1 All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or in Hindi.
- 6.2 The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as “Protected disclosure under the Whistle Blower policy”. Alternatively, the same can also be sent through email with the subject “Protected disclosure under the Whistle Blower policy”. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgement to the complainants and they are advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer. The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant.
- 6.3 Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.
- 6.4 The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance and Ethics Officer / Chairman of the Audit Committee/ Chairman as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
- 6.5 All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee/ Chairman in exceptional cases. The contact details of the Vigilance and Ethics Officer Shri Umesh Narayan Trivedi (the Chairman of Audit Committee).
- 6.6 Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Chairman of the Company and the Protected Disclosure against the Chairman/ should be addressed to the Chairman of the Audit Committee.

The contact details of the Chairman, CEO and the Chairman of the Audit Committee are as under:

Name of the Chairman & Managing Director

Shri K.C.Sharma

Email: natrajproteinltd@rediffmail.com

Name of the Chairman of the Audit Committee

Shri Umesh Narayan Trivedi

- 6.7 On receipt of the protected disclosure the Vigilance and Ethics Officer / Chairman/ Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not. He shall also carry out initial investigation either himself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will include:
- Brief facts;
 - Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - Whether the same Protected Disclosure was raised previously on the same subject;
 - Details of actions taken by Vigilance and Ethics Officer / Chairman for processing the complaint
 - Findings of the Audit Committee
 - The recommendations of the Audit Committee/ other action(s).
- 6.8 The Audit Committee, if deems fit, may call for further information or particulars from the complainant.

7. INVESTIGATION

- 7.1 All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.
- 7.2. The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.
- 7.3 Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 7.4 Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.
- 7.5 Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer/Investigators and/or members of the Audit Committee and/ or the Whistle Blower.
- 7.6 Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).
- 7.7 Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 7.8 Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- 7.9 The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is

extendable by such period as the Audit Committee deems fit.

8. DECISION AND REPORTING

- 8.1 If an investigation leads the Vigilance and Ethics Officer/Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer/Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.
- 8.2 The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.
- 8.3 In case the Subject is the Chairman of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 8.4 If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
- 8.5 A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

9. SECRECY / CONFIDENTIALITY

The complainant, Vigilance and Ethics Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:

- 1 Maintain confidentiality of all matters under this Policy
- 2 Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
- 3 Not keep the papers unattended anywhere at any time
- 4 Keep the electronic mails / files under password.

10. PROTECTION

- 10.1 No unfair treatment will be met out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. The company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected Disclosure. The company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- 10.2 A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.

- 10.3 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.
- 10.4 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- 10.5 Provided however that the complainant before making a complaint has reasonable belief that an issue exists, and he has acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Rules / certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

11. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

- 11.1 The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

12. COMMUNICATION

- 12.1 A whistle Blower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the website of the company.

13. RETENTION OF DOCUMENTS

- 13.1 All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 7 (seven) years or such other period as specified by any other law in force, whichever is more.

14. AMENDMENT

- 14.1 The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing

Form MR-3

“Annexure C”

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Natraj Proteins Ltd.
Nagpur Kalan, Ordinance Factory Road,
Itarsi (M.P.) -461111.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **Natraj Proteins Limited** (hereinafter called (“**the Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s 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, we hereby report that in our opinion, the Company has, during the audit period covering the **Financial year ended 31st March, 2019 (“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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the Audit Period);
- (v) (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): —
 - (a) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011;
 - (b) The SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
 - (c) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (ii) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) were not applicable to the Company under the financial year under report: -
 - (a) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 effective from 11th Sept., 2018;
 - (b) The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- (c) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The SEBI (Delisting of Equity Shares) Regulations, 2009; and
- (e) The SEBI (Buyback of Securities) Regulations, 1998.

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **Annexure I**. Further, the Company is having business of crushing of soya seed and refinery and trading of agro-commodities.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (ii) The SEBI (LODR) Regulations, 2015 as amended from time to time.

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

- (a) The company has not complied with the Circular No. CIR/CFD/CMD/ 13/2015 issued by SEBI dated 30.11.2015 in respect of keeping 100% shares of Promoters in D-mate Form and at-least 50% of shares of Non-Promoter Group in D-mate Form.
 - i. *Only 83.15% shares of the promoters shareholding is in D-mat Form and the company/promoters has also claimed for exemption vide letter dated 2nd May, 2018 for 78,000 shares held by Mrs. Parveen Arora, about 3.93% to hold the shares in the physical form) as at 31st March, 2019;*
 - ii. *Only 45.94% of the public shareholding is in the D-mate Form,*
 - iii. *The BSE Ltd. has also observed the aforesaid non-compliances and has given an opportunity to the company to file revised Shareholding pattern for the quarter ended March-2018 by the BSE email dated 13th April, 2018 which was suitably replied by the Company by letter dated 18th April, 2018. It has been observed that the promoters holding of the shares in the D-mat Form has been increased from 53.02% as at 31st March, 2018 to 83.15% as on 31st March, 2019.*
- (b) The Company has un-expended amount of Rs. 33.48 Lakhs towards the CSR activities as at 31st March, 2019 as required to be expended under section 135 of the Companies Act, 2013.
- (c) The company has made compliance under regulation 74(5) of SEBI (Depository and Participant) Regulations, 2018 (erstwhile regulation 54 of SEBI (Depository and Participant) Regulations, 1996) for the year 2018-19 on yearly basis on dated 29th April, 2019.
- (d) The company has filed Form CRA-4 related to Cost Audit Report for the year 2017-18 on 19.01.2019 which is filed by the Company after the prescribed time along with the adequate additional filing fee and this has reported as compliance by reference of payment of additional fees;

We further report that The Board of directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Further that, there were changes in the composition of the Board of directors during the period under review as the office of Shri Giriraj Gupta, the Independent director has been ceased due to resignation from the Board w.e.f. 29th May, 2018.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of directors or Committee of the Board, as the case may be.

Based on the records and process explained to us for compliances under the provisions of other specific Acts applicable to the Company, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Company for the applicable taxation Laws like Direct Taxes, Indirect Taxes and the compliance of the IND-AS, disclosure of the financial results under Regulation 33 of the SEBI (LODR) Regulations, 2015 and the annual financial statements along with notes attached therewith, and the Cost Record have not been reviewed by us, since the same have been subject to the statutory financial auditor, cost auditors or by other designated professionals.

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

We further report that during the audit period of the Company has certain specific events which have bearing on company's affairs which are as follows: -

- 1) The Operation of the plant was closed from 29th May, 2018 to 13th Aug., 2018 due to modernization/ upgradation of its existing plant and machinery of the plant situated at Nagpur Kalan, Ordinance Factory Road, Itarsi (M.P.) and necessary disclosures thereof was given to the BSE Ltd. as required under the Regulation 30 of the SEBI (LODR) Regulations, 2015.

**For, D.K. JAIN & CO.
COMPANY SECRETARIES**

**CS (Dr.) D.K. JAIN
PROPRIETOR**
FCS 3565: CP 2382
Place: Indore
Date: 9th July, 2019

**Annexure - I to the Secretarial Audit Report
List of specific/other laws generally applicable to the Company**

1. The Prevention of Food Adulteration Act, 1954
2. Factories Act, 1948;
3. Industries (Development & Regulation) Act, 1951
4. Standard Weight and Measurement Act, 1976
5. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on it payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
6. Acts prescribed under prevention and control of Pollution;
7. Acts prescribed under Environmental protection;
8. Acts as prescribed under Direct Tax and Indirect Taxation
9. Labour Welfare laws of the Madhya Pradesh.
10. Local laws as applicable to the Registered office and plant at Madhya Pradesh.

**For, D.K. JAIN & CO.
COMPANY SECRETARIES**

**CS (Dr.) D.K. JAIN
PROPRIETOR**
FCS 3565: CP 2382
Place: Indore; Date: 9th July, 2019

Annexure - II to the Secretarial Audit Report

To,
The Members,
Natraj Proteins Ltd.
Nagpur Kalan, Ordinance Factory Road,
Itarsi (M.P.) 461111

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of treatment of various tax liabilities and payment thereof, compliance of the applicable accounting standards, financial records and Books of Accounts of the company as the same is subject to the statutory audit being performed by the independent auditors.
4. Wherever required, we have obtained the Management representation and also relied about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, guidelines, standards etc., are 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.
7. We do not take any responsibility for any person if taking any commercial, financial or investment decision based on our secretarial audit report as aforesaid and they needs to take independent advise or decision as per their own satisfaction.

For, D.K. JAIN & CO.
COMPANY SECRETARIES

CS (Dr.) D.K.JAIN
PROPRIETOR

FCS 3565:
CP 2382

Place: Indore; Date: 9th July, 2019

“Annexure D”

Certificate on Compliance with Code of Conducts

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Business Conduct and Ethics. The Company has formulated the code of conduct for the Board members and senior executives under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

Place: Itarsi
Date: 31st July, 2019

Kailash Chand Sharma
Chairman & Managing Director
DIN 00012900

Conservation of Energy, Technology absorption and foreign exchange earnings & outgo

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

(A)	CONSERVATION OF ENERGY		
(i)	the steps taken or impact on conservation of energy;	Less usage of electricity from MPMKVVCL	
(ii)	the steps taken by the company for utilizing alternate sources of energy;	Energy efficient devices and fittings were installed to reduce energy consumption, etc	
(iii)	the capital investment on energy conservation Equipments	The company has not made any capital investment on energy conservation during the year.	
(B)	TECHNOLOGY ABSORPTION		
(i)	the efforts made towards technology absorption	The company is making continuous efforts for the technological development of the plant and refinery. The technology selected by your company for solvent plant and refinery is well proven within the country and the company is making all the efforts to update its technology, the company had also established a laboratory for Research & Development facilities for quality control purpose.	
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	It has reduced the cost of production and helped in improvement in quality to sustain in the competitive market.	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	N.A.	
	(a) the details of technology imported	N.A.	
	(b) the year of import	N.A.	
	(c) whether the technology been fully absorbed	N.A.	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.	
(iv)	the expenditure incurred on Research and Development	2018-19 NIL	2017-18 NIL
(C)	FOREIGN EXCHANGE EARNINGS AND OUTGO	2018-19	2017-18
(i)	The Foreign Exchange earned in terms of actual inflows during the year;	NIL	816.00 Lakhs
(ii)	and the Foreign Exchange outgo during the year in terms of actual outflows.	NIL	NIL

For and on behalf of the Board

Place: Itarsi
Date: 31st July, 2019

Kailash Chand Sharma
Chairman & Managing Director
DIN 00012900

EXTRACT OF ANNUAL RETURN**FORM MGT – 9****As on the financial year ended on 31st March, 2019**

[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

CIN	L00153MP1990PLC006090
Registration Date	21/11/1990
Name of the Company	NATRAJ PROTEINS LIMITED
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	Nagpur-Kalan, Ordinance Factory Road, Itarsi, District, Hoshangabad (M.P.)- 461111 Phone: 07572 - 262636/38 Email: natrajproteinltd@rediffmail.com
Whether listed company	Yes, at BSE Ltd.
Name, address and contact details of Registrar and Transfer Agent, if any	Ankit Consultancy Pvt. Ltd. Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) 452001, Phone : 0731-2551745 Email: ankit_4321@yahoo.com, rtaindore@gmail.com

II. Principal Business Activities of the Company:

All the Business Activities contributing 10% or more of the total turnover of the Company is as stated below:

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Manufacture of vegetable oils and fats through solvent extraction process	15143	94.19
Wholesale of cereals & pulses	51211	5.81

III. Name and Address of the Holding, Subsidiary and Associate Companies:

S. No.	Name and Address of the Company	CIN	Holding/Subsidiary Associate	% of shares held	Applicable section
		===== NIL =====			

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of the total Equity)**i) Category-wise Shareholding**

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	1033575	915700	1949275	52.02%	1649825	334400	1984225	52.95%	0.93
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-

d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	1033575	915700	1949275	52.02%	1649825	334400	1984225	52.95%	0.93
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other –Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A)(1) + (A)(2)	1033575	915700	1949275	52.02%	1649825	334400	1984225	52.95%	0.93
B. Public Shareholding									
(1)Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds / UTI	0.00	71300	71300	1.90%	0.00	71300	71300	1.90%	0.00
b) Banks / FI	40	0.00	40	0.00%	40	0.00	40	0.00%	0.00
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	40	71300	71340	1.90	40	71300	71340	1.90%	0.00
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	52492	0.00	52492	1.40%	38210	0.00	38210	1.02%	(0.38)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Share holders holding nominal share capital upto Rs.1 Lakh	318198	557825	876023	23.38%	356893	503325	860218	22.96%	(0.42)
ii) Individual Share holders holding nominal share capital in excess of Rs.1 Lakh	353901	271500	625401	16.69%	353918	271500	625418	16.69%	0.00

c) Others (specify)	-	-	-	-	-	-	-	-	-
Shares held by Pakistani citizens vested with the Custodian of Enemy Property	-	-	-	-	-	-	-	-	-
ii) Other Foreign Nationals	-	-	-	-	-	-	-	-	-
iii) Foreign Bodies	-	-	-	-	-	-	-	-	-
iv) NRI/OCBs	61669	110800	172469	4.60%	60789	106800	167589	4.47%	(0.13)
v) Clearing Members / Clearing House	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
vi) Trusts	-	-	-	-	-	-	-	-	-
vii) LLP	-	-	-	-	-	-	-	-	-
viii) Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-
ix) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):	786260	940125	1726385	46.07%	809810	881625	1691435	45.14%	(0.93)
Total Public Share holding (B)=(B)(1)+ (B)(2)	786300	1011425	1797725	47.98%	809850	952925	1762775	47.05%	(0.93)
Grand Total (A+B)	1819875	1927125	3747000	100.00%	2459675	1287325	3747000	100.00%	0.00%

ii) Shareholding of promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
	No. of Shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	
Mr. S.K.Arora	565000	15.08	-	565000	15.08	-	-
Mr. J.P.Agrawal	223000	5.95	-	223000	5.95	-	-
Mr. Sharad Jain	239000	6.38	-	239000	6.38	-	-
Mr. Kailash Chand Sharma	165000	4.40	-	165000	4.40	-	-
Mr. Rajeev Kumar Sharma	193000	5.15	-	193000	5.15	-	-
Mr. Avinash Sharma	134500	3.59	-	134500	3.59	-	-
Mr. Sanjay Kumar Sharma	120500	3.22	-	120500	3.22	-	-
Mrs. Sumanlata Sharma	105000	2.80	-	105000	2.80	-	-
Mr. Parveen Arora	78000	2.08	-	78000	2.08	-	-
Mr. Beni Shankar Sharma	74000	1.97	-	74000	1.97	-	-
Mrs. Pushpa D. Sharma	50000	1.33	-	50000	1.33	-	-
Mr. Rajesh Kumar Agrawal	225	0.01	-	33425	0.89	-	0.88
Mrs. Archana Agrawal	2050	0.05	-	3800	0.10	-	0.05
Total	1949275	52.02	-	1984225	52.95	-	0.93

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

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
At the beginning of the year	1949275	52.02		
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):				
- Increase in Shares of Shri Rajesh Kumar Agrawal due to Transfer of shares on various dates.	33,200	0.88	1982475	52.90
- Increase in shares of Smt. Archana Agrawal due to Transfer of shares on various dates.	1,750	0.05	1984225	52.95
At the end of the year			1984225	52.95

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		Change during the year					Reason
	No. of Shares	% of total shares of company	No. of Shares	% of total shares of company	Date	No. Shares before change	No. Shares after change	Increase	Decrease	
Mr. Subramanian P Palani Gounder	177173	4.73	177173	4.73	-	-	-	-	-	-
Apple Mutual Fund	71300	1.90	71300	1.90	-	-	-	-	-	-
Thyagarajan Gurumurthy	58369	1.56	58369	1.56	-	-	-	-	-	-
Sangeetha S	57770	1.54	57770	1.54	-	-	-	-	-	-
Mr. Pramod Puri	50000	1.33	50000	1.33	-	-	-	-	-	-
Mrs. Shubha Puri	50000	1.33	50000	1.33	-	-	-	-	-	-
Mr. Joseph Kuriakose Mattapparampil	33800	0.90	33800	0.90	-	-	-	-	-	-
Jayshree D. Jani	25400	0.68	25400	0.68	-	-	-	-	-	-
Dheeraj Kumar Lohia	22966	0.61	22966	0.61	-	-	-	-	-	-
Ashok Agrawal	18000	0.48	18000	0.48	-	-	-	-	-	-

Note: Details of the change in shareholding for less than 2% has been merged in the above said statement and increase/decreased is only shown for more than 2%. Further that the dates of changes has been taken as per information's made available by the share transfer agent based on the benpos.

v) Shareholding of Directors and Key Managerial Personnel

For Each of Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during he year	
	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
Shri Kailash Chand Sharma, Chairman & Managing Director				
At the beginning of the year	165000	4.40		
Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
At the end of the year			165000	4.40

Shri Sharad Kumar Jain, Whole-time Director				
At the beginning of the year	2390000	6.38		
Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
At the end of the year			223000	5.95
Shri Giriraj Gupta, Independent Director *				
At the beginning of the year	200	0.0053		
Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
At the end of the year			200	0.0053
Shri Ritesh Sharma, CFO				
At the beginning of the year	980	0.03		
Date wise Increase/Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
- Increase in shares due to acquisition of shares.	6090	0.16	7070	0.019
At the end of the year			7070	0.19

There is no shareholding in the Company by Shri Umesh Narayan Trivedi, Shri Pradeep Agrawal, Shri Rajender Singh Tomar and CS Pooja Agrawal.

* Shri Giriraj Gupta, Independent Director have resigned the Board w.e.f 29th May, 2018.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs. Lakhs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5410.39	7.50	0.00	5417.89
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	5410.39	7.50	0.00	5417.89
Change in Indebtedness during the financial year				
Addition	0.00	0.00	0.00	0.00
Reduction	2328.17	2.50	0.00	2330.67
Net Change	(2328.17)	(2.50)	0.00	(2330.67)
Indebtedness at the end of the financial year				
i) Principal Amount	3082.22	5.00	0.00	3087.22
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	3082.22	5.00	0.00	3087.22

Note: Company has received Security Deposits from Customers which is shown under the heading Unsecured Loans.

VI. REMUNERATION OF DIRECTOR AND KMP

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

S. No.	Particular of Remuneration	Mr. K.C. Sharma Chairman & Managing Director	Mr. Sharad Kumar Jain Whole-time Director	Total
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	9,30,000	6,00,000	15,30,000

	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify....	-	-	-
5	Others, please specify	-	-	-
	Total	9,30,000	6,00,000	15,30,000
	Ceiling as per the Act*	1,68,00,000	84,00,000	2,52,00,000

As per Schedule V and the section 197 of the Companies Act, 2013

B. Remuneration to other Directors:

S. No.	Particular of Remuneration	Mr. Umesh Narayan Trivedi	Mr. Rajender Singh Tomar	Mr. Pradeep Agrawal	Total
1	Independent Directors				
	Fee for Attending Board / Committee Meetings	20,000	20,000	20,000	60,000
	Commission	0	0	0	0
	Other, Specify	0	0	0	0
	Total (1)	20,000	20,000	20,000	60,000
2	Other Non- Executive Directors:				
	Name of Director	Smt. Namita Sharma			Total
	Fee for Attending Board / Committee Meetings			20,000	20,000
	Commission			0	0
	Other, Specify			0	0
	Total (2)			20,000	20,000
	Total B				80,000
	Total Managerial Remuneration				16,10,000
	Overall Ceiling as per the Act				2,52,00,000

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD

S. No.	Particular of Remuneration	Pooja Agrawal CS	Ritesh Sharma CFO	Total
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	3,15,000	7,50,000	10,65,000
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0
2	Stock Options	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	0	0
	- others, specify....	0	0	0
5	Others, please specify	0	0	0
	Total (C)	3,15,000	7,50,000	10,65,000

DIRECTORS & KMP Given only salary No perks

VII. PENALTY/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority IRD/NCLT/ COURT	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTOR					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICER IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board

Place: Itarsi
Date: 31st July, 2019

Kailash Chand Sharma
Chairman & Managing Director
DIN 00012900

Particulars of Employees

“Annexure G”

The information required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of the Companies (Appointment & remuneration of Management Personnel) Rules, 2014 as amended are given below:

A. Ratio of the remuneration of each director to the median employee's remuneration and the percentage increase in remuneration of each Director & Key Managerial Personnel:

S. No.	Name	Designation	Remuneration for the year 2018-19 (Rs.)	Remuneration on for the Year 2017-18 (Rs.)	Increase in Remuneration on (Rs.)	% of Increase In Remuneration	Ration Between Director Remuneration & Median Employee Remuneration
1	K.C Sharma	Chairman and MD	9,30,000	9,30,000	-	-	7.08
2	Sharad Kumar Jain	WTD	6,00,000	6,00,000	-	-	4.57
3	Giriraj Gupta	Independent Director	0	5,000	N.A.	N.A.	N.A.
4	Umesh Narayan Trivedi*	Independent Director	20,000	20,000	N.A.	N.A.	N.A.
5	Pradeep Agrawal*	Independent Director	20,000	20,000	N.A.	N.A.	N.A.
6	Rajender Singh Tomar*	Independent Director	20,000	20,000	N.A.	N.A.	N.A.
7	Namita Sharma*	Non-Executive Director	20,000	20,000	N.A.	N.A.	N.A.
8	Ritesh Sharma	CFO	7,50,000	7,50,000	-	-	5.71
9	Pooja Agrawal	CS	3,15,000	50,000	-	-	-

*Shri Umesh Narayan Trivedi, Shri Pradeep Agrawal, Shri Rajender Singh Tomar and Shri Giriraj Gupta Independent Directors and Smt. Namita Sharma were paid sitting fees for attending the Meetings of the Board.

Pooja Agrawal, Company Secretary was appointed on 31/01/2018. Therefore, her salary was not comparable.

- B. The percentage increase in the Median remuneration of employees in the financial year: 2.96%.**
- C. The number of permanent employees on the Roll of the Company as on 31st March, 2019: 53.**
- D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Based on Remuneration Policy of the Company, salary of the employees was increased at 2.96% and managerial remuneration was increased at 0.60%. This is based on Remuneration Policy of the Company that rewards people based on their contribution to the success of the company and also ensures that external market competitiveness and internal relativities are taken care of.

- E. Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

The Company affirms that remuneration is as per the remuneration policy of the Company:

- F. Name of the top 10 employees in terms of remuneration drawn in the financial year 2018-19:**

A statement of top-10 employees in terms of remuneration drawn as per rule 5(2) read with rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is annexed as follows :

S. No.	Name of Employee	Designation of the employee	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	The age of such employee	The last employment held by such employee before joining the company	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	Remarks
1.	Kailash Chand Sharma	Chairman & MD	9,30,000	Non-contractual	B. Com	21.11.90	59	Nil	Relative of Mrs. Namita Sharma, Women Director	
2.	Ritesh Sharma	Chief Financial Officer	7,50,000	Non-contractual	MBA, MS	01.02.08	38	Asst. Mgr at Tech Mahindra	Son of Shri Kailash Chand Sharma, MD	
3.	Sharad Kumar Jain	Whole-time Director	6,00,000	Non-contractual	B. Com	24.08.09	55	N.A.	Self	
4.	P.N. Singh	Plant Manager	5,40,000	Non-contractual	Dip. In Mech. Engg.	01.12.10	72	Engineer at Glamptech	N.A.	
5.	Dharmendra Kr. Dixit	Refinery Manager	5,22,000	Non-contractual	Ph. D.	03.04.95	54	Lab Chemist at Pratap Industries Ltd.	N.A.	
6.	Shankar Kumar Roy	Sales Officer	4,50,000	Non-contractual	B. Com	01.07.18	36	Manager at the Ratnakar Bank	N.A.	
7.	Abhinandan Prajapati	Accountant	3,81,640	Non-contractual	M.Com	01.07.95	52	Accountant at Bhavanji Versi Co.	N.A.	
8.	Jinendra Kr. Jain	Lab Manager	3,24,000	Non-contractual	Msc	03.10.06	61	Lab Incharge at Surya Agro Oils	N.A.	
9.	S.R. Bawariya	Foreman	2,58,000	Non-contractual	Matriculate	05.12.94	56	Boiler Foreman at Itarsi Oils	N.A.	
10.	Narendra Dadadiya	Boiler Incharge	2,13,180	Non-contractual	Matriculate	30.10.94	47	Boiler Incharge at Itarsi Oils	N.A.	

- G. Details of employees who received remuneration in excess of Rs. One crore and Two lakh or more per annum:**

- i. During the year, none of the employees received remuneration in excess of Rs. 102.00 Lakh or more per annum or Rs. 80.50 Lakhs per month for part of the year. In accordance with the provisions of section 197 of the Companies Act, 2013 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, therefore there is no information is available to disclose.
- ii. During the year, none of the employees received remuneration in excess of that drawn by the Managing Director or Whole-time director and none of the employees hold two percent of the equity shares of the Company.

Corporate Governance Report

(Pursuant to Regulation 34 of the SEBI (LODR) Regulations, 2015)

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Natraj Proteins Limited ('Natraj') is committed to the adoption of best governance practices. The company's vision document spells out a direction for the policies and procedures which ensure long term sustainability. Value creation for stakeholders is thus a continuous endeavor at Natraj.

On the same lines the Company has always followed fair business and corporate practices while dealing with the shareholders, employees, customers, creditors, lenders and the society at large. In harmony with this philosophy, the Company relentlessly strives for excellence by bench marking itself with esteemed companies with good corporate governance. Your company is compliant with all the provisions of the SEBI (LODR) Regulations, 2015 as applicable to the Company. These main drivers, together with the Company's ongoing contributions to the local communities through meaningful "Corporate Social Responsibility" initiatives will play a pivotal role in fulfilling our renewed vision to be the most sustainable and competitive company in our industry and our mission to create value for all our stakeholders.

The Company places great emphasis on values such as empowerment and integrity of its employees, safety of the employees & communities surrounding our plants, transparency in decision making process, fair & ethical dealings with all, pollution free clean environment and last but not the least, accountability to all the stakeholders. These practices being followed since the inception have contributed to the Company's sustained growth. The Company also believes that its operations should ensure that the precious natural resources are utilized in a manner that contributes to the "Triple Bottom Line".

The details of compliance are as follows:

1. The Governance Structure:

Natraj's governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility so as to meet the expectation of all the stakeholders. In line with these principles, the Company has formed three tiers of Corporate Governance structure, viz.:

- (i) **The Board of Directors** - The primary role of the Board is to protect the interest and enhance value for all the stakeholders. It conducts overall strategic supervision and control by setting the goals & targets, policies, governance standards, reporting mechanism & accountability and decision-making process to be followed.
- (ii) **Committees of Directors** - such as Audit Committee, Nomination & Remuneration Committee, CSR Committee, Risk Management Committee etc. are focused on financial reporting, audit & internal controls, compliance issues, appointment and remuneration of Directors and Senior Management Employees, implementation and monitoring of CSR activities and the risk management framework.
- (iii) **Executive Management** – The entire business including the support services are managed with clearly demarcated responsibilities and authorities at different levels.
 - (a) **Executive Committee** - The Executive Committee is headed by the Managing Director. The CFO and the Heads of Manufacturing, Marketing and HR are its other members. Heads of Technical and Procurement are the permanent invitees. This committee is a brain storming committee where all important business issues are discussed and decisions are taken. This Committee reviews and monitors monthly performances, addresses challenges faced by the business, draws strategies and policies and keep the Board informed about important developments having bearing on the operational and financial performance of the Company. The Committee members report to the Managing Director.
 - (b) **Managing Director** - The Managing Director is responsible for achieving the Company's vision and mission, business strategies, project execution, mergers and acquisition, significant policy decisions

and all the critical issues having significant business & financial implications. He is also responsible for the overall performance and growth of the Company and ensures implementation of the decisions of the Board of Directors and its various Committees. He reports to the Board of Directors.

2. BOARD OF DIRECTORS

A. Composition of Board

The Board of directors of the company consists of an optimum combination of executive, non-executive and independent directors, to ensure the independent functioning of the Board. The composition of the Board also complies with the provisions of the Companies Act, 2013 and the SEBI(LODR) Regulations, 2015. As at the end of corporate financial year 2018-19, the total Board consists of Six (6) directors, out of which five (5) are non-executive directors and from it Three (3) are Independent Directors.

The composition of the Board of directors and the number of Board /Committee in which they are chairman/ member as on 31.03.2019 are as under:

S.No.	Name	Category	Number of Directorship in other Companies	No. of Committee Position held in Companies	
				Chairman	Member
1.	Shri Kailash Chand Sharma	Promoter & Managing Director	0	2	0
2.	Shri Sharad Kumar Jain	Promoter & Whole- Time Director	0	0	0
3.	Shri Rajender Singh Tomar	Independent & NED	0	0	3
4.	Shri Pradeep Agrawal	Independent & NED	0	0	5
5.	Shri Umesh Narayan Trivedi	Independent & NED	0	3	5
6.	Smt. Namita Sharma	Women Director & NED	0	1	0

B. Selection and Appointment of Director:

The Nomination & Remuneration Committee have approved a Policy for the Selection, Appointment and Remuneration of Directors. In line with the said Policy, the Committee facilitates the Board in identification and selection of the Directors who shall be of high integrity with relevant expertise and experience so as to have well diverse Board. The abstract of the said Policy forms part of the Boards' Report. Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and the retirement policy laid down by the Board from time-to-time. The Managing Director and all the Non-Executive Directors (except Independent Directors) are liable to retire by rotation unless otherwise specifically provided under the Articles of Association or under any statute.

As required under Regulation 46(2)(b) of the Listing Regulations, the Company has issued formal letters of appointment to the Independent Directors. The terms & conditions of appointment of their appointment are posted on the Company's website and can be accessed at www.natrajproteins.com

C. Meetings, agenda and proceedings etc. of the Board Meeting:

The names and categories of the Directors on the Board, their record of attendance at Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorship and membership of Committees held by them in other public limited companies as on 31st March, 2019 are:

	No. of Board Meetings held during the year	No. of Board Meetings Attended	Attendance at the last AGM held on 18th September, 2018
Shri Kailash Chand Sharma	6	5	YES
Shri Sharad Kumar Jain	6	6	YES
Shri Rajender Singh Tomar	6	4	YES
Shri Pradeep Agrawal	6	4	NO
Shri Umesh Narayan Trivedi	6	4	YES
Shri Giriraj Gupta*	6	0	NO
Smt. Namita Sharma	6	4	NO

* Resigned the Board w.e.f 29th May, 2018.

D. Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 a separate meeting of the Independent Directors of the Company was held on 13th November, 2018 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

E. Agenda:

All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated separately or placed at the meeting) to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board Committees and Subsidiaries for the information of the Board. Additional agenda items in the form of "Other Business" are included with the permission of the Chairman. Agenda papers are circulated seven days prior to the Board Meeting. In addition, for any business exigencies, the resolutions are passed by circulation and later placed at the subsequent Board/Committee Meeting for ratification / approval.

F. Invitees & Proceedings:

Apart from the Board members, the Company Secretary, the CFO, the Heads of Manufacturing and Marketing are invited to attend all the Board Meetings. Other senior management executives are called as and when necessary, to provide additional inputs for the items being discussed by the Board. The CFO makes presentation on the quarterly and annual operating & financial performance and on annual operating & capex budget. The Managing Director, and other senior executives make presentations on capex proposals & progress, operational health & safety and other business issues. The Chairman of various Board Committees brief the Board on all the important matters discussed & decided at their respective committee meetings, which are generally held prior to the Board meeting.

G. Post Meeting Action:

Post meetings, all important decisions taken at the meeting are communicated to the concerned officials and departments. Action Taken Report is prepared and reviewed periodically by the Managing Director and Company Secretary for the action taken / pending to be taken.

H. Support and Role of Company Secretary:

The Company Secretary is responsible for convening the Board and Committee meetings, preparation and distribution of Agenda and other documents and recording of the Minutes of the meetings. She acts as interface between the Board and the Management and provides required assistance and assurance to the Board and the Management on compliance and governance aspects.

I. Induction and Familiarization Program for Directors:

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through an induction and familiarization program including the presentation and interactive session with the Managing Director, Executive Committee Members and other Functional Heads on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director. On the matters of specialized nature, the Company engages outside experts/consultants for presentation and discussion with the Board members. The details of familiarization program can be accessed from the website: www.natrajproteins.com

J. Board Evaluation:

During the year, the Board adopted a formal mechanism for evaluating its performance and effectiveness as well as that of its Committees and individual Directors, including the Chairman of the Board. For Board and its Committees,

the exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. In case of evaluation of the individual Directors, one to one meeting of each Director with the Chairman of the Board and the Chairman of the Nomination & Remuneration Committee was held.

The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees.

K. Code of Conduct:

The Board of Directors has laid down a Code of Conduct for Business and Ethics (the Code) for all the Board members and all the employees in the management grade of the Company. The Code covers amongst other things the Company's commitment to honest & ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, health & safety, transparency and compliance of laws & regulations etc. The Company believes in "Zero Tolerance" to bribery and corruption in any form and in line with our governance philosophy of doing business in most ethical and transparent manner, the Board has laid down an "Anti Bribery and Corruption Directives", which is embedded to the Code. The Code of Conduct is posted on the website of the Company.

All the Board members and senior management personnel have confirmed compliance with the code.

L. Prevention of Insider Trading Code:

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted the Amended Code of Conduct for Prevention of Insider Trading w.e.f 01.04.2019. All the Directors, employees and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. During the year under review there has been due compliance with the said code.

M. Disclosure of Relationship between Directors inter-se:

Name	Relationship	Name of other Directors in inter-se relationship
Smt. Namita Sharma	Daughter-in-law	Shri Kailash Chand Sharma

N. No. of Shares held by Non- Executive Director

	No. of Shares Held
Shri Pradeep Agrawal	0
Shri Umesh Narayan Trivedi	0
Shri Giriraj Gupta*	200
Shri Rajendra Singh Tomar	0
Smt. Namita Sharma	0

*Resigned w.e.f 29th May, 2018.

O. Web Link: <http://www.natrajproteins.com/corporate-governance.html>

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

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- Knowledge on Company's businesses, policies and business culture major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
- Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company,
- Financial, Auditing, Taxation and Management skills,

Q. Confirmation that in the opinion of the Board, the Independent Director fulfill the condition specified in this regulation and are independent of the Management:

All Independent Directors has given disclosure as required under the Companies Act, 2013 and Listing Regulations that they are independent of the management and the Management do hereby confirm there independency.

R. Detailed Reason for resignation of Independent Director who resigns before the expiry of his tenure along with the confirmation by such director that there are no other material reason other than those provided:

During the Financial Year 2018-19, Shri Giriraj Gupta, Independent Director of the company has resigned from the Board of Directors w.e.f.29th May, 2018 due to his personal reasons.

Further, Shri Giriraj Gupta has confirmed in his resignation letter that there are no other material reasons for resigning from the Board before expiry of his tenure.

3. AUDIT COMMITTEE

(A) Terms of reference

The Board has constituted a well-qualified Audit Committee. All the members of the Committee are Non-Executive Directors with majority of them are Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc. The Company Secretary acts as secretary to the committee.

The Audit Committee has adequate powers and detailed terms of reference to play effective role as required under the provisions of section 149 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulation, 2015 entered into with the Stock Exchanges. The terms of reference of the Audit Committee mandated by the statutory and regulatory requirements, which are also in line with the mandate given by your Board of Directors, are:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the Company with related parties;
8. Valuation of assets of the Company, wherever it is necessary;
9. Evaluation of internal financial controls and risk management systems;

10. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
11. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
12. Discussion with internal auditors of any significant findings and follow up there on;
13. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
14. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
15. To review the functioning of the Whistle Blower mechanism;
16. Approval of appointment of CFO.
17. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
6. The Audit Committee is also responsible for giving guidance and directions under the SEBI (Prohibition of Insider Trading) Regulations, 2015.
7. Utilization of loan and advances, if any.

The Audit Committee reviewed the reports of the internal auditors, the reports of the statutory auditors arising out of the quarterly, half-yearly, and annual audit of the accounts; considered significant financial issues affecting the Company and held discussions with the internal and statutory auditors and the Company Management during the year.

(B) Constitution and Composition

The terms of reference of the audit committee are extensive and include all that is mandated in Regulation 18 of SEBI (LODR) Regulation, 2015 with the Stock Exchange and section 149 of the Companies Act, 2013. The Company has complied with the requirements of Regulation 18 of SEBI (LODR) Regulation, 2015 as regards composition of the Audit Committee. The Audit Committee of the Company as on 31st March, 2019 comprises of the following Directors of the Company.

Name of the Director	Designation
Shri Umesh Narayan Trivedi	Chairman
Shri Pradeep Agrawal	Member
Shri Rajender Singh Tomar	Member

All the three members of the audit committee are non-executive directors and independent.

(C) Meeting and attendance during the year

Four (4) meetings were held during the financial year 2018-19 on 29th May 2018, 13th August 2018, 13th November 2018 and 7th February, 2019. The attendance of each member of the committee is as under:

Name of the Director	No. of Meeting attended
Shri Umesh Narayan Trivedi	4
Shri Pradeep Agrawal	4
Shri Rajendra Singh Tomar	4

The Chairman Shri Umesh N. Trivedi has attended the 27th AGM held on 18th September, 2018 to answer shareholders' query.

(D) Invitees / Participants:

1. The M.D. & CFO are the permanent invitees to all Audit Committee meetings.
2. Head of Internal Audit department attends all the Audit Committee Meetings as far as possible and briefs the Committee on all the points covered in the Internal Audit Report as well as the other issues that come up during discussions.
3. The representatives of the Statutory Auditors have attended all the Audit Committee meetings held during the year.
4. The representatives of the Cost Auditors and Secretarial Auditors have attended 1(one) Audit Committee Meeting when the Cost Audit Report and Secretarial Audit Report were discussed.

(E) Private Meetings:

In order to get the inputs and opinions of the Statutory Auditors and the Internal Auditors, the Committee also held one separate one-to-one meeting during the year with the Statutory Auditor and Head of Internal Audit department but without the presence of the M.D. and the management representatives.

4. NOMINATION & REMUNERATION COMMITTEE

(A) Terms of reference

The Remuneration Committee is duly constituted in accordance with the provisions of SEBI (LODR) Regulation, 2015 and Section 178 and other provisions of Companies Act, 2013 and is empowered to do the following:

1. To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to appointment and remuneration for Directors, Key Managerial Personnel and other senior employees;
2. To formulate criteria for evaluation of the members of the Board of Directors including Independent Directors, the Board of Directors and the Committees thereof;
3. To devise policy on Board Diversity;
4. To identify persons, 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 where necessary, their removal;
5. To formulate policy ensuring the following:
 - a. 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,
 - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
 - c. Remuneration to Directors, Key Managerial Personnel and senior management 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;
 - d. Recommendation to the board, all remuneration, in whatever form, payable to senior management.

6. To design Company's policy on specific remuneration packages for Executive/ Whole Time Directors and Key Managerial Personnel including pension rights and any other compensation payment;
7. To determine, peruse and finalize terms and conditions including remuneration payable to Executive/ Whole Time Directors and Key Managerial Personnel of the Company from time to time.
8. To review, amend or ratify the existing terms and conditions including remuneration payable to Executive/Whole Time Directors, Senior Management Personnel and Key Managerial Personnel of the Company;
9. Any other matter as may be assigned by the Board of Directors.

(B) Composition

In compliance with the provisions of section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Board has renamed & reconstituted the existing "Remuneration Committee" as the "Nomination & Remuneration Committee". The Nomination and Remuneration Committee of the Company as on 31st March, 2019 comprises of the following Directors of the Company.

Name of the Director	Designation
Shri Umesh Narayan Trivedi	Chairman
Shri Pradeep Agrawal	Member
Shri Rajender Singh Tomar	Member

All the three members of the Nomination & Remuneration committee are non-executive and independent directors.

(C) Meeting and attendance during the year

Two (2) meeting were held during the financial year 2018-19 on 13th August, 2018 & 7th February, 2019. The attendance of each member of the committee is as under:

Name of the Director	No. of Meeting attended
Shri Umesh Narayan Trivedi	2
Shri Pradeep Agrawal	2
Shri Rajender Singh Tomar	2

(D) Performance Evaluation for Independent Directors:

Pursuant to the provisions of the Companies Act, 2013 and as stipulated under regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board of Directors adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors. A structured evaluation process covering various aspects of the Boards functioning such as Composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

(E) Remuneration Policy

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors, Managing Director, Whole-time Directors, senior management and Key Managerial Persons and their remuneration. This Policy is accordingly derived from the said Charter.

I. Criteria of selection of Non-Executive Directors

- a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, engineering, medical science finance, governance and general management.
- b. In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c. The N&R Committee shall ensure that the candidate identified for appointment as a Director is not

disqualified for appointment under Section 164 of the Companies Act, 2013.

- d. The N&R Committee shall consider the following attributes/criteria, whilst recommending to the Board the candidature for appointment as Director.
 - i. Qualification, expertise and experience of the Directors in their respective fields;
 - ii. Personal, Professional or business standing;
 - iii. Diversity of the Board.
- e. In case of re-appointment of Non- Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

II. Remuneration

The Non- Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/Committee meetings as detailed hereunder:

- i. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- ii. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

III. Managing Director - Criteria for selection /appointment

For the purpose of selection of the MD and WTD the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

IV. Remuneration for the Managing Director & Whole-time Directors

- i. At the time of appointment or re-appointment, the Managing Director and Whole-time director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the Managing Director and Whole-time Director within the overall limits prescribed under the Companies Act, 2013.
- ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- iii. The remuneration of the Managing Director and Whole-time director is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises performance bonus.
- iv. In determining the remuneration (including the fixed increment and performance bonus) the N&R Committee shall ensure / consider the following:
 - a. Responsibility required to be shouldered by the Managing Director and Whole-time director, the industry benchmarks and the current trends;
 - b. The Company's performance vis-à-vis the annual budget achievement and individual performance.

V. Remuneration Policy for the Senior Management Employees

- I. In determining the remuneration of the Senior Management Employees and Key Managerial Personals, the N&R Committee shall ensure/consider the following:
 - i. The relationship of remuneration and performance;
 - ii. The balance between fixed and incentive pay reflecting short and long-term performance objectives, appropriate to the working of the Company and its goals;
 - iii. The remuneration is divided into two components viz. fixed component comprising salaries,

perquisites and retirement benefits and a variable component comprising performance bonus;

- iv. The remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, and current compensation trends in the market.
- II. The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the N&R Committee for its review and approval.

5. REMUNERATION OF DIRECTORS

A) Pecuniary relationship of transaction of Non- Executive director: NIL

B) Non- executive director's payment criteria: The Non- executive directors of the company are only given Sitting fess as decided by Board for attending the Board meeting and audit committee during the financial year 2018-19.

C) Remuneration to Managing Director and Executive Director

The terms of remuneration of Executive Directors has already been fixed by the Board of directors and was approved by the shareholders at Annual General Meeting. During the financial year 2018-19, the particulars of remuneration paid to Executive Director is as under: -

Name of the Director	Salary (Rs.)	Perquisites	Commission	Stock option Details	Period of Contract
Shri Kailash Chand Sharma	9,30,000	-	-	-	01.08.16 to 31.07.2019
Shri Sharad Kumar Jain	6,00,000	-	-	-	01.10.17 to 30.09.2020

D) Remuneration/Sitting fee to Other Non-Executive Directors

The details of sitting fee paid to each of the other non-executive/Independent Directors during the year 2018-19 ended on 31st March, 2019 are given below :-

Name	Siting Fee	Other Payment	Total
Shri Rajendra Singh Tomar	20,000	-	20,000
Shri Pradeep Agrawal	20,000	-	20,000
Shri Umesh Narayan Trivedi	20,000	-	20,000
Shri Giriraj Gupta*	0	-	0
Smt. Namita Sharma	20,000	-	20,000

*Resigned from the Board w.e.f 29th May, 2018.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Based on the revised scope, this Committee is responsible for transfer/transmission of shares, satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services. The Committee also looks into shares kept in abeyance, if any.

The terms of reference mandated by your Board, which is also in line with the statutory and regulatory requirements are:

- a. To resolve the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- b. To review of measures taken for effective exercise of voting rights by shareholders.
- c. To review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent.

d. To review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

A) In compliance with the provisions of Section 178 of the Companies Act, 2013 and regulation 20 of SEBI (LODR) Regulation, 2015, the Board has renamed and reconstituted the existing "Investors' Grievance Committee" as the "Stakeholders' Relationship Committee" which consists of the following members:

Name of the Director	Designation
Shri Umesh Narayan Trivedi	Chairman
Shri Pradeep Agrawal	Member
Shri Rajender Singh Tomar	Member

All the three members of the Stakeholders' Relationship Committee are Non-Executive and Independent directors.

B) Meeting and attendance during the year

Three (3) meetings were held during the financial year 2018-19 on 15th January, 2019, 2nd March, 2019 & 22nd March, 2019. The attendance of each member of the committee is as under:

Name of the Director	No. of Meeting attended
Shri Umesh Narayan Trivedi	3
Shri Pradeep Agrawal	3
Shri Rajender Singh Tomar	3

C) **Compliance Officer of the Company:** CS Pooja Agrawal, Company Secretary is designated as the Compliance Officer of the Company.

D) **Shareholder Compliant Status during the financial year 2018-19:**

No. of Shareholder Compliant received	No. of Complaint resolved	No. of Compliant Pending.
7	7	-

7. CSR COMMITTEE:

The Company has constituted a CSR Committee as required under Section 135 of the Companies Act, 2013. The Committee is headed by Shri Kailash Chand Sharma and consists of the members as stated below. During the year ended on 31st March, 2019 the Committee had two (2) meetings on 29th May, 2018 and 7th February, 2019 which were attended by the members as under: -

S.No.	Name of the Director	Designation	No. of Meetings Attended
1	Shri Kailash Chand Sharma	Chairman	2
2	Shri Umesh Narayan Trivedi	Member	2
3	Shri Pradeep Agrawal	Member	2

The Terms of Reference of the Committee are to:-

- Frame the CSR Policy and its review from time-to-time.
- Ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.
- Ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the Board of Directors.

8. RISK MANAGEMENT COMMITTEE:

In compliance with the provisions of SEBI (LODR) Regulations, 2015 and Companies Act, 2013, the Board has

constituted a Risk Management Committee under the Chairmanship of Shri Kailash Chand Sharma and consists of the following members:

Name of the Director	Designation
Shri Kailash Chand Sharma	Chairman
Shri Pradeep Agrawal	Member
Shri Umesh Narayan Trivedi	Member

During the year ended on 31st March, 2019 this Committee has no meetings. The Committee is required to lay down the procedures to review the risk assessment and minimization procedures and the Board is responsible for framing, implementing and monitoring the risk management plan of the Company.

The Terms of Reference of the Committee are:-

- To review the framework of BRM process;
- To risk identification and assessment;
- To review and monitoring of risk mitigation plans

During the year, the Committee reviewed the risk trend, exposure and potential impact analysis carried out by the management. It was specifically confirmed to the Committee by the MD & CFO that the mitigation plans are finalized and up to date, owners are identified and the progress of mitigation actions are monitored.

9. DISCLOSURES

- Subsidiary Companies:** The Company does not have any subsidiary, associate or joint ventures during the year 2018-19.
- Related Party Transactions:** All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (LODR) Regulation, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. The Audit Committee and the Board has approved a policy for related party transactions which has been uploaded on the Company's website at www.natrajproteins.com.
- Providing voting by Electronic Means:** Your Company is providing E-voting facility under Regulation 44 of SEBI (LODR) Regulation, 2015 and Companies Act, 2013. The details regarding e-voting facility is being given with the notice of the Meeting.
- Strictures and Penalties:** No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.
- Vigil Mechanism/Whistle Blower Policy:** The Company has laid down a Whistle Blower Policy/vigil mechanism. The company encourages an open-door policy where employees have access to the Head of the business/function. The company takes cognizance of the complaints made and suggestions given by the employees and others. Complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the company has been denied access to the Audit Committee in this regard.
As part of our corporate governance practices, the company has adopted the Whistle blower policy that covers our directors and employees. The policy is provided pursuant to SEBI (LODR) Regulation, 2015 on our website, <http://www.natrajproteins.com> and also annexed with the Board Report.
- Prevention of insider trading:** The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Company Secretary & Head Compliance is responsible for implementation of the Code.
- Proceeds from public issues, rights issue, preferential issues, etc.:** The Company has not raised money through an issue (public issues, rights issues, preferential issues etc.) during the year under review.
- Disclosures with respect to demat suspense account/ Unclaimed Suspense Account:** There is no equity shares lying in the demat suspense account/ Unclaimed Suspense Account.

- i) **Secretarial Compliance Report:** SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the SEBI (LODR) Regulation, 2015, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR – 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year. The Company has engaged the services of CS (Dr.) D.K. Jain (CP No. 2382), Practicing Company Secretary and Secretarial Auditor of the Company for providing this certification.
- j) **Certificate from Practicing Company Secretary:** Certificate as required under Part C of Schedule V of the SEBI (LODR) Regulation, 2015, received from CS (Dr.) D.K. Jain (CP No. 2382) proprietor of M/s. D. K. Jain & Co., Practicing Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.
- A compliance certificate from CS (Dr.) D.K. Jain (CP No. 2382) proprietor of M/s. D. K. Jain & Co., Practicing Company Secretaries, pursuant to the requirements of Schedule V of the SEBI (LODR) Regulation, 2015 regarding compliance of conditions is attached.
- k) **Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) act, 2013:** The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the financial year 2018-19 are as under:
- Number of complaints filed during the financial year: NIL
 - Number of complaints disposed of during the financial year: NIL
 - Number of complaints pending as on end of the financial year: NIL
- l) **Where the Board had not accepted any recommendation of any committee of the board which is mandatorily required, in the financial year:** Your Board affirms that, there is no such instances where the Board has not accepted any recommendation of any committee of the Board during the financial year.
- m) **Code of Conduct:** The Board has adopted the code of conduct for all its Directors and Senior Management which has been displayed on the Company's website. All Board members and senior management personnel have affirmed compliance with the code on annual basis. A declaration to this effect by CEO of the Company forms part of this Annual Report.

10. MD/CFO CERTIFICATION

The MD and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI (LODR) Regulations, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report

11. DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF SEBI (LODR) REGULATIONS, 2015

The status of compliance with discretionary recommendations of the Regulation 27 of the SEBI (LODR) Regulations, 2015 with Stock Exchanges is provided below:

- Non-Executive Chairman's Office: Chairman's office is separate from that of the Managing Director & CEO. However, the same is now maintained by the Chairman himself.
- Shareholders' Rights: As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
- Modified Opinion in Auditors Report: The Company's financial statement for the year 2018-19 does not contain any modified audit opinion.
- Separate posts of Chairman and CEO: The Chairman of the Board is an Executive Director and his position is separate from that of the Managing Director.
- Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

12. INFORMATION ON GENERAL BODY MEETINGS

The details of the location and time for last three Annual General Meetings are given hereunder: -

Year	Location	Date	Time	Special Resolutions	Special resolution through postal Ballot
2017-2018	Nagpur Kalan, Ordinance Factory Road, Itarsi- 461111	18th Sept., 2018	2.00 P.M.	Three Special resolution	N.A.
2016-2017	Nagpur Kalan, Ordinance Factory Road, Itarsi- 461111	9th Sept., 2017	2.00 P.M	One Special resolutions	N.A.
2015-2016	Nagpur Kalan, Ordinance Factory Road, Itarsi- 461111	24th Sept., 2016	2.00 P.M	One Special resolution	N.A.

During the year under review, no extra ordinary general meeting was held as well as no resolution was passed through the Postal Ballot process.

13. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board. These are widely published in following newspapers. These results are simultaneously posted on the website of the Company at www.natrajproteins.com and also uploaded on the website of the BSE Ltd.

Quarterly Results	Newspaper Publication	Displayed in Website
31.03.2018	Choutha Sansaar & Free Press, Indore	www.natrajproteins.com
30.06.2018	Choutha Sansaar & Free Press, Indore	www.natrajproteins.com
30.09.2018	Choutha Sansaar & Free Press, Indore	www.natrajproteins.com
31.12.2018	Choutha Sansaar & Free Press, Indore	www.natrajproteins.com
31.03.2019	Choutha Sansaar & Free Press, Indore	www.natrajproteins.com

However, the Company has not made any official releases and presentation to any institution.

14. GENERAL SHAREHOLDER INFORMATION

Date, Time and Venue of Annual General Meeting	On 20th September, 2019 at 2.00 P.M. at the Registered Office of the company situated at Nagpur Kalan, Ordinance Factory Road, Itarsi
E-voting period	From 17.09.2019 on 9:00 A.M. [IST] To 19.09.2019 on 5:00 P. M [IST]
Financial Calendar Results for the quarter ending 30th June, 2019 for the quarter ending 30th Sept, 2019 for the quarter ending 31st Dec., 2019 for the quarter ending 31st March, 2020	On or Before 14th August, 2019 On or Before 14th November, 2019 On or Before 14th Feb., 2020 On or Before 30th May, 2020
Board Meeting for consideration of Annual Accounts for the financial year 2018-19	27/05/2019
Book Closure	14th Sept., 2019 to 20th Sept., 2019 (both days inclusive)
Cutoff date for E-voting	13th September, 2019

Posting/ mailing of Annual Report	Before 27th Aug., 2019
Last date for receipt of Proxy	18th September, 2019 at 1:59 PM
Dividend	N.A.
Listing on Stock Exchange	The equity shares of the company are listed at BSE Ltd. and the listing fees has been paid for 2019-2020
Registered Office and Plant Location	Nagpur Kalan, Ordinance Factory Road, Itarsi (M.P.) 461111
Compliance Officer and Company Secretary	CS Pooja Agrawal
Registrars and Share Transfer Agents	Ankit Consultancy Pvt. Ltd., Plot No.60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010 Tel: 0731- 2551745/46 Fax: 0731- 4065798 Email: ankit_4321@yahoo.com
Scrutinizer for E-voting	CS Ishan Jain, Practicing Company Secretary
Scrip Code	530119
ISIN NO	INE444D01016
The financial year covered by this Annual Report	April 1, 2018 to March 31, 2019
Share Transfer System	Transfers are registered and returned by the Registrars & Share Transfer Agents within a period of 15 days from the date of receipt of the documents, provided the same are in order
Commodity price risk or foreign exchange risk and hedging activity	usual policy is to sell its products at prevailing market prices, and not to enter into price hedging arrangements.

a) Market Price Data (Rs.)

The monthly high and low quotations of shares of the Company traded at the Stock Exchange, Mumbai during the financial year 2018-19 are given below:

<i>Month</i>	<i>High (Rs.)</i>	<i>Low (Rs.)</i>
April, 2018	33.60	29.35
May, 2018	35.70	28.90
June, 2018	40.85	33.40
July, 2018	37.25	34.20
August, 2018	35.90	27.10
September, 2018	35.00	31.15
October, 2018	35.00	32.25
November, 2018	37.00	31.00
December, 2018	33.50	29.00
January, 2019	34.95	30.40
February, 2019	29.00	22.45
March, 2019	28.00	22.35

b) Distribution of Shareholding as on 31st March, 2019

No. of Shares	No. of Shareholders	% of Shareholders	Share Amount	% of Total
1-1000	231	23.60	85650	0.23
1001-2000	69	7.05	126140	0.34
2001-3000	30	3.06	82230	0.22
3001-4000	141	14.40	559240	1.49
4001-5000	121	12.36	602320	1.61
5001-10000	160	16.34	1307270	3.49
10001-20000	66	6.74	1022150	2.73
20001-30000	42	4.29	1092500	2.92
30001-40000	20	2.04	717350	1.91
40001-50000	18	1.84	789540	2.11
50001-100000	42	4.29	3622030	9.67
100000 Above	39	3.98	27463580	73.29
TOTAL	979	100.00	37470000	100.00

c) Dematerialisation of shares & liquidity

The shares of the Company are under compulsory demat segment and are listed on Bombay Stock Exchange, Mumbai. The Company's shares are available for trading in the depository of both NSDL & CDSL.

As per SEBI Circular dated 20th April, 2018 such shareholders holding shares of the company in the physical form are required to provide details of the Income Tax Permanent Account No. and Bank Account Details to the Share Transfer Agent of the Company. The Company has sent three letters to all the shareholders holding shares in the physical form by the Registered Post. It may please be noted very carefully by the shareholders who has not provided required details to the Share Transfer Agent, or informed that the shares available in their name as per records to the share transfer agent does not belong to them or letter return back being undelivered shall be subject to enhanced due diligence by the Company and the Share Transfer Agent.

Further, SEBI has mandated that for registration of transfer of the shares in the d-mat form only after 1st April, 2019. Therefore, it is advised to the shareholders, holding their shares in the physical form to get convert into the D-mat form.

d) Details of Demat Shares as on 31st March 2019:

	No. of Shareholders/Beneficial Owners	No. of Shares	% of Capital
NSDL	337	1419306	37.88
CDSL	231	1040369	27.76
Sub-Total	568	2459675	65.64
Shares in physical form	411	1287325	34.36
Grand Total	979	3747000	100.00

e) Reconciliation of Share Capital Audit:

As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges, NSDL and CDSL and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

f) Outstanding Convertible Instruments

There are no outstanding warrants or any convertible instruments.

15. REDRESSAL OF INVESTOR GRIEVANCES THROUGH SEBI SCORES MECHANISM:

SEBI has issued various circular for Listed Companies to Registered itself on SCORES. It is a web based centralized grievance redress system of SEBI. SCORES enables investors to lodge and follow up their complaints and track the status of redressal of such complaints online from the SCORES website.

Your Company is also registered on SCORES and promptly redressing investor grievances. The same is maintaining by our Registrar and Share Transfer Agent M/s Ankit Consultancy Pvt. Ltd.

16. DISCLOSURES
a) Disclosure regarding materially significant related party transactions:

None of the transaction with any of the related parties were in conflict with the interest of the Company. Attention of members is drawn to the disclosure of transactions with the related parties set out in Note No. 26 of Notes on Accounts, forming part of the Annual report.

All related party transactions are negotiated on arm's length basis and are intended to further the interest of the company.

b. Disclosure of non-compliance by the Company:

There has been no instance of non-compliance on any matter related to the capital markets, during the last two years.

c) Web links

Particular	Web links
Material Event Policy	www.natrajproteins.com
Related Party Transaction policy	www.natrajproteins.com

For and on behalf of the Board

Place: Itarsi

Date: 31st July, 2019

Kailash Chand Sharma
 Chairman & Managing Director
 DIN 00012900

Corporate Governance Certificate by the Practicing Company Secretary

To,
The Members,
Natraj Proteins Ltd.

1. This report contains details of compliance of conditions of Corporate Governance by **Natraj Proteins Limited** ('the Company') for the year ended 31st March, 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulation").

Management's Responsibility

2. The compliance with the conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintaining operating effectiveness of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Our Responsibility

3. Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to express a reasonable assurance in a form of an opinion as to whether the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations for the year ended 31st March, 2019.
4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We conducted our examination in accordance with 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. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICSI.
6. 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

7. In our opinion, and to the best of our information and according to explanations given to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations.
8. 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.

Restriction on use

9. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For, I.G. & ASSOCIATES
Company Secretaries**

**CS ISHA GARG
Proprietor
M.NO F9955
CP No. 12184**

Place : Indore
Date: 27 July, 2019

MD / CFO CERTIFICATION

To,

The Board of Directors

Natraj Proteins Limited.

- (A) We have reviewed the Financial Statements, Cash Flow Statements, Books of Accounts, detailed trial balance and grouping thereof for the Financial Year 2018-19 and that to the best of our knowledge and belief:
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 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.
 - no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- (B) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (C) We have indicated to the auditors and the Audit committee:
- significant changes in internal control over financial reporting during the Financial Year 2018-19.
 - significant changes in accounting policies during the period and that the same have been disclosed in the notes of the financial statements; and
 - instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For, Natraj Proteins Limited

Date: 27th May, 2019

Place: Itarsi

K. C. Sharma
Managing Director
DIN 00012900

Ritesh Sharma
CFO

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Natraj Proteins Ltd.
Nagpur Kalan, Ordinance Factory Road,
Itarsi (M.P.)-461111

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Natraj Proteins Ltd.** having **CIN: L00153MP1990PLC006090** and having registered office at Nagpur Kalan, Ordinance Factory Road, Itarsi (M.P.)-461111 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers,

We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Shri Kailash Chand Sharma*	00012900	21.11.1990
2	Shri Sharad Kumar Jain	02757935	24.08.2009
3	Shri Umesh Narayan Trivedi	00018188	31.01.2003
4	Shri Pradeep Agrawal	05279673	14.05.2012
5	Shri Rajender Singh Tomar	07102758	27.02.2015
6	Smt. Namita Sharma	02486865	27.02.2015

* As per MCA Records Date of Appointment is 01.08.2010.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Indore
Date :15th July, 2019

For, D.K. Jain & Co.
Company Secretaries

CS (Dr.) Dilip Kumar Jain
Proprietor
FCS 3565: CP 2382

INDEPENDENT AUDITOR'S REPORT

To the Members,
Natraj Proteins Ltd.
ITARSI

Report on the audit of the Ind AS Financial Statements:

We have audited the attached Ind AS Financial Statements of Natraj Proteins Ltd., (the Company) which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and The Statement of Changes in Equity for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS Financial Statements read with significant accounting policies 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:

1. In the case of Balance Sheet, of the state of affairs of the Company as at 31-03-2019.
2. In the case of Statement of Profit and Loss (including Other Comprehensive Income) of the Company for the year ending on 31-03-2019.
3. In the case of Cash Flow Statement of the cash flows and the Statement of changes in equity of the Company for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

The Company is not required to spend any fresh amount towards CSR for the financial year 2018-19 being the 2% of the average of the net profits for the previous three years as stated above towards CSR is negative. Further that the Company is carrying the unspent amount of Rs. 40.56 Lakhs for the year 2014-15, 2015-16 and 2016-17. However, the company has expended Rs. 7.08 Lakhs towards the CSR activities from it. Thus, the Company is now required to spend total amount of Rs. 33.48 Lakhs.

Our opinion is not modified in respect of this matter.

Management Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 (the Act) with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules 2015 (as Amended) under Section 133 of the companies Act 2013.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities: selection and application of appropriate accounting policies: making judgments and estimates that are reasonable and prudent : and the 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a

going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility:

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order 2016 ("the order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that :
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of accounts as required by law have been kept by the Company so far it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss(including other comprehensive income), the Cash Flow statement and the Changes in the Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2019, from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer our separate report in Annexure B.
Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The company has disclosed the impact of pending litigations on its financial position in the Ind AS Financial Statements. Refer to Note No 26 B 1 (b), (d) and (e) to the Financial Statements.
 - ii. The company does not have any long term contract or long term derivative contracts and there is no requirement of making any provision on such contracts/derivatives.
 - iii. There is no incidence of any requirement of transfer any amount to the investor Education and Protection fund by the company during the year.

For, ANUP SHRIVASTAVA&ASSOCIATES

Chartered Accountants

FRN006455C

CA SUDEEP MOITRA

PARTNER

M.NO 400340

Place: Camp Itarsi

Date:27/05/2019

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor Report of even date to the members of NATRAJ PROTEINS LTD ("The Company") on the financial statements for the year ended March 31, 2019]

- i. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management in accordance with regular program of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. (Discrepancies have been appropriately dealt with in the books of accounts).
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The management has conducted physical verification of inventories at all its locations at reasonable intervals during the year. The procedures of physical verification of inventory followed by management are in our opinion, reasonable and adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) The company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and there are no overdue amount of any loan granted to companies or firm or other parties mentioned in the register maintained under section 189 of the Companies Act 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loan or made investment or guarantee or offered security to any party which requires compliance of provisions of section 185 and 186 of the Act.
- (v) The company has not accepted deposits from the public during the year, with reference to Section 73 to 76 of the Companies Act 2013 read with The companies (Acceptance of Deposits) Rules, 2014 and other relevant provisions of the Act.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of the same with a view to determining whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, GST, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, GST, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, and as per the records of the company, there are no material dues which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, VAT and cess which have not been deposited on account of dispute are given below:

Name of the Statute	Nature of dues	Amount (Rs. in lakhs)	Year to which it pertains	Forum at which case is pending
Income Tax Act 1961	Income Tax	15.90	1994-95 1995-96 1996-97	Before Settlement Commission. Petition filed before MP High Court Jabalpur for stay.
MP VAT Act 2002	VAT	5.05	2006-07	MP Commercial Appellate Board, Bhopal
MP VAT Act 2002	VAT	4.70	2011-12	Commissioner Appeals

- (viii) The Company has not defaulted in repayment of loan or borrowings from the financial institution, banks and government or debenture holders. The company has not issued any debentures.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) Based on our audit procedures, and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS Financial Statements as required by the Ind AS 24 , Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For, ANUP SHRIVASTAVA & ASSOCIATES
Chartered Accountants
FRN 006455C

CA SUDEEP MOITRA
PARTNER
M.NO 400340
Place: Camp Itarsi
Date: 27/05/2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the member of NATRAJ PROTEINS LTD. on the Financial Statements for the year ended March 31, 2019]

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

We have audited the internal financial controls over financial reporting of NATRAJ PROTEINS LIMITED ("the Company") as of 31 March 2019 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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.

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 authorisations of management and directors of the company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls 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 control 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 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, ANUP SHRIVASTAVA & ASSOCIATES

Chartered Accountants

FRN 006455C

CA SUDEEP MOITRA

PARTNER

M.NO 400340

Place: Camp Itarsi

Date: 27/05/2019



BALANCE SHEET AS AT 31-03-2019

Particulars		Note No.	Figures as at the end of current reporting period 31.03.2019	Figures as at the end of previous reporting period 31.03.2018
1	ASSETS			
	Non-current assets			
	(a) Property, plant and equipment	1	35,359,327	37,088,490
	(b) Capital Work-in-progress	1A	-	-
	(c) Investment Property		-	-
	(d) Goodwill		-	-
	(e) Other Intangible Assets		-	-
	(f) Intangible assets under development		-	-
	(g) Biological Assets other than bearer plants		-	-
	(h) Financial Assets			
	(i) Investments		-	-
	(ii) Trade receivables		-	-
	(iii) Loans	2	9,170,153	5,461,750
	(iv) Others		-	-
	(i) Deferred tax assets		-	-
	(j) Other non-current assets	3	16,294,193	39,763,080
2	Current Assets			
	(a) Inventories	4	411,398,378	813,851,030
	(b) Financial assets			
	(i) Investments		-	-
	(ii) Trade receivables	5	198,451,252	143,263,456
	(iii) Cash and cash equivalents	6	41,185,849	3,866,327
	(iv) Bank balance other than (iii) above		-	-
	(v) Loans	7	10,498,950	13,932,063
	(vi) Others (to be specified)		-	-
	(c) Current Tax Assets (Net)	8	67,769	2,749,749
	(d) Other current assets		-	-
	Total Assets		722,425,872	1,059,975,945
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share Capital	9	37,470,000	37,470,000
	(b) Other Equity	10	316,354,113	305,588,324
1	LIABILITIES			
	Non-current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	11	500,000	750,000
	(ii) Trade payables		-	-
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
	(b) Provisions		-	-
	(c) Deferred tax liabilities (Net)	12	9,290,258	10,008,761
	(d) Other non-current liabilities		-	-
2	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	13	308,221,694	541,038,667
	(ii) Trade payables	14	39,291,436	150,878,574
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
	(b) Other current liabilities	15	11,258,641	12,894,100
	(c) Provisions	16	39,729	1,347,519
	(d) Current tax liabilities (Net)		-	-
	Total Equity and Liabilities		722,425,872	1,059,975,945

As per our Report of even date attached
Notes referred to above form an integral part of Financial Statements

For Anup Shrivastava & Associates
Chartered Accountants
Firm Registration no: 006455C

Sudeep Moitra
Partner
Membership no: 400340

PLACE : CAMP ITARSI
DATED : 27/05/2019

FOR AND ON BEHALF OF BOARD OF DIRECTORS

KAILASH CHAND SHARMA
(Managing Director)
DIN 00012900

SHARAD KUMAR JAIN
(Whole Time Director)
DIN 02757935

PLACE: ITARSI
DATED : 27/05/2019

RITESH SHARMA
(C.F.O.)

POOJA AGRAWAL
(Company Secretary)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2019

	Particulars	Note	Figures as at the end of current reporting period 31.03.2019	Figures as at the end of previous reporting period 31.03.2018
I	Revenue from Operations	17	1,907,232,403	1,955,525,348
II	Other income	18	2,127,655	2,318,629
III	Total Income (I+II)		1,909,360,058	1,957,843,977
IV	Expenses			
	Cost of material consumed	19 (a)	1,669,234,913	1,345,677,617
	Purchases of Stock-in-trade	19 (b)	82,448,187	374,180,700
	Changes in inventories of finished goods, Stock-in-Trade, and Work-in-progress	20	(21,065,759)	(1,669,077)
	Employee Benefits Expense	21	12,459,587	12,407,030
	Finance costs	22	42,080,758	42,736,936
	Depreciation and amortization expenses		6,502,619	5,992,246
	Other Expenses	23	104,166,418	160,689,287
	Total Expenses(IV)		1,895,826,725	1,940,014,740
V	Profit/(loss) before exceptional items and tax (I-IV)		13,533,333	17,829,238
VI	Exceptional items/ prior period items (net)		-	-
VII	Profit/(loss) after exceptional items and before tax (V-VI)		13,533,333	17,829,238
VIII	Tax expense :			
	(1) Current tax		2,786,080	2,333,000
	(2) Deferred tax		(718,503)	(559,947)
IX	Profit/(Loss) for the period from continuing Operations (VII-VIII)		11,465,756	16,056,185
X	Profit /(loss) from discontinued operations		-	-
XI	Tax expenses of discontinued operations		-	-
XII	Profit/(loss) from Discontinued Operations (after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		11,465,756	16,056,185
XIV	Other Comprehensive Income			
	A. (i) Items that will not be reclassified to profit or loss			
	Remeasurement of Defined Benefit Plans		224,177	257,784
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(46,151)	(82,749)
	B. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	Total Comprehensive Income for the period (XIII+XIV) Comprising Profit (Loss) and Other comprehensive income for the period		11,643,782	16,231,220
XVI	Earning per equity share (for continuing operation)			
	(1) Basic	24	3.06	4.33
	(2) Diluted		3.06	4.33
XVII	Earning per equity share (for discontinued operation)			
	(1) Basic		0	0
	(2) Diluted		0	0
XVIII	Earning per equity share (for discontinued & continuing operation)			
	(1) Basic		3.06	4.33
	(2) Diluted		3.06	4.33

As per our Report of even date attached

Notes referred to above form an integral part of Financial Statements

For Anup Shrivastava & Associates
Chartered Accountants
Firm Registration no: 006455C

Sudeep Moitra
Partner
Membership no: 400340

PLACE : CAMP ITARSI
DATED : 27/05/2019

FOR AND ON BEHALF OF BOARD OF DIRECTORS

KAILASH CHAND SHARMA
(Managing Director)
DIN 00012900

SHARAD KUMAR JAIN
(Whole Time Director)
DIN 02757935

PLACE: ITARSI
DATED : 27/05/2019

RITESH SHARMA
(C.F.O.)

POOJA AGRAWAL
(Company Secretary)

**CASH FLOW STATEMENT
FOR THE YEAR ENDING 31ST MARCH, 2019**

PARTICULARS	YEAR ENDED 31 st March 2019	YEAR ENDED 31 st March 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	13,757,510	18,087,021
<u>Adjustments for:</u>		
ADD		
Depreciation & Amortization	6,502,619	5,992,246
Interest Charges	42,080,758	42,736,936
LESS		
Interest Income	641,238	2,318,436
CSR Expenses	707,975	239,219
Operating Profit Before Working Capital Changes	60,991,674	64,258,549
Adjustments for :		
Trade Receivables	(55,187,797)	-32,435,689
Inventories	402,452,651	-455,901,111
Loans, Advances and other current assets	6,182,863	19,265,633
Current Liabilities	(114,700,406)	35,285,639
Income Tax Paid during the year	(2,900,000)	-5,000,000
Total Adjustments	235,847,312	-438,785,528
CASH GENERATED FROM OPERATING ACTIVITIES (A)	296,838,986	-374,526,980
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed asset Asset/ Capital WIP	(4,773,456)	(25,800)
Interest Received	641,238	2,318,436
Non Current Assets, Long term loans and advances	19,760,484	30,915,175
NET CASH USED IN INVESTING ACTIVITIES (B)	15,628,266	33,207,811
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	(250,000)	-
Proceeds of Short Term Borrowings Banks	(232,816,972)	353,026,062
Interest Paid	(42,080,758)	(42,736,936)
NET CASH (USED)/FROM FINANCING ACTIVITIES (C)	(275,147,731)	310,289,125
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	37,319,522	(31,030,043)
Cash and Cash Equivalents - Opening Balance	3,866,327	34,896,370
Cash and Cash Equivalents - Closing Balance	41,185,849	3,866,327
Increase/Decrease in Closing Cash Balance	37,319,522	(31,030,043)
Note:		
Cash and Cash Equivalents include:		
(a) Cash on Hand	637,433	379,185
(b) Balances with Banks in Current Accounts	40,548,416	3,487,142
(c) Balances in FDR with Bank - No lien deposits	-	-
	41,185,849	3,866,327

As per our Report of even date attached

Notes referred to above form an integral part of Financial Statements

For Anup Shrivastava & Associates
Chartered Accountants
Firm Registration no: 006455C

Sudeep Moitra
Partner
Membership no: 400340

PLACE : CAMP ITARSI
DATED : 27/05/2019

FOR AND ON BEHALF OF BOARD OF DIRECTORS

KAILASH CHAND SHARMA
(Managing Director)
DIN 00012900

SHARAD KUMAR JAIN
(Whole Time Director)
DIN 02757935

PLACE: ITARSI
DATED : 27/05/2019

RITESH SHARMA
(C.F.O.)

POOJA AGRAWAL
(Company Secretary)

STATEMENT OF CHANGES IN EQUITY
Equity Share Capital

	31 March 2019	
	No of Shares	Amount
Balance at the beginning of the reporting period	3,747,000	37,470,000
Changes in Equity Share Capital during the year	-	-
Balance at the end of the reporting period	3,747,000	37,470,000

B. Other Equity
(i) As at March 31, 2019

Particulars	Note Reference	Share application on money pending allotment	Equity component of Compound Financial Instrument	Equity Instruments through Other Comprehensive Income	Capital Reserve	Share forfeited Reserve	Reserves & Surplus				Total
							General Reserve	CSR Reserve	Retained Earnings		
Balance at the beginning of the reporting period (A)		-	-	-	-	4,776,700	1,500,000	1,320,133	297,991,491		305,588,324
Changes in accounting policy or prior period errors (B)		-	-	-	-	-	-	-	-	-	-
Profit/(Loss) for the year		-	-	-	-	-	-	-	11,465,756	-	11,465,756
Other Comprehensive Income for the year		-	-	-	-	-	-	-	224,177	-	224,177
Income Tax relating to items that will not be reclassified to profit or loss and others		-	-	-	-	-	-	-	(216,170)	-	(216,170)
Total Comprehensive Income for the year (C)		-	-	-	-	-	-	-	11,473,762	-	11,473,762
Transfer to retain earnings		-	-	-	-	-	-	-	-	-	-
Deferred Hedging gains/(losses) and cost of hedging transferred to P&L during the year		-	-	-	-	-	-	-	11,473,762	-	11,473,762
Total (D)		-	-	-	-	-	-	-	11,473,762	-	11,473,762
Transactions with the owners in their capacity as the owners		-	-	-	-	-	-	-	-	-	-
Issue of Equity shares		-	-	-	-	-	-	-	-	-	-
Dividends Paid		-	-	-	-	-	-	-	-	-	-
Employees Stock Option expenses		-	-	-	-	-	-	-	-	-	-
Total (E)		-	-	-	-	-	-	-	-	-	-
Other changes during the year		-	-	-	-	-	-	-	-	-	-
Utilisation during the year		-	-	-	-	-	-	707,975	-	-	-
Transaction cost arising on share issue (Net of tax)		-	-	-	-	-	-	-	-	-	-
Current Year charge to Business development reserve		-	-	-	-	-	-	-	-	-	-
Charge during the year to Foreign Currency Monetary Item		-	-	-	-	-	-	-	-	-	-
Translation Difference Account		-	-	-	-	-	-	-	-	-	-
Total (F)		-	-	-	-	4,776,700	1,500,000	707,975	309,465,253	-	707,975
Balance at the end of the reporting period		-	-	-	-	4,776,700	1,500,000	612,158	309,465,253	-	316,354,111

Note 1 :

Tangible Assets

S. No.	Particulars	Gross Block			Depreciation			Net Carrying Block	
		Opening	Additions	Closing	Opening	During the Year	Closing	Opening As at 31.03.18	Closing As at 31.03.19
1	Land	242,803	-	242,803	-	-	-	242,803	242,803
2	Buildings & Site Development	34,085,314	63,561	34,148,875	18,574,992	1,151,904	19,726,896	15,510,322	14,421,979
3	Plant & Machinery	93,907,947	4,663,095	98,571,042	75,593,081	4,858,931	80,452,012	18,314,866	18,119,030
4	Furniture & Fixtures	524,418	-	524,418	493,954	4,243	498,197	30,464	26,221
5	Office & Other Equipments	1,023,337	-	1,023,337	911,054	69,158	980,212	112,283	43,125
6	Vehicles	1,183,829	-	1,183,829	1,102,869	21,769	1,124,638	80,960	59,191
7	Refinery	33,232,701	-	33,232,701	31,571,075		31,571,075	1,661,626	1,661,626
8	Computers	995,324	46,800	1,042,124	948,614	1,620	950,234	46,710	91,890
9	Earth Moving Equipments	2,262,997	-	2,262,997	2,149,847	-	2,149,847	113,150	113,150
10	Electrical Insatallations & D.G.	11,606,217	-	11,606,217	10,630,911	394,995	11,025,906	975,306	580,311
	31.03.2019	179,064,887	4,773,456	183,838,343	141,976,397	6,502,619	148,479,016	37,088,490	35,359,327
	31.03.2018	179,039,087	25,800	179,064,887	135,984,150	5,992,246	141,976,397	43,054,937	37,088,490

Intangible Assets

S. No.	Particulars	Gross Block			Depreciation			Net Carrying Cost	
		Opening	Additions	Closing	Opening	During the Year	Closing	As at 31.03.18	Closing As at 31.03.19
1	Software	-	-	-	-	-	-	-	-
	31.03.2019	1,150,286	-	1,150,286	1,150,286	-	1,150,286	-	-
	31.03.2018	1,150,286	-	1,150,286	1,150,286	-	1,150,286	-	-

Notes forming part of the financial statements

Note 2 : NON-CURRENT LOANS

Particulars	As at 31-3- 2019	As at 31-3- 2018
	Amount in Rs.	Amount in Rs.
Security deposits		
Deposits Unsecured considered good	3,245,806	3,848,194
Less: Provision for doubtful deposits	-	-
	3,245,806	3,848,194
Advances Unsecured considered good	5,924,347	1,613,556
Total	9,170,153	5,461,750

Note 3 : OTHER NON CURRENT ASSETS

Particulars	As at 31-3- 2019	As at 31-3- 2018
	Amount in Rs.	Amount in Rs.
A) Balances with government authorities		
<u>Unsecured, considered good</u>		
Advance tax (Block Period)	3,980,000	3,980,000
Advance VAT year 2006-07 / VAT Appeal	249,170	249,170
TDS Certificates in hand	795,482	730,518
IT Against Appeal (AY 13-14)	1,460,000	1,460,000
GST Input credit receivable (2017-2018)	-	6,831,853
IT Advance	2,349,322	771,117
DGFT Receivable in Hand	1,485,754	-
Income Tax Advance Tax and Refund Due	1,600,000	1,600,000
Total (A)	11,919,728	15,622,658
(B) FDR/ DEPOSITS HAVING MATURITY PERIOD MORE THAN 12 MONTHS		
I) Balances held as margin money or security against borrowings, guarantees and other commitments (Refer Note (3.1) below)	4,374,465	24,140,422
Total (B)	4,374,465	24,140,422
Total (A+B)	16,294,193	39,763,080

3.1) Margin Money:

Margin money deposits amounting to Rs. **43,74,465/-** (previous year Rs. 2,41,40,422/-) are lying with Bank against Bank Guarantee & Security against borrowings of Working Capital

- (i) Lien Marked against FDR with Andhra Bank Rs. 31,76,795/- (P.Y. Rs 29,95,124/-), for the Bank Guarantee, Letter of Credit & other collateral security for the working Capital Borrowings.
- (ii) Lien marked against FDR with Axis Bank Rs. 8,77,481/- (P.Y. Rs.8,31,316/-). The FDR given as security deposit with Krishi Upaj Mandi Samiti.
- (iii) Lien marked FDR with ICICI Bank Rs. 3,20,189/- (P.Y. Rs. 3,13,982/-). The FDR given as security deposit with Krishi Upaj Mandi Samiti.

Note 4: INVENTORIES

Particulars	As at 31-3- 2019	As at 31-3- 2018
	Amount in Rs.	Amount in Rs.
(a) Raw materials (At cost or market value whichever is less) FIFO basis	184,058,792	609,324,875
(b) Finished goods (Cost of Production or Net Realisable Value whichever is less)FIFO BASIS	197,753,162	176,687,403
(d) Consumables, Fuel and Packing material (At cost)	19,013,826	14,147,381
(e) Stores and machinery spares (Valuation At Cost)	10,572,599	13,691,370
Total	411,398,378	813,851,030

Note 5: CURRENT TRADE RECEIVABLES

Particulars	As at 31-3- 2019	As at 31-3- 2018
	Amount in Rs.	Amount in Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured, considered good Doubtful	42,309,874 -	31,574,154 -
A	42,309,874	31,574,154
Other Trade receivables Unsecured, considered good	156,141,379 156,141,379	111,689,302 111,689,302
B	156,141,379	111,689,302
Total (A+B)	198,451,252	143,263,456

Note 6: CASH AND CASH EQUIVALENTS

Particulars	As at 31-3- 2019	As at 31-3- 2018
	Amount in Rs.	Amount in Rs.
Cash and Cash Equivalents		
(a) Cash on hand	637,433	379,185
(b) Balances with banks -Current Accounts	40,548,416	3,487,142
Total	41,185,849	3,866,327

Note 7: CURRENT LOANS (Unsecured, considered good except otherwise stated)

Particulars	As at 31-3- 2019	As at 31-3- 2018
	Amount in Rs.	Amount in Rs.
(a) Security Deposits		
Unsecured, Considered Good	-	-
	-	-
(b) Loans and advances to employees	402,535	251,528
A	402,535	251,528
(c) Prepaid expenses	1,616,390	1,284,205
(d) Others		
Advance for raw material & stores	8,480,025	12,396,330
B	10,096,415	13,680,535
Total (A+B)	10,498,950	13,932,063

Note 8: CURRENT TAX ASSET (NET)

Particulars	As at 31-3- 2019	As at 31-3- 2018
	Amount in Rs.	Amount in Rs.
Advance Tax Paid	2,900,000	5,000,000
Less: Provision for Income Tax	2,832,231	2,250,251
Total	67,769	2,749,749

Note 9: EQUITY SHARE CAPITAL

Particulars	As at 31-3- 2019	As at 31-3- 2018
	Amount in Rs.	Amount in Rs.
(a) Authorised		
50,00,000 Equity shares of Rs.10/ each	50,000,000	50,000,000
(b) Issued Share Capital,Subscribed & Paid up		
Equity shares of Rs.10 each	37,470,000	37,470,000
(3747,000 Equity Shares of Rs. 10 each) (Previous year : 3747000 Equity shares of Rs. 10 each)		
Total	37,470,000	37,470,000

9.1) Terms/ rights attached to equity shares

The company has only one class of equity shares having par value Rs. 10 per share. Each holder of equity shares is entitled to one vote per share

9.2) Reconciliation of No of shares outstanding is given below:-

Particulars	As at 31-3- 2019	As at 31-3- 2018
Equity Shares at the beginning of the year	3,747,000	3,747,000
Add: Shares issued during the year	0	0
Less: Shares forfeited during the year	0	0
Equity shares at the end of the year	3,747,000	3,747,000

9.3) Details of shareholders holding more than 5% shares of the total number of shares issued by the company

Particulars	As at 31-3- 2019		As at 01-04-2018	
	Number	% of holding in the class	Number	% of holding in the class
Equity shares of Rs. 10 each fully paid up				
S.K.Arora	565,000	15.08%	565,000	15.08%
J.P.Agrawal	223,000	5.95%	223,000	5.95%
Rajeev Kumar Sharma	193,000	5.15%	193,000	5.15%
Sharad Kumar Jain	189,500	5.06%	189,500	5.06%

9.4) (i) Shares issued for consideration other than cash in last 5 financial years	Nil
(ii) Shares issued by way of bonus in last 5 financial years	Nil
(iii) Shares bought back in last 5 financial years	Nil

9.5) Details of calls unpaid

Particulars	As at 31-3- 2019		As at 31-3- 2018	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
Equity shares of Rs. 10 each fully paid up				
Equity shares with voting rights				
Aggregate of calls unpaid				
- by Directors	0	0	0	0
- by Officers	0	0	0	0
- by Others	0	0	0	0

9.6) Details of forfeited shares

Particulars	As at 31-3- 2019		As at 31-3- 2018	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
Equity shares with voting rights	0	0	0	0

Note 10 : OTHER EQUITY

Particulars	As at 31-3- 2019	As at 31-3- 2018
(a) Reserve		
Shares Forfeited Account		
Opening Balance	4,776,700	4,776,700
Additions during the year (Refer Note: 1.6)	-	-
Closing Balance (A)	4,776,700	4,776,700
(b) General Reserve (Opening and Closing balance) (B)	1,500,000	1,500,000
(c) CSR Reserve		
Opening Balance	1,320,133	1,559,352
Add : During the Year		
Less : Utilized during the year	707,975	239,219

Closing Balance (C)	612,158	1,320,133
(d) Surplus in the Statement of Profit & Loss		
Opening Balance	297,991,491	281,594,773
Add: Profit During the year	11,465,756	16,056,185
	309,457,247	297,650,958
Add: Items of Other Comprehensive Income directly recognised in Retained earnings		
Remeasurement of the defined benefit plans	224,177	257,784
Less: Income tax on Other Comprehensive income and others	(216,170)	(82,749)
Closing Balance (D)	309,465,255	297,991,491
Total (A+B+C+D)	316,354,113	305,588,324

Note 11: NON-CURRENT BORROWINGS

Particulars	As at 31-3- 2019	As at 31-3- 2018
	Amount in Rs.	Amount in Rs.
(a) Secured Loans		
Term Loan from Banks	0	0
(b) Unsecured loan		
Security Deposits from customers	500,000	750,000
Total	500,000	750,000

Note 12: DEFERRED TAX LIABILITIES

Particulars	As at 31-3- 2019	As at 31-3- 2018
	Amount in Rs.	Amount in Rs.
Deferred Tax Liability		
On account of difference in depreciation as per books and income tax	9,290,258	10,008,761
Total	9,290,258	10,008,761

DETAILS OF DEFERRED TAX LIABILITIES AS UNDER	As at 31-3- 2019	As at 31-3- 2018
	Amount in Rs.	Amount in Rs.
Difference between books and Tax written down Values of fixed assets	10,008,761	10,568,708
(Deferred Tax Asset)/ Deferred Tax Liability During the year	(718,503)	(559,947)
Defer tax Liability closing balance	9,290,258	10,008,761

Note 13: CURRENT BORROWINGS

Particulars	As at 31-3- 2019	As at 31-3- 2018
	Amount in Rs.	Amount in Rs.
SECURED LOANS		
Loan Repayable on Demand from Bank (Ref Note 13.1)	308,221,694	541,038,667
Total	308,221,694	541,038,667

BORROWINGS FROM ANDHRA BANK

13.1 The working capital facilities from Andhra Bank include Export Packing Credit, Open Cash Credit and Bank Guarantee. Open cash credit is bifurcated to peak and non peak limits with sublimit for book debts. Rate of Interest on Open cash credit is 12.30% and on Export Packing Credit there is concessional rate of interest. Primary security is hypothecation of stocks meant for export in case of Export Packing Credit, hypothecation of stocks and receivables in case of Open cash credit facilities.

Short Term loan against pledge of ware house receipt for procurement of soya seed. Rate of interest is 10.80% and primary security is pledge of warehouse receipts/storage receipts with lien noted in favour of Bank. The repayment is bullet payment with interest on the end of tenure of each disbursement.

All above working capital borrowings including short term loan against pledge of ware house receipts are collaterally secured by:

- by way of first charge on the company's entire fixed asset and against Equitable Mortgage of Factory Land (Free Hold) admeasuring 17.93 Acres)
- by way of Extension of EM of house property in name of Shri Kailash Chand Sharma, Managing Director situated at Nirupam Royal Palm Villa, Bhopal and EM of residential plot at village Jatkhedi, Bhopal.
- Personal Guarantees of 2 Directors of the company.

Secured Loans from Banks	As at 31-3- 2019	As at 31-3- 2018
Secured Loans from Banks		
(13.1.a) Bank Borrowings for Working Capital	285,205,511	339,179,527
(13.1.b) Short term loan on Warehouse Receipt from Andhra Bank	23,016,184	201,859,140
	308,221,694	541,038,667

Note 14 : CURRENT TRADE PAYABLES

Particulars	As at 31-3- 2019	As at 31-3- 2018
	Amount in Rs.	Amount in Rs.
Trade payables	39,291,436	150,878,574
Total	39,291,436	150,878,574

Disclosure under Section 22 of MSMED Act, 2006 (Chapter V- Delayed Payment to Micro and Small Enterprises)

Micro, Small and Medium Enterprises

Information in respect of Micro, Small and Medium Enterprises Development Act, 2006; based on the information available with the company. The required disclosures are given below.

Particulars	As at 31-3- 2019	As at 31-3- 2018
The Principal amount (Interest - Nil) remaining unpaid to any supplier as at the end of the accounting year	NIL	429,781
The amount of interest accrued and remaining unpaid at the end of accounting year	NIL	NIL
The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues as above are actually paid to the Small enterprises for the purposes of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	NIL	NIL

Note 15 OTHER CURRENT LIABILITIES

Particulars	As at 31-3- 2019	As at 31-3- 2018
	Amount in Rs.	Amount in Rs.
Current Maturities of long term borrowings	-	-
Advance from Customers Against sales	1,000,825	2,316,622
Payables		
(i) Statutory Dues	134,159	305,427
(ii) Expenses Payable	10,123,657	9,446,705
(iii) Interest to Bank RBL	-	825,347
Total	11,258,641	12,894,100

Note 16 CURRENT PROVISIONS

Particulars	As at 31-3- 2019	As at 31-3- 2018
	Amount in Rs.	Amount in Rs.
(a) Provision for employee benefits:		
Provision for Employees Retirement Benefit - obligation	39,729	47,519
(b) Provision for Income tax(Net of advance tax & TDS)	-	1,300,000
Total	39,729	1,347,519

Note 17 REVENUE FROM OPERATIONS

Particulars	"For the year ended 31st March, 2019"	"For the year ended 31st March, 2018"
	Amount in Rs.	Amount in Rs.
(a) SALE OF PRODUCTS		
Manufactured		
Refined Vegetable oil	610,755,477	510,081,800
Soya DOC	1,159,678,047	1,011,774,143
Acid oil	5,943,532	6,994,507
Fatty Acid	475,020	395,120
Lecithin	14,140,081	14,187,113
Clay (Soya Mitti)	204,201	56,660
Tank Sludge	-	449,460
Coal Dust	324,695	-
Soya Husk	4,480,753	-
Sub Total	1,796,001,805	1,543,938,803
Traded Goods		
Wheat	13,728,970	78,565,500
Paddy	8,889,862	210,968,957
Gram	-	19,340,667
Maize	13,341,752	3,093,884
Empty gunny bags	3,235,708	2,993,915
Urad	5,873,146	2,289,988
Tuar	2,561,334	1,626,967
Rice	8,372,858	-
Agri Equipments	54,720,588	91,660,938
Sub Total	110,724,217	410,540,816
Revenue from sales	1,906,726,021	1,954,479,619
(b) OTHER OPERATING INCOME		
Forex Rate Gain on Export Sales	-	1,044,960
Other Operating Income	506,381	770
Revenue from Operations (Net)	1,907,232,402	1,955,525,349

Note 18 : OTHER INCOME

Particulars	"For the year ended 31st March, 2019"	"For the year ended 31st March, 2018"
	Amount in Rs.	Amount in Rs.
Interest income from FDR & others	641,238	2119677
DGFT Incentive Receivable	1,485,754	-
Interest Others	-	198,759
Round off	663	193
Total	2,127,655	2,318,629

Note 19 : COST OF MATERIALS (INCLUDING PACKING MATERIALS) CONSUMED

Particulars	"For the year ended 31st March, 2019"	"For the year ended 31st March, 2018"
	Amount in Rs.	Amount in Rs.
Cost of Raw Materials Consumed & Process inputs	1,660,069,108	1,338,438,636
Consumption of Packing Material	9,165,805	6,658,833
Entry Tax on Raw Material	-	580,148
Total (a)	1,669,234,913	1,345,677,617

Note 19 A : COST OF MATERIALS (INCLUDING PACKING MATERIALS) CONSUMED

Particulars	"For the year ended 31st March, 2019"	"For the year ended 31st March, 2018"
	Amount in Rs.	Amount in Rs.
Wheat	14,745,238	72,921,599
Paddy	684,098	179,975,166
Gram	2,583,135	12,914,869
Mustard	1,620	2,629
Urad	157,202	8,102,687
Maize	11,845,396	2,987,169
Rice	-	6,227,000
Tuar	2,741,756	8,316,471
Tiwra Purchase	910,000	1,140,125
Agri Equipments (solar pumps/ irrigation equipments)	48,779,742	81,592,985
Total (b)	82,448,187	374,180,700
Total (a+b)	1,751,683,101	1,719,858,317

Note 20 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	"For the year ended 31st March, 2019"	"For the year ended 31st March, 2018"
	Amount in Rs.	Amount in Rs.
(a) Accretion /decretion of finished goods		
<u>Closing stock of finished goods</u>		
Soya crude oil	30,168,024	27,801,825
Soya Refined oil	18,805,094	25,703,012
Soya DOC	123,959,111	82,554,900
Soya Gum/sludge	25,000	25,000
Acid oil	214,830	323,950
Fatty acid	265,200	142,800

Lecithin	1,641,940	1,378,000
Soya Husk	418,275	-
	175,497,474	137,929,487
Less : Opening stock of finished goods		
Soya crude oil	27,801,825	26,943,900
Soya Refined oil	25,703,012	30,440,286
Soya DOC	82,554,900	56,257,050
Soya Gum/sludge	25,000	7,500
Acid oil	323,950	375,100
Fatty acid	142,800	204,000
Lecithin	1,378,000	545,200
Soy Husk	-	-
	137,929,487	114,773,036
(Increase) / Decrease of stock of finished goods (a)	(37,567,987)	(23,156,451)
(b) Accretion /decretion of stock of trading goods		
Closing stock of trading goods		
Gram	2,467,378	547,993
Maize	0	372,846
Moong	1,107,822	1,140,405
Mustard	64,293	64,293
Paddy	2,449,800	10,741,350
Tuar	9,090,170	9,415,070
Urad	3,736,769	8,783,505
Wheat	1,339,456	375,454
Rice	-	6,227,000
Tiwra	2,000,000	1,090,000
	22,255,688	38,757,916
Less : Opening stock of trading goods		
Gram	547,993	12,684,244
Maize	372,846	372,846
Moong	1,140,405	1,140,405
Mustard	64,293	64,293
Paddy	10,741,350	33,928,948
Tuar	9,415,070	4,080,752
Urad	8,783,505	4,299,120
Wheat	375,454	3,674,682
Rice	6,227,000	-
Tiwra	1,090,000	-
	38,757,916	60,245,290
(Increase) / Decrease of stock of trading goods (b)	16,502,228	21,487,374
Total (a)+(b)	(21,065,759)	(1,669,077)

Note 21 : EMPLOYEE BENEFIT EXPENSES

Particulars	"For the year ended 31st March, 2019"	"For the year ended 31st March, 2018"
	Amount in Rs.	Amount in Rs.
Salaries	9,713,922	8,990,270
Staff welfare	283,025	195,309
Workers canteen expenses	102,958	103,888
Labour Welfare fund	7,290	7,585
Contributions to provident fund	294,602	299,937
Bonus	316,785	331,110
Directors Remuneration	1,413,025	2,105,600
House Rent	64,074	67,374
Employees Retirement Benefit (obligation for current year as per actuarial valuation)	263,906	305,957
Total	12,459,587	12,407,030

Note 22 : FINANCE COST

Particulars	"For the year ended 31st March, 2019"	"For the year ended 31st March, 2018"
	Amount in Rs.	Amount in Rs.
Interest expenses on Banks		
Working Capital	40,510,970	41,292,809
interest other	92	161
Bank Commission	239,696	1,443,966
Processing Charges	1,330,000	-
Total	42,080,758	42,736,936

Note 23 : OTHER EXPENSES OF MANUFACTURE, ADMINISTRATION, SELLING & DISTRIBUTION

Particulars	"For the year ended 31st March, 2019"	"For the year ended 31st March, 2018"
	Amount in Rs.	Amount in Rs.
Consumption of coal	24,205,201	18,472,579
Power charges	21,104,365	20,253,205
Diesel consumption & D.G.Set expenses	710,820	721,761
Repairs and Maintenance-P&M,refinery,ETP	6,548,725	5,540,252
Advertisement	62,500	56,500
Boiler Maintenance expenses	2,550,867	1,837,280
Insurance Expenses	209,063	313,583
Lab expenses	207,491	228,477
Office Expenses	175,701	218,495
Printing & Stationery	150,722	161,089
Professional & Consultancy Fees	1,402,113	1,114,590
Repairs and Maintenance-Electricals	493,635	246,186
Sitting Fee to Independent Directors	80,000	70,000
Transportation	227,431	196,749
Audit Fees		-
For Statutory Audit	400,000	400,000
For Tax Audit	110,000	110,000
For Certification Work (Quarterly Limited Review)	100,000	100,000
Excise Duty	-	160,391
VAT / CST	27,510	4,952
Soya DOC Expenses	41,403,515	89,415,898
Export Expenses	1,422,917	6,276,556
Cargo Handling Charges	-	49,352
Telephone Expenses	65,685	90,012
Travel Expenses	107,484	214,657
Vehicle Maintenance	72,157	75,297
Godown Building/Road Maintenance Expenses	176,533	95,017
Other Miscellaneous Expenses	549,739	706,193
Pollution Fee	60,802	60,783
Brokerage	1,062,763	1,692,446
GST Challan Paid	270,846	11,502,346
Drum Loading	50,974	119,229
Oil Packing exp.	156,858	185,412
Total	104,166,418	160,689,287

Note 24 : EARNINGS PER SHARE

Particulars	"For the year ended 31st March, 2019"	"For the year ended 31st March, 2018"
	Amount in Rs.	Amount in Rs.
Computation of Profit for Basic and Diluted Earnings per share		
Net Profit as per P&L Account	11,465,756	16,231,220
	11,465,756	16,231,220
<u>Weighted average number of Equity Share</u>		
For Basic Earnings per share	3,747,000	3,747,000
For Diluted Earnings per share	3,747,000	3,747,000
(EPS is calculated by dividing the profit attributable to the equity share holders by the weighted average number of equity shares outstanding)		
Earnings per Share (Weighted Average)		
Basic Earning Per Share (Rs)	3.06	4.33
Diluted Earning Per Share (Rs)	3.06	4.33

Note 25 : OTHER COMPREHENSIVE INCOME

Particulars	"For the year ended 31st March, 2019"	"For the year ended 31st March, 2018"
	Amount in Rs.	Amount in Rs.
Other Comprehensive Income		
Item that will not be reclassified to profit or loss		
Remeasurement of the defined benefit plans [Refer Note 10]	224,177	257,784
Income tax on Other Comprehensive income	(46,151)	(82,749)
	178,026	175,035

Note No: 26: General Information and Significant Accounting Policies other Notes to Financial Statements for the year 2018-2019**1. GENERAL INFORMATION:-**

NATRAJ PROTEINS LTD ("the Company") is a Public Limited Company engaged primarily in the business of processing of oil seeds and refining of soya crude oil for edible use. The Company also produces oil meal, food products from soya and value added products from downstream and upstream processing. The Company is also engaged in trading of cereals like rice and wheat and pulses, agri equipment. The Company has a manufacturing plant in Itarsi, Madhya Pradesh.

A) SIGNIFICANT ACCOUNTING POLICIES:

1. **a) Basis of Preparation of Financial Statements:** The financial statements have been prepared in accordance with the generally accepted accounting principles in India. The company has prepared these financial statements to comply with all material aspects with the Indian Accounting Standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of Companies (Accounts) Rules 2014. The financial statements have been prepared on accrual basis under the historical cost convention. The financial statements are prepared on a going concern basis.

The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year and there are no changes in the accounting policies during the year.

The company presents assets and liabilities in the balance sheet based on current and non current classification. An asset is treated as current when it is :

A Company shall classify an asset as current when:

- (a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- (b) it holds the asset primarily for the purpose of trading;
- (c) it expects to realise the asset within twelve months after the reporting period; or
- (d) the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A Company shall classify all other assets as non-current

A Company shall classify a liability as current when:

- (a) it expects to settle the liability in its normal operating cycle;
- (b) it holds the liability primarily for the purpose of trading;
- (c) the liability is due to be settled within twelve months after the reporting period; or
- (d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

A Company shall classify all other liabilities as non-current.
b) Use of Estimates and Judgment:-

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

2. Valuation of Inventories

(i)	Raw material	At cost or market value whichever is less. Cost is determined on FIFO basis
(ii)	Stores & Spares Consumables, packing material	At cost. Cost includes all direct expenses for procuring the material, transportation and storing.
(iii)	Finished Goods	Cost of production or net realizable value whichever is less.
(iv)	Traded goods	At cost or market value which ever is lower. Cost is determined on FIFO basis.

3. Cash Flow Statement

The cash flow statement is prepared under indirect method as per the guidelines issued by The Institute of Chartered Accountants of India.

Cash and Cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

4. Revenue:-

Revenue from contract with customers is recognized when all of the following criteria is met:;

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

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

The transaction price is the amount of consideration to which an Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, GST). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

GST on sales is not included in the transaction price. Since this tax is collected on value added to the transaction price on behalf of Government. Accordingly it is excluded from Revenue.

Items of Income and Expenditure are recognized on accrual basis except for the following which are being accounted for on cash basis since it is not possible to ascertain the exact quantum with reasonable accuracy :-

- a. Capital Subsidy
- b. Insurance Claims
- c. Withheld payments on account of rebates, claims, bargain settlement etc.

5. Export Incentives

Export incentive receivable is accrued when the right to receive credit is established and there is no significant uncertainty regarding the ultimate collection.

6. Interest Income

Interest Income in bank deposits including margin money deposits are accounted for as per contracted interest rates for the reporting period.

7. Property, Plant and Equipment:

Property, Plant and Equipment are measured at cost (which includes capitalized borrowing costs) less accumulated depreciation and accumulated impairment losses if any. It is recognized only when it is probable that the future economic benefits associated with the asset will flow to the Company and cost of the asset can be measured reliably.

The cost of an item of Property, Plant, Equipment comprises of

- (i) its purchase price, including import duties and non refundable purchase taxes, after deducting discounts and rebates if any
- (ii) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.
- (iii) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of Property, Plant and Equipment have different useful lives, then they are accounted for as separate items (major components) of Property, Plant and Equipment and depreciated accordingly.

Any gain or loss on disposal of an item of Property, Plant and Equipment is recognized in Statement of Profit and Loss.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the company and the expenditure can be measured reliably.

The residual value, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively.

8. Intangible Assets:

Intangible Assets are recognized at cost when it is probable that the expected future economic benefits associated with the asset will flow to the Company and cost can be measured reliably.

Computer software has a definite useful life and are measured at cost less accumulated amortization and any accumulated impairment losses.

Computer software is amortized over their estimated useful life or 3 years whichever is lower. The amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted, if required.

9. Indirect Expenses on Expansion

In respect of independent project, indirect expenses relating to the project are accounted separately and shall be capitalized at the time of commencement of commercial production. In respect of expansion facilities which are carried concurrently with production facilities of existing units, expenses on administration and supervision incurred on expansion (the bifurcation of which between production and construction activities could not be ascertained) are charged to revenue as the total amount of such expenses is not considered material in the context of expansion expenditure.

10. Depreciation

Depreciation is calculated using the straight line method, at rates arrived at based on useful life estimated by management in case of all assets except for Refinery Machinery. In case of Refinery Machinery the same is calculated on written down value basis. It is charged to profit and loss. The company has used the following useful life to provide depreciation on its fixed assets. (Useful life in Number of year)

Name of Asset	Useful Life (In Year's)
1. Factory buildings, godown buildings	30
2. Office and Other buildings	60
3. Site Development	10
4. Plant and Machinery (Continuous Process)	8
5. Furniture and Fixture	10
6. Other P&M, Electrical equip, lab and equip	10
7. Office equipments	5
8. Vehicles	8
9. Packing Machinery	15
10. Earth moving equipments	9
11. Computer	3

The useful life of assets is same as per Schedule II of the Companies Act 2013.

Intangible assets: Software is amortized on straight line basis over a period of 3 years.

Depreciation is computed with reference to cost. The residual value and useful life of the assets are reviewed and adjusted, if appropriate, at the end of each reporting period. Gains and losses on disposal are determined by comparing proceeds with carrying amounts. These are included in the statement of profit and loss.

11. Impairment Loss

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's fair value less cost to sell and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Fair value less cost to sell is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. The testing of impairment is done when there are indicators of impairment. Indicators are assessed at the end of each reporting date. During the year there is no impairment loss of any asset.

12. Borrowing Costs

Borrowing cost directly attributable to the acquisition or construction of qualifying asset is capitalized as part of the cost of the asset, up to the date the asset is put to use. Other borrowing costs are charged to the statement of Profit and Loss in the year in which they are incurred.

13. Employee Benefits.

(i) **Defined Contribution Plans:** A defined contribution plan is a post employment benefit plan under which company pays fixed contribution into a separate Company and will have no legal or constructive obligation to pay further amounts. The company makes specified monthly contribution towards government administered Provident fund Scheme.

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in further payments is available.

All Leave encashment dues for the year are settled within the same year are charged to statement of profit and loss. Short term benefits are expensed as the related service is provided.

(ii) Defined Benefit Plans:-

Company's liability towards gratuity is considered as a Defined Benefit Plan. The company pays gratuity to the employees who have completed 5 years of service with the company at the time when employee leaves the company. The gratuity is paid as per the provisions of Payment of Gratuity Act, 1972. The liability in respect of gratuity is calculated using the Projected Unit Credit Method and spread over the periods during which the benefit is expected to be derived from employees' services. The present value of obligation towards gratuity is determined on actuarial valuation as certified by actuarial valuer. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

The Gratuity plan for the company is a defined benefit scheme where annual contributions as demanded by the insurer are deposited to a Gratuity Trust Fund established to provide gratuity benefits. The Fund has taken a scheme of insurance, whereby these contributions are transferred to the insurer.

Re measurement of defined benefit plans in respect of post employment are charged to other comprehensive income.

14. Taxes on Income

Tax expenses comprise both current tax and deferred tax at the applicable enacted/ substantively enacted rates. Current tax represents the amount of income tax payable in respect of the taxable income for the reporting period.

Tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in the other comprehensive income or in equity. In such cases, the tax is also recognized in the other comprehensive income or in equity.

Deferred tax represents the effects of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods.

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

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

The carrying amount of Deferred Tax Liabilities and Assets are reviewed at the end of each reporting period.

Deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which they can be used.

Provision for current tax is made in the accounts on the basis of estimated tax liability as per applicable provision of the Income Tax Act 1961 and considering assessment orders and decisions of the appellate authorities in Company's cases.

Minimum Alternate Tax (MAT) paid in a year is charged to Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent it is probable that the concerned company will pay normal tax during the specified period (ie) the period for which MAT Credit is allowed to be carried forward. The said asset is created by way of credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The company reviews the MAT Credit entitlement asset at each reporting period and writes down the asset to the extent it is not probable that it will pay normal tax during the specified period. MAT is considered as deferred tax item.

Current tax assets and liabilities are offset only if the company:

- (i) has a legally enforceable right to set off the recognized amounts; and
- (ii) intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

15. NCDEX Transactions

The Company is mainly engaged in buying of Soya bean seeds and manufacturing of Soya bean oils and Soya De – Oiled Cakes and buying and selling of Traded goods like wheat, Tuar, Gram etc. The Company deals on National Commodity and Derivatives Exchange Ltd (NCDEX) through brokers. The net gain or loss is accounted for in the books after the transaction is squared up. Gain or loss is recognized in case of completed transaction till the year end. In case of transactions of other goods in NCDEX same method is followed.

16. PROVISIONS AND CONTINGENCIES

Provisions are recognized when :

- 1) The Company has a present legal or constructive obligation as a result of past event
- 2) it is probable that outflow or economic benefits will be required to settle the obligation, and
- 3) A reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non- occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable than an outflow of resources will be required to settle the obligation. It also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent Assets are possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company. The contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

As and when additional information becomes available to the company, estimates are revised and adjusted periodically to reflect the current best estimate.

17. Foreign Exchange Transaction:

The company's financial statements is presented in INR, which is also its functional currency. Transactions in foreign currency are initially recorded by the company at its functional currency spot rate prevailing on the date of the transaction. Year end receivables and payables are translated at year end rate of exchange. With effect from April 2011 gain/ loss on account of fluctuations in exchange rates pertaining to long term foreign currency borrowings to the extent they are related to acquisition of depreciable property, plant & equipments is adjusted to the cost of asset and in case of other long term foreign currency borrowings, the same is amortized over the life of such long term borrowings.

In all other cases, the difference on account of fluctuation in the rate of exchange is recognized in the statement of profit and loss.

18. Segment Reporting Policies:

Identification of Segments: The Company's operating business are organized and managed separately according to the nature of product with each segment representing a strategic business unit that offer different products and serves different markets.

Assets, liabilities, revenue and expenditure identified to each segment is taken as segment related transaction. Common assets, liabilities and expenses are not allocated to segments.

Information about each identifiable operating segment is required to be disclosed separately and aggregated operating segments if it exceeds the quantitative thresholds.

19. Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

20. Additional Information

Consumption

Value of imported and indigenous Raw material, Traded Goods & Process Inputs consumed and percentage there of:

Rs. in Lakhs					
S.N.	Particulars	Year 2018-2019		Year 2017-2018	
1	Raw Material, Traded goods & Process Inputs				
	Imported	-	-	-	-
	Indigenous	17516.83	100%	17198.58	100%
2	Stores and Spares: (Including consumables I)				
	Imported	NIL	NIL	NIL	NIL
	Indigenous	128.44	100%	49.20	100%
3	CIF Value of Imports	NIL	NIL	NIL	NIL
4	Expenditure in Foreign Currency	NIL	NIL	NIL	NIL
5	Earning in foreign currency (Direct Export)	NIL	NIL	806.34	4.12%

B) OTHER NOTES:**CONTINGENT LIABILITIES**

Rs. in Lakhs

Particulars	Opening Balance	Additions	Adjustments	Closing Balance
a) Bank Guarantee	29.13	17.67	0.00	46.80
b) Income Tax	15.90	0.00	0.00	15.90
c) Corporate Guarantee	200.00	0.00	(200.00)	0.00
d) M.P. Commercial Tax (2006-2007)	5.05	0.00	0.00	5.05
e) Commercial Tax(2011-12)	4.70	0.00	0.00	4.70

- Trade Receivables, Trade and other payables and bank balances are subject to confirmation.
- The figures of previous year have been reclassified and /or regrouped wherever necessary to confirm to current year classification or group.
- The reconciliation of GST paid and receivable during the financial year 2018-19 is under progress
- In accordance with the Indian accounting standard –19 are given below which is certified by the actuary and relied upon by the auditors. The following tables summarize the components of net benefit expenses recognized in the profit and loss account and the unfunded liability status and amounts recognized in the balance sheet for the gratuity.

Gratuity Funded

S. No.	Particulars	31-03-19	31-03-18
I	Expenses Recognized in Statement of Profit and Loss		
I	Expenses Recognized in Statement of Profit and Loss		
	Current Service cost from 01-04-2018 to 31-03-2019	275631	274777
	Net interest on net Defined Liability/(Asset)	(11725)	31180
	Expenses Recognized in Statement of Profit and Loss	263906	305957
II	Other Comprehensive Income		
	Actuarial (Gains)/Losses on Liability	(324175)	(252503)
	Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability /(Asset)' above	99998	(5280.53)
	Expenses Recognized in Other Comprehensive income	(224177)	(257784)
II	Net assets/liability recognized in Balance Sheet		
	Present value of the obligation at end of the year	4927323	4620118
	Fair value of the plan assets at 31-03-2019	5239647	4572599
	Un-funded liability as on 31-03-2019	(312324)	47519
III	Changes in Benefit Obligation		
	Present value of Defined Benefit obligations at the beginning of the year	4620118	4281047
	Interest Cost from 01-04-2018 to 31-03-2019	355749	316797

	Service cost from 01-04-2018 to 31-03-2019	275631	274777
	Benefit paid from 01-04-2018 to 31-03-2019	-	-
	Actuarial (gains)/loss on obligations	(87035)	(14416)
	Actuarial losses /(gains) arising from experience adjustments	(237140)	(238087)
	Present value of defined benefit obligations at the end of the year	4927323	4620118
IV	Change in the fair value of Plan Assets during the year		
	Fair value of the plan at the beginning of the year	4572599	3437690
	Expected Return on plan assets	367474	285617
	Employer's Contribution	399572	844011
	Actuarial (gain)/loss	(99998)	5281
	Benefits Paid	-	-
	Fair value of the plan at the end of the year	5239647	4572599
V	Assumptions		
	Retirement Age	58	58
	Attrition Rates	5% at younger ages and reducing to 1% at older ages accounting to graduated scale	5% at younger ages and reducing to 1% at older ages accounting to graduated scale
	Future Salary Rise	7.00% PA	7.00% PA
S	Rate of Discounting	7.70% PA	7.40% PA
	Mortality Table	(Indian Assured Lives Mortality (2006-08) Ult	(Indian Assured Lives Mortality (2006-08) Ult.

PROVISIONS

(In Rs.)

	As at March 31 2019	As at March 31 2018
i) Provision for Gratuity		
(Refer Note No.:16)	39729	47519

The Company contributes to the following post-employment defined benefit plans in India.

A. Defined Contribution Plans:

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the specified rate as per regulations. The contributions are made to registered provident fund administered by the Government of India. The obligation of the Company is limited to the amount contributed and Company has no further contractual or any constructive obligation. The Company has recognized Rs. 46653 [FY 2017-2018- Rs 43145] towards contribution to Provident Fund .

B. Defined Benefit Plan:**A) Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees

retirement/ termination/resignation is paid as per the provisions of the Payment of Gratuity Act, 1972. The gratuity plan is a funded plan and Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees. The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31 March, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(In Rs.)

	March 31,2019	March 31,2018
	Gratuity	Gratuity
Present Value of Benefit Obligations	4927323	4620118
Fair Value of plan assets	5239647	4572599
Net Liability/(Asset)recognized in Balance Sheet	39729	47519
Non- current	4520751	4340556
Current	406572	279652
Net defined benefit (Obligation)/ assets	4927323	4620118

B. Movement in net defined benefit (asset) liability:

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

(In Rs.)

	March 31,2019	March 31,2018
	Gratuity	Gratuity
Present Value of Benefit Obligations		
Opening Balance	4620118	4281047
Included In Profit & Loss		0
Current service cost	275631	274777
Past service cost	0	0
Interest cost (Income)	355749	316797
	5251498	4872621
Re measurement Gain (Loss)	0	0
Actuarial gain (Loss) due to	0	0
-Demographic assumptions	0	0
-Financial assumptions	(87035)	(14416)
-Experience adjustment	(237140)	(238087)
Benefits Paid	0	0
Closing balance	4927323	4620118
Fair value of plan asset		
Opening balance	4572599	3437690
Expected Return on Planned assets	367474	285617
	4940073	3723307
Re measurement Gain/ (Loss)	0	0
Actuarial gain /(Loss)	(99998)	5281
	4840075	3728588

Other		
Contributions paid by the employer	399572	844011
Benefits paid	0	0
Closing balance	5239647	4572599
Represented by		
Net defined assets	0	0
Net defined benefit liability	39729	47519
Expenses recognized in Statement of Profit and Loss		
Current service cost	275631	274777
Net Interest cost	355749	31180
Actuarial (gain)/loss on obligation for the period	0	0
Expenses recognized in statement of Profit and Loss	631380	305957
Expense recognized in Other Comprehensive Income (OCI)		
Actuarial (gain)/loss on obligation for the period	(324175)	(252503)
Return on plan assets excluding interest income	99998	(5281.00)
Net (Income)/ Expenses for the period recognized in OCI [Refer Note 25]	(224177)	(257784)

C. Plan Assets:-

Plan assets comprise the following

(In Rs.)

	March 31, 2019	March 31, 2018
	Gratuity	Gratuity
LIC managed fund (100%)	5239647	4572599

D. Defined benefit obligations**i) Actuarial assumptions**

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars		March 31, 2019	March 31, 2018
Discount rate		7.70%	7.40%
Salary escalation rate		7.00%	7.00%
Rate of return on plan assets			
Retirement Age		58 Years	58 Years
Attrition Rate		5% to 1%	5% to 1%
Mortality Rate		Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult

ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below (In Rs.)

	March 31,2019		March 31,2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	4654237	5227385	4337052	4933172
Salary Escalation rate (1% movement)	5226511	4650060	4931342	4333497
Withdrawal Rate (1% movement)	4929626	4924973	4621671	4618525

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

iii) Expected Contribution in next year	March 31,2019	March 31,2018
	(In Rs.)	(In Rs.)
Gratuity	406572	279562

6. Related Party Disclosures (As identified by the Management)
Related party Relationships

- Where control exists: Kailash Chand Sharma, Sharad Kumar Jain.
- Key Management Personnel: Shri Kailash Chand Sharma, Managing Director
- Relatives of Key Management Personnel: Mr. Ritesh Sharma related to Managing Director

In respect of above parties, there is no provision for doubtful debts as on 31st March 2019 and no amount has been written off or written back during the year in respect of debts due from/to them.

Transactions with related parties during the year given below:-

- K.C. Sharma, Managerial remuneration paid Rs. 9.30 lakhs, Previous year Rs. 9.30 Lakhs
- Ritesh Sharma, related to MD, remuneration paid Rs. 7.50 lakhs, Previous year Rs. 7.50 Lakhs
- Sharad Kumar Jain, Managerial remuneration paid Rs. 6.00 lakhs, Previous year Rs. 6.00 Lakhs
- Saurabh Traders - Purchase of Soyabean Rs. 6,99.35 Lakhs

As per our report of even date

FOR AND BEHALF OF BOARD OF DIRECTORS

For Anup Shrivastava & Associates
Chartered Accountants
Firm Registration No. 006455C

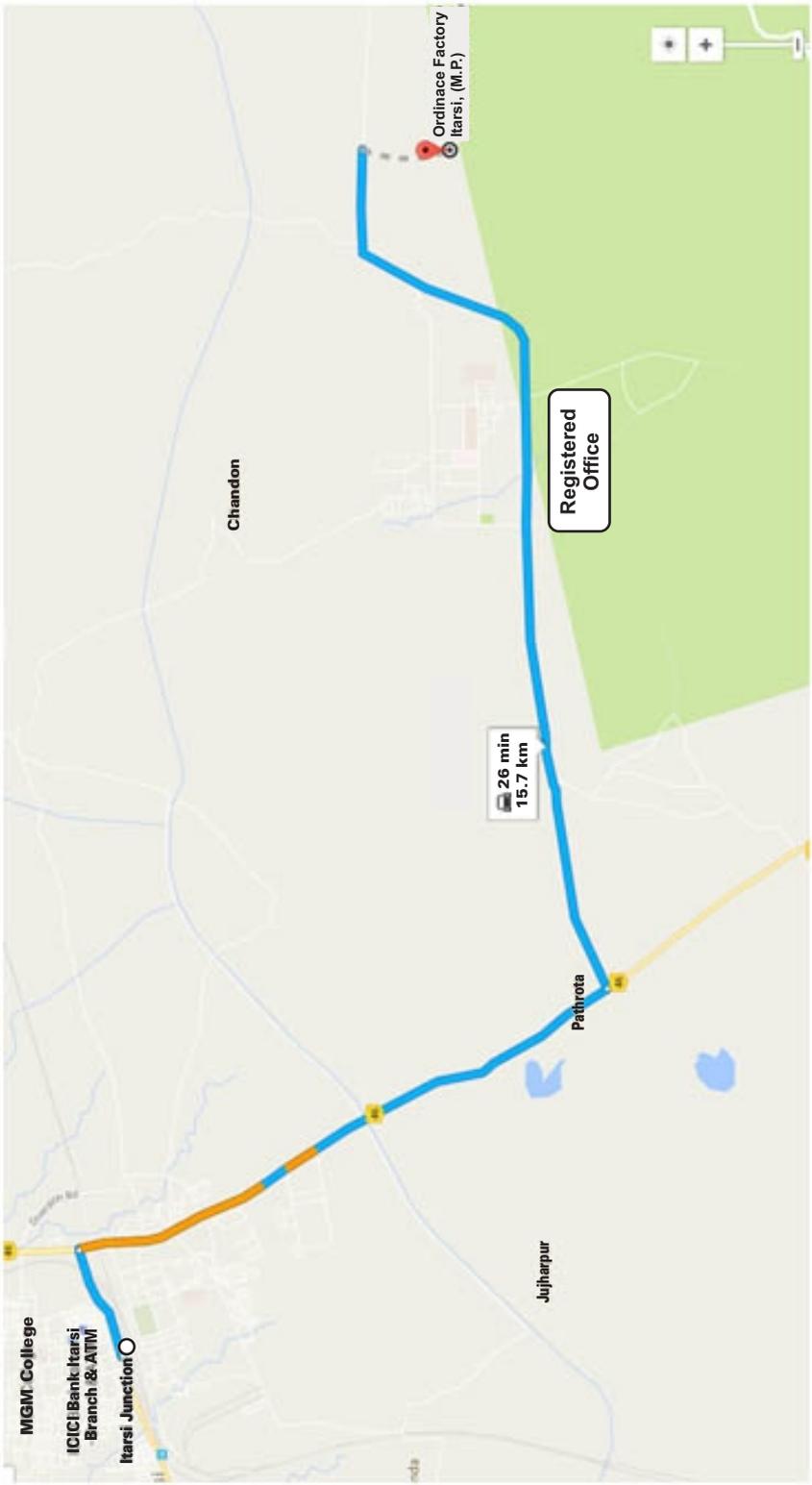
Kailash Chand Sharma
(Managing Director)
DIN 00012900

Sharad Kumar Jain
(Whole Time Director)
DIN 02757935

CA . SUDEEP MOITRA
Partner
Membership No. 400340
Date: 27/05/2019

Pooja Agrawal
(Company Secretary)
Place: Camp Itarsi
Date: 27/05/2019

Ritesh Sharma
Chief Financial Officer
Place: Itarsi
Date: 27/05/2019



PROXY FORM

FORM MGT- 11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2016]

Name : **NATRAJ PROTEINS LIMITED**
CIN : **L00153MP1990PLC006090**
Regd office : **Nagpur Kalan, Ordinance Factory Road, Itarsi (M.P.) 461111**
Name of the member (s) :
Registered address :
E-mail Id :
Folio No/ Client Id/ DP ID :

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

- Name :
Address : E-mail Id :
Sign. : or failing him:
- Name :
Address : E-mail Id :
Sign. : or failing him:
- Name :
Address : E-mail Id :
Sign. : or failing him:

as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 28th Annual general meeting of the company, to be held on Friday, the 20th September, 2019 At the Registered Office at Nagpur Kalan, Ordinance Factory Road, Itarsi (M.P.) at 2.00 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Type of Resolution	Resolution/ Agenda Items
1.	Ordinary	To consider, approve and adopt Audited Financial Statements, Reports of the Board and Auditor for the year ended 31st March, 2019.
2.	Ordinary	To re-appoint Shri Sharad Kumar Jain (DIN: 02757935) who is liable to retire by rotation being eligible offer himself for re-appointment.
3.	Ordinary	To ratify the Remuneration of Cost Auditor, M/s Yogesh Chourasia & Associates (F.R. No. 000271) for the Financial Year 2019-20 at Rs. 67,500/- plus applicable GST.
4.	Special	To re-appoint Shri Rajender Singh Tomar (DIN: 07102758) as the Independent Director, for a second term of 5 (five) consecutive years, w.e.f. 27th February, 2020 to 26th February, 2025.

Signed this day of 2019

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

-----"-----"-----"-----

ATTENDANCE SLIP

28th Annual General Meeting of Natraj Proteins Ltd. held on Friday, 20th September, 2019
at the Registered Office of the Company held on Nagpur Kalan, Ordinance Factory Road, Itarsi (M.P.)- 461111

R.F.No.

Mr./Mrs./Miss (Shareholders' name in block letters)

I/We certify that I/We am/are registered shareholder / proxy for the registered shareholder of the company.

I/We hereby record my/our presence at the 28th Annual General meeting of the company at the Registered office of the company on 20th September, 2019.

(If signed by proxy, his name should be written in block letters)

(Shareholders/proxy's Signature)

Note :

- Shareholders/proxy holders are requested to bring the attendance slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
- If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting

BOOK POST



Natraj 

If undelivered please return to :

Natraj Proteins Limited

CIN : L00153MP2993PLC066990

Nagpur Katan, Ordinance Factory Road,
Itarsi - 481 111 (M.P.)