

ANNUAL REPORT 2019-2020



NAKODA GROUP OF
INDUSTRIES LIMITED



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ANNUAL REPORT 2019-20



Nakodas Group has kept its legacy to make people fall in love with their most delicious, healthy and natural products. Nakodas Group brings you the finest natural ingredients from all around the world to satisfy your heart with its delightful taste.

Nakodas group is a Leading manufacturer of Tutti Fruity (Diced Chelory) also called as “Papaya Preserve”, Karonda Cherries (Indian Cherries), Sweet lime peels, Orange Cut Peels, Sesame Seeds Hulled Auto dry, All Variety of Jams, Sauces, Spices, Chikkis (Fruity Bars), Pickles, Papads, Canned Vegetables and Frozen Fruits & Vegetables.

Since 1998 we are existing exporter of all above items in Middle East & European Countries. Our Company has around 80% export oriented business and rest is on domestic market of India. Our factory is situated in heart of Nagpur which is also known as the heart of India as it is located centrally to all the conveniences. Hence, we are very conveniently making supplies of the above products very promptly & regularly with less loss of time to the states of India. Our Major Clients are Ice-Cream Factories, Bakeries, Sweets & Namkeens Factories, Airline Companies, Railway Catering & Indian Military.

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CORPORATE INFORMATION

BOARD OF DIRECTORS:

| | |
|--------------------------|----------------------|
| Mr. Pravin Choudhary | Managing Director |
| Mr. Jayesh Choudhary | Whole Time Director |
| Mr. Ajay Lodha | Independent Director |
| Mr. Rahul Mohadikar | Independent Director |
| Mr. Sandeep Jain | Independent Director |
| Mrs. Neeta Jain | Additional Director |
| Mr. Haresh Kumar Prashad | Additional Director |

COMPANY SECRETARY & COMPLIANCE OFFICER:

Mr. Pratul Wate

CHIEF FINANCIAL OFFICER:

Ms. Sakshi Tiwari

STATUTORY AUDITOR:

M/s. Manish N. Jain & Co.

507, 6th Floor, Madhu Madhav Tower,
Laxmi Bhawan Square, Dharampeth,
Nagpur - 440010

SECRETARIAL AUDITOR:

R. A. Daga & Co. Practicing Company Secretaries
Daga Mansion, 17/2, Tikekar Road, Dhantoli
Nagpur – 440012

AUDIT COMMITTEE:

| | |
|---------------------|----------|
| Mr. Ajay Lodha | Chairman |
| Mr. Sandeep Jain | Member |
| Mr. Rahul Mohadikar | Member |

NOMINATION & REMUNERATION

COMMITTEE:

| | |
|---------------------|----------|
| Mr. Ajay Lodha | Chairman |
| Mr. Sandeep Jain | Member |
| Mr. Rahul Mohadikar | Member |

STAKEHOLDER RELATIONSHIP COMMITTEE:

| | |
|---------------------|----------|
| Mr. Ajay Lodha | Chairman |
| Mr. Sandeep Jain | Member |
| Mr. Rahul Mohadikar | Member |

REGISTERED OFFICE:

Plot. No. 239, South Old Bagadganj,
Small Factory Area, Nagpur - 440008
Tel:- 0712- 2778824
Email:- nakodas@nakodas.com

REGISTRAR & TRANSFER AGENT:

Bigshare Services Pvt. Ltd
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol,
Andheri East, Mumbai, Maharashtra 400059

Note: - Previous Auditor M/s. Gandhi Rathi & Co. has resigned w.e.f. 05.09.2020 and Board has appointed M/s. Manish N. Jain & Co. w.e.f. 11.09.2020.

Chairman's Message:-

Dear Shareholders,

It is my pleasure to write to you as Managing Director of Nakoda Group of Industries Limited and I feel privileged to accept the responsibility to lead the Leading manufacturer company in India.

With continued cooperation and goodwill from all of you, our union has been able to continue its stride and conquer further heights in overall development, quality and production during the year. It is a matter of pride for all of us.

The Standalone Revenue of the Company is Rs. 25, 08, 68,678/- as compared to Rs. 51, 99, 38,102/- in the previous year. The EBIDTA is Rs. 3,50,03,062/- in the financial year 2019-20 as compared to Rs. 3,90,73,887/- in the previous year.

Change and adaptability are the key to become a meaningful Player in the global Food Industry. We remain committed to stay on our chosen path of operational excellence in the coming financial year in spite of facing huge challenges / issues due to COVID – 19 Pandemic.

Finally, I take this opportunity to thank you, the shareholders of the company, for your continuous support and motivation to the company. I would also like to thank the Government, Customers, Suppliers as well as Lenders for their continued support to the company and finally to all the Employees and the Management Team for their deep level of commitments to the Company.

I look forward to your continued support in the future.

Yours Sincerely,

SD/-

Pravin Choudhary
Chairman & Managing Director

NAKODA GROUP OF INDUSTRIES LIMITED

CIN: - L15510MH2013PLC249458

Registered Office: - 239, South Old Bagadganj, Small Factory Area, Nagpur – 440008, MH

Website:- www.nakodas.com Contact:- 0712-2778824 Email:- cs@nakodas.com

NOTICE OF 7TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the **Seventh Annual General Meeting** of the Members of **Nakoda Group of Industries Limited** will be held on **Friday, 06th day of November, 2020, at 10.30 A.M.** through Video Conferencing / Other Audio Visual means to transact the following businesses. The venue of the meeting shall be deemed to be the registered office of the company at Plot No. 239, South Old Bagadganj, Small Factory Area, Nagpur – 440008.

ORDINARY BUSINESS:-

Item No. 1:- To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Reports of the Board of Directors and the Auditors thereon.

Item No. 2:- To Appoint Mr. Haresh Kumar Prashad (DIN: - 08282123) as a Director, Who retires by rotation and being eligible offer himself for re-appointment.

SPECIAL BUSINESS:-

Item No. 3:- Appointment of Mr. Sandeep Jain as Independent Director of the company.

To consider and, if thought fit, to pass the following resolution as on Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made thereunder, read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Sandeep Jain (DIN : 01620138), who was appointed as an Non-Executive Director (Independent) of the Company with effect from 06th January, 2020 subject to the approval of members of the company, pursuant to Section 161 of the Act and Articles of Association of the Company and who has submitted the declaration that he meets the criteria for Independence as provided under the Act and the Listing Regulations and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold the office for a term of upto 5 (five) consecutive years with effect from 06th January, 2020 to 05th January, 2025.

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to sign and execute deeds, application and documents that may be required on behalf of the

Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to these resolution.”

Item No. 4:- Appointment of Mrs. Neeta Ajay Jain as Woman Director of the company.

To consider and, if thought fit, to pass the following resolution as on Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 161 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made thereunder, read with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Neeta Ajay Jain (DIN : 08890824), who was appointed as an Additional Director (Woman Director) of the Company with effect from 29th September, 2020, pursuant to Section 161 of the Act and Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as an Woman Director of the Company to hold the office from this Annual General Meeting to the Date of next Annual General Meeting and who shall liable for retire by rotation in the company.

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to sign and execute deeds, application and documents that may be required on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to these resolution.”

Item No. 5 :- Approval for Increasing Remuneration of Managing Director as well as Whole Time Director of the company.

To consider and, if thought fit, to pass the following resolution as on Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) and the Rules framed thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force) and the Articles of Association of the Company and subject to such other approvals as may be necessary, the approval of the Members be and hereby accorded for Increasing Remuneration of Mr. Pravin Navalchand Choudhary (DIN: 01918804), Chairman and Managing Director as well as Mr. Jayesh Choudhary (DIN: 02426233), Whole Time Director of the Company with effect from 01st October, 2020 till the expiry of their term of appointment / employment in the company.”

RESOLVED FURTHER THAT the terms of remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part hereof and in the event of any inadequacy or absence of profits in any financial year or years, the aforementioned remuneration comprising salary, perquisites, expenses and benefits approved herein be continued to be paid as minimum remuneration to the Chairman and Managing Director and Whole Time Director as per the limits set under Schedule V of the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee of Directors) be and is hereby authorized to vary and/or revise the remuneration of Mr. Pravin Choudhary as Chairman and Managing Director and Mr. Jayesh Choudhary, Whole Time Director

within the overall limits under the Act and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors to give effect to the aforesaid Resolution.”

“**RESOLVED FURTHER THAT** Board of Directors of the Company be and are hereby authorized to sign and execute deeds, application and documents that may be required on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to these resolution.”

Item No. 6:- Approval of Related Party Transactions for the financial year 2020-2021.

To consider and, if thought fit, to pass the following resolution as on Ordinary Resolution:

“ **RESOLVED THAT** pursuant to the Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulation, 2015 and provision of Section of 188 the Companies Act 2013 and Rules made there under (including any amendment thereto or re-enactment thereto) and all other applicable provision and sub provisions and all other applicable rules there under, if any, of the Companies Act, 2013 (the 'Act') and subject to such approval, consent, sanction and permission as may be necessary ,consent of the member of the Company be and is here by accorded, to the Board of Director of the Company to enter into contracts and / or agreement with related parties as defined under the Act up to the overall limits of 20% of the Annual Turnover as per the latest audited balance sheet of the company with respect to carry on business of hire purchase & leasing of all kinds of plant & machinery & equipments & dealing in all kinds of movable & immovable properties, Purchase and sale transactions with related parties, party to any office or a place of profit in the Company or its subsidiary or associate Company, giving and taking any advance to related parties for carrying such transaction or any other transaction of whatever nature of related parties for a period from 1st April ,2020 to 31st March ,2021.

“**RESOLVED FURTHER THAT** Board of Directors of the Company be and are hereby authorized to sign and execute deeds, application and documents that may be required on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to these resolution.”

Item No. 7:- To Consider the Appointment of M/s Manish N. Jain & Co., Chartered Accountants, Nagpur (FRN:- 138430W) as Statutory Auditor of the Company.

To consider and, if thought fit, to pass the following resolution as on Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 139 (8) and other applicable provisions if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or amendments thereto or re-enactment thereof for the time being in force), M/s Manish N. Jain & Co., Chartered Accountants, Nagpur (FRN:- 138430W), who has given their consent letter along with required certificate under the applicable Sections and provisions of the Companies Act, 2013 and certificate issued by the Peer Review Board of ICAI,

be and are hereby appointed as the Statutory Auditor of the Company to fill the casual vacancy caused due to the resignation of M/s Gandhi Rathi & Co., Chartered Accountants, Nagpur.

FURTHER RESOLVED THAT M/s Manish N. Jain & Co., Chartered Accountants, Nagpur (FRN:- 138430W), be and are hereby appointed as the Statutory Auditor of the company who shall hold the office of Statutory Auditors of the Company from the conclusion of this Annual General Meeting for a term of 5 (Five) consecutive years till the conclusion of the 12th Annual General Meeting of the Company to be held in the Calendar year 2025 on such remuneration as may be fixed by the Board of Directors of the Company plus applicable taxes and out of pocket expenses and on such other terms and conditions as may be mutually agreed.

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to sign and execute deeds, application and documents that may be required on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to these resolution.”

Registered Office:

Plot No. 239, South Old Bagadganj,
Small Factory Area, Nagpur – 440008
Maharashtra, India

Place: - Nagpur
Date: - 07.10.2020

By Order of the Board

For Nakoda Group of Industries Limited

SD/-

Pravin Choudhary
Managing Director

NOTES

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.nakodas.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.

7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In compliance with the applicable provisions of the Companies Act, 2013 (the “Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the “Rules”), as amended from time to time, read with the MCA Circulars, SEBI Circular and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) the Annual General Meeting (“AGM”) of the Company is scheduled to be held on Friday, 06th November 2020, at 10.30 A.M. through VC/OAVM and the voting for items to be transacted in the Notice to this AGM only through remote electronic voting process (“e-Voting”).
9. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
10. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
11. The relevant Explanatory Statement pursuant to the provisions of section 102 of the Companies Act, 2013 in respect of the items set out in the Notice of AGM is annexed.
12. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
13. Further, due to non-availability of postal and courier services, on account of the threat posed by COVID-19 and in terms of the MCA Circulars and the SEBI Circular, the Company is sending this AGM Notice along with the Annual Report for FY 2019-20 in electronic form only to those Members whose e-mail addresses are registered with the Company/Depositories.
14. The Register of Members and the Share Transfer books of the Company will remain closed from Thursday 29th Day of October 2020 to Friday, 06th November 2020 (both days inclusive) for Annual General Meeting.
15. A person who is not a member as on the record date should treat this Notice for information purpose only.
16. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form.

17. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
18. Members desiring inspection of statutory registers during the AGM may send their request in writing to the Company at cs@nakodas.com.
19. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to cs@nakodas.com up to the date of the AGM.
20. This AGM Notice is being sent by e-mail only to those eligible Members who have already registered their e-mail address with the Depositories/the DP/the Company's RTA/the Company.
21. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the record date i.e. Wednesday, 28th October, 2020.
22. The Cut Off date / record date for the purpose of determining the eligibility of the Members to attend the 07th Annual General Meeting of the Company is Wednesday, 28th October, 2020.
23. M/s R. A. Daga & Co, Company Secretaries, Nagpur has been appointed by the Board of Directors of the Company as Scrutinizer for scrutinizing the voting process through E-Voting at the Annual General Meeting in a fair and transparent manner.
24. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-Voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-Voting facility. The remote e-Voting shall be available by CDSL for voting 15 minutes after the conclusion of the Meeting.
25. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast during the AGM and, thereafter, unblock the votes cast through remote e-Voting and shall make, not later than 48 hours from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour 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.
26. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website www.nakodas.com immediately after the declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's Equity Shares are listed viz. BSE and be made available on their respective websites viz. www.bseindia.com.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 03.11.2020 at 10.00 A.M. and ends on 05.11.2020 at 5.00 P.M., Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date 28.10.2020) of 28.10.2020 may cast their vote electronically during this period. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

| | For Shareholders holding shares in Demat Form and Physical Form |
|------------------------|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. |
| OR Date of Birth (DOB) | <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Nakoda Group of Industries Limited on which you choose to vote. EVSN (Electronic Voting Sequence Number) of Company is 201006004.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

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

1. Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed. **EVSN (Electronic Voting Sequence Number):- 201006004**
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@nakodas.com. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM/EGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@nakodas.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual



available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

Registered Office:

Plot No. 239, South Old Bagadganj,
Small Factory Area, Nagpur - 440008
Maharashtra, India

Place: - Nagpur
Date:-07.10.2020

By Order of the Board

For Nakoda Group of Industries Limited

SD/-

Pravin Choudhary
Managing Director

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3:-

The Board of Directors, on the recommendation of Audit Committee and Nomination and Remuneration Committee, appointed Mr. Sandeep Jain (DIN: 01620138), who was appointed as a Non-Executive Director (Independent) of the Company with effect from 06th January, 2020 subject to the approval of members of the company, under Sections 149, 150 and 152 of the Companies Act, 2013 and Articles of Association of the Company as a Non Executive Director of the Company. Mr. Sandeep Jain shall hold office upto the date of ensuing Annual General Meeting and is eligible to be appointed as an Independent Director.

Mr. Pawan Jain as independent director of the company has resigned from the company and hence the Company has received notice under the provisions of the Companies Act, 2013 from Mr. Sandeep Jain signifying his candidature as an Independent Director of the Company to fill the vacancy. The Company has also received a declaration of independence from Mr. Sandeep Jain. In the opinion of the Board, Mr. Sandeep Jain fulfils the conditions as set out in Section 149(6) and Schedule IV of the Companies Act, 2013 and Listing Regulations, of being eligible for appointment as Independent Director. Mr. Sandeep Jain is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. A copy of the draft Letter of Appointment for Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day. A brief profile of Mr. Sandeep Jain, including nature of his expertise, is provided of this Annual Report.

The remuneration to Mr. Sandeep Jain shall be governed by the Remuneration Policy of the Company. The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Sandeep Jain as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Sandeep Jain as an Independent Director for period upto 5 (five) years with effect from 06th January, 2020 for the approval of the members of the company.

Except Mr. Sandeep Jain, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 for the approval of members.

Item No.4:-

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mrs. Neeta Ajay Jain, as an Additional Non – Executive Director of the Company and also a Woman Director, to hold the office from this ensuing Annual General Meeting till the Conclusion of next Annual General Meeting subject to approval of the Members.

Pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company, Mrs. Neeta Ajay Jain shall hold office up to the date of this AGM and is eligible to be appointed as a Director.

In the opinion of the Board, Mrs. Neeta Ajay Jain fulfils the conditions specified in the Act and SEBI Listing Regulations for appointment as Woman Director. The terms and conditions of her appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day.

The details of Mrs. Neeta Ajay Jain have been given in the Annexure to this Notice.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mrs. Neeta Ajay Jain as the Woman Director is now being placed before the Members for their approval.

The Board recommends the Resolution at Item No. 4 of this Notice for approval of the Members.

Except Mrs. Neeta Ajay Jain and her relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 4 of this Notice.

Item No. 5:-

The Member of the company has appointed Mr. Pravin Choudhary (DIN: 01918804) as the Managing Director of the Company vide Extraordinary General Meeting held Dated 10th February, 2017 for a period of five years w.e.f. 10th February, 2017 to 09th February, 2022 and his remuneration was fixed by the members as Rs. 50,000/- Per month (Rupees Fifty Thousand only) for 3 years only i.e. upto 10th February, 2020. The Members has appointed Mr. Jayesh Choudhary (DIN: 02426233) as the Whole Time Director of the company through Extraordinary General Meeting held Dated 06th June, 2017 for a period of five years w.e.f. 06th June, 2017 and given authority to the Board to fix the remuneration of Mr. Jayesh Choudhary within the scope of Schedule V of the Companies Act, 2013. The approval of the Members pursuant to Section 197(1) of the Companies Act, 2013 as amended from time to time is now sought for the increased remuneration payable to Mr. Pravin Choudhary as the Chairman and Managing Director of the Company and Mr. Jayesh Choudhary Whole Time Director of the company w.e.f. 01st October, 2020 till the expiry of their term of appointment / employment in the company. The details are set out below:

Remuneration proposed:

1) The remuneration proposed to be payable to Mr. Pravin Choudhary for the remaining period of his term is as follows:

a) Salary:- Maximum salary of Rs. 1,50,000/- Per Month as the Chairman and Managing Director of the Company.

b) Expenses:- Travelling, Food, Hotel Stay, Conveyance and Mobile Expenses shall paid on actual basis apart from Salary only if he visits to any city of India for the companies work.

c) Performance Bonus:- Apart from Salary and Expenses, the specific amount payable to Mr. Pravin Choudhary will be based on certain performance criteria and such other parameters as may be considered appropriate from time to time, evaluated by the Board or a committee thereof duly authorized in this behalf and will be payable annually at the discretion of the Board only.

2) The remuneration proposed to be payable to Mr. Jayesh Choudhary for the remaining period of his term is as follows:

a) Salary:- Maximum salary of Rs. 1,50,000/- Per Month as the Whole Time Director of the Company.

b) Expenses:- Travelling, Food, Hotel Stay, Conveyance and Mobile Expenses shall be paid on actual basis apart from Salary only if he visits to any city of India for the companies work.

c) Performance Bonus:- Apart from Salary and Expenses, the specific amount payable to Mr. Jayesh Choudhary will be based on certain performance criteria and such other parameters as may be considered appropriate from time to time, evaluated by the Board or a committee thereof duly authorized in this behalf and will be payable annually at the discretion of the Board only.

3) Minimum Remuneration

In the event of inadequacy of profits calculated as per Section 198 of the Companies Act, 2013 in any Financial Year(s) Mr. Pravin Choudhary, Chairman and Managing Director and Mr. Jayesh Choudhary shall be entitled to a minimum remuneration comprising salary, perquisites, expenses and benefits as detailed above for a period of their remaining term of employment with the company. The said minimum remuneration shall be payable in accordance with the Schedule V and other applicable provisions of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel of the Company and their relatives other than Mr. Pravin Choudhary, Mr. Jayesh Choudhary and Mrs. Manju Choudhary, who is related to Mr. Pravin Choudhary, Mr. Jayesh Choudhary, is in any way concerned or interested, financial or otherwise, in the said Resolution.

The Board of Directors recommends the passing of Special Resolution set out at Item No. 5 of the Notice for approval by the Members.

Item No. 6:-

The provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") requires shareholders' approval by means of an ordinary resolution for all material related party transactions, even if such transactions are in the ordinary course of business of the concerned company and on an arm's length basis.

A transaction with a related party shall be considered material under the Listing Regulations, if the transaction(s) in a contract to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual turnover of the company as per the last audited financial statements of the company. The Board informed that some related

party transactions have to perform by the Company in the ordinary course of business but on the arm's length basis. Hence, it is recommended to the members to allow the Board of Directors to enter into contracts and / or agreement with related parties as defined under the Act up to the overall limits of 20% of the Annual Turnover as per the latest audited balance sheet of the company for F.Y. 2020-21.

Accordingly, as per Regulation 23 of the Listing Regulations and applicable provisions of Companies Act, 2013, approval of the Members is sought for ratification of the arrangements/transactions under taken whether by way of continuation/extension/renewal/modification of earlier arrangements/ transactions or otherwise so far in the financial year 2020-21.

The Board recommends passing of the ordinary resolution as set out at Item No. 6 of this Notice, for the approval of the Members. None of the other Directors or Key Managerial Personnel of the Company or their relatives, other than to the extent of their shareholding in the Company, if any, are in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 6 of this Notice.

The Members may please note that in terms of the provisions of the Listing Regulations, all related parties as defined thereunder are prohibited from voting in favour of the resolution as set out at Item No. 6 of this Notice.

ITEM No. 7:-

M/s Gandhi Rathi & Co., Chartered Accountants, Nagpur expressed their inability to continue due to their personal health issues as the Statutory Auditor of the Company through their resignation letter dated 05.09.2020. The Board of Director in their meeting dated 11.09.2020 has approved their resignation and relieved them with effect from 05.09.2020. As per the provisions of Section 139 of the Companies Act, 2013, any casual vacancy in the office of Statutory Auditor shall be filled by the Board of Directors within thirty days from the date of resignation of Statutory Auditor. The Board in their meeting held on 11.09.2020 has filled the casual vacancy by appointing M/s Manish N. Jain & Co., Chartered Accountants, Nagpur on the recommendations of Audit Committee.

The appointment of Statutory Auditor in casual vacancy arose due to resignation of M/s Gandhi Rathi & Co., Chartered Accountants, Nagpur. The Board of Director recommends the members to appoint M/s MANISH N. JAIN AND CO., Chartered Accountants, Nagpur (FRN: - 138430W) as the Statutory Auditor of the company who shall hold the office of Statutory Auditors of the Company from the conclusion of this Annual General Meeting for a term of 5 (Five) consecutive years till the conclusion of the 12th Annual General Meeting of the Company to be held in the Calendar year 2025.

The Board recommends the Ordinary Resolution set out at Item No. 7 for the approval of members. None of the directors and their relatives or key managerial personnel is interested in the said resolution.

Registered Office:

Plot No. 239, South Old Bagadganj,
Small Factory Area, Nagpur – 440008
Maharashtra, India

Place: - Nagpur
Date:-07.10.2020

By Order of the Board

For Nakoda Group of Industries Limited

SD/-

Pravin Choudhary
Managing Director

ANNEXURE TO NOTICE

Details of the Director seeking re-appointment at the 7th Annual General Meeting:

ANNEXURE OF ITEM NO: 01

| | | |
|--|---|---|
| NAME OF DIRECTOR | Mrs. Neeta Ajay Jain | Mr. Haresh Kumar Prashad |
| DIN | 08890824 | 08282123 |
| DATE OF BIRTH | 01.07.1980 | 18.05.1981 |
| DATE OF FIRST APPOINTMENT | 29.09.2020 | 27.11.2018 |
| QUALIFICATION | Bachelor of Arts | Bachelor of Science |
| EXPERTISE IN SPECIFIC FUNCTIONAL AREA AND EXPERIENCE | She has been Director of your Company. She has wide experience in the field of Marketing. | He has been Director of your Company. He looks after the Factory Operation of your Company. |
| DIRECTORSHIP HELD IN OTHER COMPANIES | Nil | Nakoda Fruit Products Pvt. Ltd., Nakoda Agro Commodities Pvt. Ltd. |
| DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER SE | Nil | Nil |
| NAMES OF LISTED ENTITIES IN WHICH HE/ SHE IS A DIRECTOR AND HOLDS COMMITTEE POSITIONS | Nil | Nil |
| NO. OF EQUITY SHARES HELD IN THE COMPANY AS ON 31/03/2020 | Nil | Nil |

Brief Profile of Mr. Sandeep Dharamchand Jain

Shri. Sandeep Dharamchand Jain (DIN: - 01620138) is Chartered Accountant by profession and designated as Non-Executive Director in Nakoda group of industries limited. He is Proprietor of Sandeep D Jain And Company (Chartered Accountant Firm).

Mr. Sandeep D. Jain fulfils the conditions as set out in Section 149(6) and Schedule IV of the Companies Act, 2013 and Listing Regulations, of being eligible for appointment as Independent Director. Mr. Sandeep Jain is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as an Independent Director.

DIRECTOR'S REPORT

To,
 The Members,
 Nakoda Group of Industries Limited,
 Nagpur

Your Directors are pleased to present the **07th Annual Report** on the business and operations of the Company and the financial results for the year ended 31st March, 2020.

1. FINANCIAL PERFORMANCE OF THE COMPANY:

| Particulars | 31.03.2020 In Rs | 31.03.2019 In Rs |
|-----------------------------------|------------------------|------------------------|
| Income from Operations | 25,08,68,678.00 | 51,99,38,102.00 |
| Other Income | 51,53,829.00 | 1,44,961.00 |
| Total Revenue | 25,60,22,507.00 | 52,00,83,063.00 |
| Total Expenditure | 22,10,19,444.00 | 48,10,09,175.00 |
| Financial Costs | 2,40,74,920.00 | 2,07,03,740.00 |
| Depreciation | 97,94,559.00 | 87,01,195.00 |
| Profit Before Tax | 11,33,583.00 | 96,68,953.00 |
| Tax | 8,81,776.00 | 9,08,543.00 |
| Profit After Tax (Net Tax) | 2,51,808.00 | 87,60,410.00 |

Your Company has achieved a turnover of Rs. 25.08 Cr. in F.Y. 2019-20 as against the turnover of Rs. 52.00 Cr. in the previous year. Net profit for the F.Y. 2019-20 stood at Rs. 2.51 Lakhs. as against Rs. 87.60 Lakhs in F.Y. 2018-19.

2. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There are no significant material changes and commitments affecting financial position of the company between 31st March, 2020 and the date of Board's Report.

3. CHANGE IN NATURE OF BUSINESS:

The company has not changed the nature of business during the financial year under review.

4. DIVIDEND:

With a view to conserve the resources of the Company, Your Directors do not propose to recommend any dividend. These retained earnings can be utilized in future for financing expansion programmes and for meeting the fixed or working capital needs of the Company.

5. RESERVES AND SURPLUS:

Your directors do not recommend transfer of any amount out of profit to the reserves. Entire profit of Rs. 2, 51,808/-has been transferred to the Balance sheet under the head of Reserves and Surplus in F.Y. 2019-20.

6. MEETINGS:

(i) BOARD MEETINGS:-

During the year, Nine Board Meetings were held the details are as mentioned below:

| Sr. No. | Date of Meeting | Total No of Directors as on Meeting | Attendance |
|----------------|------------------------|--|-------------------|
| 1 | 22.04.2019 | 7 | 7 |
| 2 | 15.05.2019 | 7 | 7 |
| 3 | 29.05.2019 | 7 | 7 |
| 4 | 12.08.2019 | 7 | 7 |
| 5 | 06.11.2019 | 7 | 7 |
| 6 | 14.11.2019 | 7 | 7 |
| 7 | 18.12.2019 | 7 | 7 |
| 8 | 06.01.2020 | 7 | 7 |
| 9 | 19.03.2020 | 7 | 7 |

(ii) COMMITTEE MEETINGS:

❖ AUDIT COMMITTEE MEETINGS

During the year, Six Audit Committee Meetings were held the details are given as under:

| Sr. No. | Date of Meeting | Total No of Directors as on Meeting | Attendance |
|---------|-----------------|-------------------------------------|------------|
| 1 | 22.04.2019 | 3 | 3 |
| 2 | 29.05.2019 | 3 | 3 |
| 3 | 12.08.2019 | 3 | 3 |
| 4 | 14.11.2019 | 3 | 3 |
| 5 | 18.12.2019 | 3 | 3 |
| 6 | 21.03.2020 | 3 | 3 |

❖ **NOMINATION & REMUNERATION COMMITTEE MEETINGS**

During the year, Five Nomination & Remuneration Committee Meetings were held the details are given as under:

| Sr. No. | Date of Meeting | Total No of Directors as on Meeting | Attendance |
|---------|-----------------|-------------------------------------|------------|
| 1 | 22.04.2019 | 3 | 3 |
| 2 | 10.08.2019 | 3 | 3 |
| 3 | 13.12.2019 | 3 | 3 |
| 4 | 06.01.2020 | 3 | 3 |
| 5 | 18.03.2020 | 3 | 3 |

❖ **STAKEHOLDERS RELATIONSHIP COMMITTEE MEETINGS**

During the year, Four Stakeholders Relationship Committee Meetings were held the details are given as under:

| Sr. No. | Date of Meeting | Total No of Directors as on Meeting | Attendance |
|---------|-----------------|-------------------------------------|------------|
| 1 | 10.06.2019 | 3 | 3 |
| 2 | 21.09.2019 | 3 | 3 |
| 3 | 18.12.2019 | 3 | 3 |

| | | | |
|---|------------|---|---|
| 4 | 19.03.2020 | 3 | 3 |
|---|------------|---|---|

7. COMPOSITION OF COMMITTEES:

During the year, your directors have constituted following committees of the Board in accordance with the requirements of the Companies Act, 2013. The composition, terms of reference and other details of all Board level committees have been elaborated below:

A. AUDIT COMMITTEE

BRIEF DESCRIPTION AND TERMS OF REFERENCE

The role and terms of reference of the Audit Committee have been updated to be in line with Section 177 of the Companies Act, 2013 besides other terms as may be referred by the Board of Directors. The said Committee reviews reports of the Statutory Auditors and Internal Auditors periodically to discuss their findings and suggestions, internal control system, scope of audit, observations of the auditors and other related matters and reviews major Accounting policies followed by the Company.

COMPOSITION AND MEETING:

Composition of Audit Committee as on 31st March, 2020:

| Name of Directors | Status | Nature of Directorship | Number of Meetings held during the Financial Year 2019-20 | |
|---------------------|-------------------|------------------------|---|----------|
| | | | Held | Attended |
| Mr. Sandeep Jain | Chairman | Independent Director | 6 | 1 |
| Mr. Rahul Mohadikar | Member | Independent Director | 6 | 6 |
| Mr. Ajay Lodha | Member | Independent Director | 6 | 6 |
| Mr. Pawan Jain | Previous Chairman | Independent Director | 6 | 5 |

Note: - Mr. Pawan Jain has resigned on 06.01.2020 and Mr. Sandeep Jain was appointed as Non - Executive Director W.e.f. 06.01.2020 in the company. Mr. Ajay Lodha has designated as the Chairman of Audit Committee w.e.f. 11.09.2020 and Mr. Sandeep Jain continues as the Member of Audit Committee.

B. NOMINATION AND REMUNERATION COMMITTEE

BRIEF DESCRIPTION AND TERMS OF REFERENCE

The objective of Nomination and Remuneration Committee is to assess the remuneration payable to the Managing Director/Whole Time Directors; sitting fee payable to the Non-

Executive Directors; remuneration policy covering policies on remuneration payable to the senior Executives.

COMPOSITION:

| Name of Directors | Status | Nature of Directorship | Number of Meetings held during the Financial Year 2019-20 | |
|---------------------|----------|------------------------|---|----------|
| | | | Held | Attended |
| Mr. Ajay Lodha | Chairman | Independent Director | 5 | 5 |
| Mr. Pawan Jain | Member | Independent Director | 5 | 4 |
| Mr. Sandeep Jain | Member | Independent Director | 5 | 2 |
| Mr. Rahul Mohadikar | Member | Independent Director | 5 | 5 |

Note: - Mr. Pawan Jain has resigned on 06.01.2020 and Mr. Sandeep Jain was appointed as Non - Executive Director W.e.f. 06.01.2020 in the company.

NOMINATION AND REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy also lays down criteria for selection and appointment of Board Members. The details of this policy are given below:-

Criteria and Qualification for Nomination & Appointment

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.

- A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Whole time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Policy on Remuneration

The Company's Remuneration policy considers human resources as its invaluable assets. The Remuneration policy for all the employees are designed in a way to attract talented executives and remunerate them fairly and responsibly, this being a continuous ongoing exercise at each

level in the organization. The Remuneration of Directors should be in accordance with the provisions of the Companies Act, 2013 read with Schedule-V of the companies Act, 2013 as amended from time to time.

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.
- No director/KMP/other employee are involved in deciding his or her own remuneration.
- The trend prevalent in the similar industry, nature and size of business are kept in view and given due weight age to arrive at a competitive quantum of remuneration.
- It is to be ensured that relationship of remuneration to the performance is clear & meets appropriate performance bench marks which are unambiguously laid down and communicated.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Provisions of all applicable laws with regard to making payment of remuneration to the Board of Directors, KMP and Senior Management, as maybe applicable from time to time, shall be complied.
- Whenever, there is any deviation from the Policy, the justification/reasons should also be indicated/ disclosed adequately.

Managing Director and Executive Directors

The Company remunerates its Managing Director and Executive Director's by way of salary, perquisites and allowances, Performance Bonus etc. Remuneration is paid within the limits recommended by the Nomination & Remuneration Committee and the Board and as approved by the shareholders within the stipulated limits of the Companies Act, 2013 and the Rules made there under. The remuneration paid to the Managing Director and the Executive Director's is determined keeping in view the industry benchmark and the relative performance of the Company to the industry performance.

Non-executive Directors

Non-executive Directors are presently not paid any remuneration. Your Company has paid sitting fees to them for attending the meeting of the Board as per the provisions of the Companies Act, 2013 and the rules made there under. The Company, however, reimburses the expenses incurred by the Non -Executive Directors to attend the meetings.

Key Managerial Personnel and other senior employees

The remuneration of KMP and other employees largely consists of basic salary, perquisites, and allowances. Perquisites and retirement benefits are paid according to the Company policy. The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience/merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the industry and its peer group.

C. STAKEHOLDER'S RELATIONSHIP COMMITTEE

BRIEF DESCRIPTION AND TERMS OF REFERENCE

The Board has delegated the powers to a committee to approve transfer/transmission of shares, considering and resolving the grievances, to oversee the performance of the Registrar & Share Transfer Agent, Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading and to attend all other matters related thereto:

COMPOSITION:

Composition of Stakeholder's Relationship Committee as on 31st March, 2020:

| Name of Directors | Status | Nature of Directorship | Number of Meetings held during the Financial Year 2019-20 | |
|---------------------|----------|------------------------|---|----------|
| | | | Held | Attended |
| Mr. Ajay Lodha | Chairman | Independent Director | 4 | 4 |
| Mr. Pawan Jain | Member | Independent Director | 4 | 3 |
| Mr. Sandeep Jain | Member | Independent Director | 4 | 1 |
| Mr. Rahul Mohadikar | Member | Independent Director | 4 | 4 |

Note: - Mr. Pawan Jain has resigned on 06.01.2020 and Mr. Sandeep Jain was appointed as Non - Executive Director W.e.f. 06.01.2020 in the company.

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The company has not crossed the threshold limit as prescribed under section 135 of the Companies Act, 2013, hence has not been constituted the Corporate Social Responsibility Committee for the year.

8. DIRECTORS AND KEY MANAGERIAL PERSONS:

A. COMPOSITION OF THE BOARD:

| Sr. No. | Name of Director | Designation | Date of Appointment | Date of Resignation |
|---------|-------------------------|-------------------|---------------------|---------------------|
| 1. | Mr. Pravin N. Choudhary | Managing Director | 10.02.2017 | N.A. |
| 2. | Mrs. Manju P. Choudhary | Woman Director | 05.12.2016 | 23.09.2020 |

| | | | | |
|----|--------------------------|----------------------|------------|------------|
| 3. | Mr. Jayesh P. Choudhary | Whole Time Director | 06.06.2017 | N.A. |
| 4. | Mr. Pawan Jain | Independent Director | 10.02.2017 | 06.01.2020 |
| 5. | Mr. Sandeep Jain | Independent Director | 06.01.2020 | N.A. |
| 6. | Mr. Ajay Lodha | Independent Director | 10.02.2017 | N.A. |
| 7. | Mr. Haresh Kumar Prashad | Additional Director | 27.11.2018 | N.A. |
| 8. | Mr. Rahul Mohadikar | Independent Director | 08.03.2019 | N.A. |
| 9. | Mrs. Neeta Ajay Jain | Additional Director | 29.09.2020 | N.A. |

-Retirement by Rotation

Pursuant to provisions of the Companies Act, 2013, Mrs. Manju Choudhary (DIN: 01918805), Woman Director has resigned w.e.f. 23.09.2020 and Mrs. Neeta Ajay Jain is appointed as Additional director w. e. f. 29.09.2020 who shall hold the office upto this ensuing Annual General Meeting and eligible for appointed as the Woman Director in the ensuing AGM with the permission of Members of the Company. She will hold the office from the ensuing Annual General Meeting till the conclusion of next Annual General Meeting and being eligible for re-appointment. The Board recommends her re-appointment.

Pursuant to provisions of the Companies Act, 2013, Mr. Haresh Kumar Prashad (DIN:- 08282123) director will retire at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

A. COMPOSITION OF KEY MANAGERIAL PERSONNEL:

The details of the Key Managerial personnel of the Company are as tabled below:

| Sr. No. | Name of Director | Designation | Date of Appointment | Date of Resignation |
|----------------|-------------------------|--|----------------------------|----------------------------|
| 1. | Mr. Pratul B. Wate | Company Secretary & Compliance Officer | 01.07.2017 | N.A. |
| 2. | Mr. Sakshi Tiwari | Chief Financial Officer | 10.02.2017 | N.A. |

9. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received declarations from all the Independent Directors of the Company as per the provisions of Section 149 subsection (7) of the Companies Act, 2013, confirming that they meet the criteria of independence as prescribed both under Section 149 sub-section (6) of the Companies Act, 2013 read with the Rule 4 of Companies (Appointment and Qualification of Directors) Rule, 2014 and the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015.

10. RELATED PARTY TRANSACTIONS:

All transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year 2019-20 are placed before the Audit Committee for the review and approval. Prior omnibus approval is obtained for related party transactions which are repetitive in nature. All the related party transactions entered into by the company with related parties during the financial year 2019-20 under review were in the ordinary course of business and on an arm's length pricing Basis and the same are disclosed in financial statements and the same were in compliance with the applicable provisions of the Companies Act, 2013 read with the relevant rules made thereunder and the Listing regulations. Appropriate approvals have been taken for related party transactions from the Board and Audit Committee. Members are requested to check all the related party transactions done during the financial year 2019-20, which mentioned in the audit report and the same are placed before the members for their confirmation.

During the year 2019-20, your company did not enter into any material related party transactions. Form AOC-2 is also attached below. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the notes to the Financial Statements.

Form No. AOC-2

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

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

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

There were no contracts or arrangements or transactions entered in to during the year ended 31st March 2020, which were not at arm's length basis.

2. Details of contracts or arrangement or transactions at arm's length basis-

| Nature of Contract | Name of related party | Nature of relationship | Amount (In Rs.) |
|---------------------------|---------------------------------|---|------------------------|
| Purchase | Jayesh Choudhary (Huf) | Director's Huf | 3,10,728.00 |
| Purchase | Nakoda Agro Commodities Pvt Ltd | Common Management | 39,19,234.00 |
| Sales | Indian Trading Company | Proprietary Concern of Relative of Director | 8,36,361.00 |
| Purchase | Indian Trading Company | Proprietary Concern of Relative of Director | 9,47,330.00 |
| Rent | Pravin Choudhary | Director | 6,00,000.00 |

| | | | |
|--|-------------------------------------|-------------------------------|----------------|
| Sale | Nakoda Fruit Products Pvt Ltd | Common Management | 9,22,097.00 |
| Purchase | Nakoda Fruit Products Pvt Ltd | Common Management | 3,00,522.00 |
| Purchase | Parshv Industries LLP | Common Management | 2,44,90,000.00 |
| Job Work Receipt | Nakoda Fruit Products Pvt. Ltd. | Common Management | 3,06,180.00 |
| Director's Remuneration & Sitting Fees | Pravin Choudhary | Director | 6,22,500.00 |
| Director's Remuneration & Sitting Fees | Jayesh Choudhary | Director | 12,22,500.00 |
| Director's Sitting Fees | Manju Choudhary | Director | 22,500.00 |
| Sales | Parshv Food International | Directors Proprietary Concern | 1,04,35,700.00 |
| Sale | Navin Choudhary | Director's Relative | 77,189.00 |
| Expenses paid of | Parshv Food International | Directors Proprietary Concern | 1,51,532.00 |
| Expenses paid of | Nakoda Software Solutions Pvt. Ltd. | Common Management | 1,25,000.00 |

11. CHANGES IN SHARE CAPITAL

The Paid up Share Capital as at March 31, 2020 stood at Rs. 6,85,20,000/-. Paid up Share Capital structure of the Company is mentioned below:

| Date of Allotment | No. of Equity Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Nature of Consideration | Nature of Allotment | Cumulative No. of Eq. Shares | Cumulative Paid up Capital (Rs.) |
|--------------------------------|--------------------------------------|-------------------------|--------------------------|--------------------------------|----------------------------|-------------------------------------|---|
| On Incorporation 22.10.2013 | 10,000 | 10 | 10 | Cash | Subscriber's to MOA | 10000 | 1,00,000 |

Allotment of 22, 53,283 Equity Shares of face value of Rs. 10/- each against acquisition of proprietorship firm namely, M/s. Navkar Processors vide Business Takeover Agreement dated July 18, 2016 as per the details given below:

| | | | | | | | |
|------------|-----------|----|----|-----------------|--|-----------|-------------|
| 18.07.2016 | 22,53,283 | 10 | 10 | Other Than Cash | Consideration against Purchase of business of M/s. Navkar Processors | 22,63,283 | 2,26,32,830 |
|------------|-----------|----|----|-----------------|--|-----------|-------------|

Right Issue of 27, 36,717 Equity Shares of face value of Rs. 10/- each fully paid on March 21, 2017 as per the details given below:

| | | | | | | | |
|------------|-----------|----|----|------|-------------|-----------|-------------|
| 21.03.2017 | 27,36,717 | 10 | 10 | Cash | Right Issue | 50,00,000 | 5,00,00,000 |
|------------|-----------|----|----|------|-------------|-----------|-------------|

The Company has listed its Equity Shares on BSE SME Exchange in Financial Year 2018-19.

| | | | | | | | |
|------------|-----------|----|----|------|--------------|-----------|-------------|
| 04.06.2018 | 18,52,000 | 10 | 35 | Cash | Public Issue | 68,52,000 | 6,85,20,000 |
|------------|-----------|----|----|------|--------------|-----------|-------------|

Pursuant to the section 32 and other applicable provisions, if any of the Companies Act, 2013 and other applicable rules made there under, the Initial Public Offering ("IPO") of the Company, vide Prospectus filed with the Registrar of Companies, Mumbai on May 15, 2018 and the in-principle approval of BSE Limited (BSE) being the Designated Stock Exchange, vide letter dated February 06, 2018 which opened for subscription on May 23, 2018 and closed on May 29, 2018 for, Retail Individual Investors, Non-Institutional Investor and Market Maker, 18,52,000 Equity Shares of face value of Rs. 10/- each fully paid ("Equity Shares") at an Issue Price of Rs. 35.00/- per Equity Share, including Rs. 25/- each as premium, of distinctive number from 50,00,001-68,52,000 be and are hereby allotted to the respective successful applicants in various categories as detailed in the statement placed before the meeting and initialed by the Managing Director of the Company for the purpose of identification and summarized herein below, where such Allottees shall receive credit for the Equity Shares directly into their depository account:

| Category | Valid Application received in each category | No. of Shares Reserved (as per Prospectus) | Shares Allotted |
|------------------------------|---|--|------------------|
| Non- Institutional Investors | 15,60,000 | 8,76,000 | 11,48,000 |
| Retail Individual Investors | 6,04,000 | 8,76,000 | 6,04,000 |
| Market Makers | 1,00,000 | 1,00,000 | 1,00,000 |
| Total | 22,64,000 | 18,52,000 | 18,52,000 |

12. VIGIL MECHANISM

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior, the Company has adopted a Vigil mechanism/Whistle Blower Policy.

The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct policy.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company

encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The mechanism provides for adequate safe-guards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. 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 about a personal situation.

13. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the Directors confirm that:

- a. in the preparation of the annual accounts for the year ended 31st March, 2020 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31st March, 2020 and of the profit of the company for that period.
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts for the period ended 31st March, 2020 on a going concern basis.
- e. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company has no subsidiaries, joint ventures and associate companies during the year.

15. EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in Form MGT-9 as a part of this Annual Report is in “**ANNEXURE I**”.

16. PARTICULARS OF EMPLOYEES

Pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the year under review, none of the employees were entitled to receive remuneration exceeding the prescribed limit set under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

17. REGISTRAR AND TRANSFER AGENT

The Company's Registrar & Share Transfer Agents, M/s. Big Share Services Private Limited is fully equipped to carry out the transfers of shares and redress Investor complaints.

18. AUDITORS

A. STATUTORY AUDITORS:

M/s Gandhi Rathi & Co., Chartered Accountants, Nagpur has given the Audit Report of the Company for the financial year 2019-20.

M/s Gandhi Rathi & Co., Chartered Accountants, Nagpur were appointed as Statutory Auditors of your Company at the Annual General Meeting (AGM) for a term of 5 (Five) consecutive years to hold office till the conclusion of the 8th Annual General Meeting of the Company to be held in the Calendar year 2021.

M/s Gandhi Rathi & Co., Chartered Accountants, Nagpur expressed their inability to continue as the Statutory Auditor of the Company due to their personal health issues through their resignation letter dated 05.09.2020. The Board of Director in their meeting dated 11.09.2020 has approved their resignation and relieved them with effect from 05.09.2020. As per the provisions of Section 139 of the Companies Act, 2013, any casual vacancy in the office of Statutory Auditor shall be filled by the Board of Directors within thirty days from the date of resignation of Statutory Auditor. The Board in their meeting held on 11.09.2020 has filled the casual vacancy by appointing M/s Manish Jain & Co., Chartered Accountants, Nagpur (FRN: - 138430W) on the recommendations of Audit Committee.

The appointment of Statutory Auditor in casual vacancy arose due to resignation of M/s Gandhi Rathi & Co., Chartered Accountants, Nagpur. The Board of Director recommends the members to appoint M/s MANISH N. JAIN AND CO., Chartered Accountants, Nagpur (FRN: - 138430W) as the Statutory Auditor of the company who shall hold the office of Statutory Auditors of the Company from the conclusion of this Annual General Meeting for a term of 5 (Five) consecutive years till the conclusion of the 12th Annual General Meeting of the Company to be held in the Calendar year 2025.

AUDITOR'S REPORT:

The Report given by the Auditors M/s Gandhi Rathi & Co., Chartered Accountants, Nagpur on the financial statements of the Company for the Financial Year 2019-20 is part of the Annual Report. There are some qualifications given / reported by the Auditors in their Report.

The details of qualifications as per Audit Report are as under:-

As at the year end, we have sent independent balance confirmations to banks/ financial institutions for borrowings, bank balances and certain trade receivables selected on sample basis. We have not received responses to our request for such balance confirmations towards borrowings amounting to Rs. 994.09 Lakhs, bank balances of Rs. 22.55 Lakhs and trade receivables of Rs. 556.83 Lakhs. Though the management of Company has provided us with the Bank statements for verification, bank and borrowings balance confirmation were not received.

In the absence of sufficient and appropriate evidence in relation to unconfirmed balances we are unable to determine whether any adjustments are required to the said balances as on March 31, 2020 and related disclosures in notes to the financial statements/ results.

Due to Covid 2019 related restrictions and safety concerns, we could not conduct the physical verification of inventory. The Company's management and an Chartered Accountant appointed by them, however, conducted physical verification of inventories post year end and prior to the date of the board meeting to be held for the purpose of adopting the financial results at certain locations (factories and cold storage) and has made available a certificate in confirmation thereof along with the reconciliation of inventories as at year ended March 31, 2020.

Inventories, being material to the financial statements/results of the Company, we were required to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories. However due to Covid 2019 restrictions, we could not attend the physical inventory count. Accordingly we are unable to determine whether any adjustments are required to the said balances as on March 31, 2020.

Management's clarification on the qualification reported in Audit Report:-

(a) Management as well as Statutory Auditor has approached to the Banks / Financial Institutions / Debtors for taking confirmations regarding borrowings, bank balances and certain trade receivables. Banks / Financial Institutions has confirmed that they can provide the Bank Statements at the registered Email Address of the company only and hence not given the asked documents to the Statutory Auditors. Bank has sent the Bank Statements at the registered Email Address of the company and the same has given to the Statutory Auditors during the course of Audit. Statutory Auditor has also accepted the same in their Audit Report.

(b) Due to Covid 2019 related restrictions and safety concerns, the Statutory Auditor was unable to conduct the physical verification of the Inventory, the Management has approached the another Chartered Accountant to verify the Inventory. He has conducted physical verification of inventories post year end and prior to the date of the board meeting to be held for the purpose of adopting the financial results and provided a certificate in confirmation thereof along with the reconciliation of inventories as at year ended March 31, 2020 to the Management.

B. SECRETARIAL AUDITOR AND SCRUTINIZER:

The Board has appointed M/s. R. A. Daga & Co., Practicing Company Secretaries, to conduct Secretarial Audit of the Company for the financial year ended 31st March, 2020 in compliance with the provisions of Section 204 of the Companies Act, 2013.

The report of the Secretarial Audit Report in Form MR-3 is enclosed as "ANNEXURE II" to this Report.

The Board has also appointed M/s. R. A. Daga & Co., Practicing Company Secretaries, to Scrutinize the voting process in the AGM and provide a fair report accordingly. Mrs. Rachana Daga, Company Secretary has been appointed by the Board of Directors of the Company as Scrutinizer for scrutinizing the voting process through E-Voting at the Meeting, in a fair and

transparent manner. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast during the AGM and, thereafter, unblock the votes cast through remote e-Voting and shall make, not later than 48 hours from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour 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.

C. INTERNAL AUDITOR:

The Board has appointed M/s Rajesh S. Rathi & Co., Chartered Accountants, Nagpur Membership No.:- 402833, to conduct Internal Audit of the Company for the financial year ended 31st March, 2020 in compliance with the provisions of Section 138 and other applicable sections of the Companies Act, 2013.

The Board has re-appointed M/s Rajesh S. Rathi & Co., Chartered Accountants, Nagpur Membership No.:- 402833 as the Internal Auditor of the company for the F.Y. 2020-21.

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

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Rule 8 of the Companies (Accounts) Rules, 2014 is annexed and marked "ANNEXURE III" and forms part of this Report.

20. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has effective 'internal financial controls' that ensure an orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

21. THE DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant or material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future during the year under review.

22. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments in the business operations of the Company from the Financial Year ended 31st March, 2020 to the date of signing of the Director's Report.

23. PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

Your Company has not given any guarantee or Security pursuant to Section 186 of Companies Act, 2013.

24. RISK MANAGEMENT

The Board has formally adopted steps for framing, implementing and monitoring the risk management plan for the Company by way of Risk Management Policy. The Board is very vigilant in working and also has proper internal control systems to minimize the operational and business risk. Company also encourages Whistle Blower system in the company.

25. FORMAL ANNUAL EVALUATION

Your Company has devised a Policy for selection of Directors, determining independence of Directors and for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

26. DECLARATION WITH THE COMPLIANCE WITH THE CODE OF CONDUCT BY MEMBERS OF THE BOARD AND SENIOR MANAGEMENT PERSONNEL

The Company has complied with the requirements about code of conduct for Board members and Sr. Management Personnel.

27. MECHANISM FOR BOARD EVALUATION

SEBI (LODR) Regulations, 2015 states that the board shall monitor and review the board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors.

The Schedule IV of the Companies act, 2013 states that the performance evaluation of the independent directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The Directors evaluation was broadly based on the parameters such as understanding of the Company's vision and objective, skills, knowledge and experience, participation and attendance in Board/ Committee meetings; governance and contribution to strategy; interpersonal skills etc. The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as evaluation of the working of its Board Committees. A meeting of the Independent Directors was also held which reviewed the performance of Non Independent Directors, Chairman and the quality, quantity and time lines of flow of information between the Company management and Board.

28. CORPORATE GOVERNANCE

The provisions of Corporate Governance as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulation, 2015 are not applicable to the Company for the financial year ended 31st March 2020.

29. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 (SHWWA):

Your Company is committed to providing a work environment that is professional and mature, free from animosity and one that reinforces the value of integrity that includes respect for the individual. The Company has always believed in providing a safe and harassment free workplace for every individual working in the Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological. The Policy aims to develop a harmonious and productive working environment free from sexual harassment. The Company also ensures all allegations of sexual harassment are investigated and dealt with effectively and appropriately.

30. SECRETARIAL STANDARDS

Your company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India.

31. COMPANY AFFIRMATION OF READINESS TOWARDS COVID-19

India is going through a tough phase of a global pandemic–Novel Corona virus disease (COVID-19). The Indian government is taking all possible measures to keep a check on the spread of this disease within the country.

Accordingly, as a responsible establishment, your Company also took part in the mission of social distancing by:

- Putting in place Work from Home Policy (WFH) for the employees of the Company;
- Conducting less meetings in order to minimize the physical interaction with customers, vendors etc.
- Strictly adhering to the "Do's and Don'ts" advised by the Public Health Authorities;
- Only essential staff are being called on duty with staggered timings to be followed in order to minimize physical interaction in all the Offices, Factory and at various locations; and
- To follow other preventive measures prescribed by the local authorities from time to time.

Your Company has filed the web based form – Company Affirmation of Readiness towards COVID-19 (CAR) and affirmed to its requirements.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.

3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.

4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries as the company has no subsidiaries.

5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

ACKNOWLEDGMENT

The Board of Directors are pleased to place on record their appreciation of the co-operation and support extended by Banks , various State and Central Government agencies, Stock Exchange and other Agencies. The Board would like to thank the Company's shareholders, Customers, Service providers for the support and the confidence, which they have reposed in its management. The Board also wishes to place on record its highest appreciation of the valuable services rendered by all the employees of the Company.

For and on behalf of the Board of Directors

Nakoda Group of Industries Limited

SD/-

SD/-

Pravin Choudhary

Jayesh Choudhary

Place: - Nagpur

(Managing Director)

(Whole Time Director)

Date: - 07.10.2020

(Din: - 01918804)

(Din: - 02426233)

ANNEXURE-1

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31.03.2020

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN** L15510MH2013PLC249458
- ii) Registration Date** 249458
- iii) Name of the Company** Nakoda Group of Industries Limited
- iv) Category / Sub-Category of the Company** Company- Limited by Shares & having Share Capital
- v) Address of the Registered office and contact details** 239, Bagadganj, Nagpur – 440008 MH IN
Tel. No. 0712-2778824
E-mail: nakodas@nakodas.com
- vi) Whether listed company Yes / No** **Yes (BSE SME Platform)**
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any** **BIGSHARES SERVICES PRIVATE LIMITED**
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai, MH - 400059
Tel. No 022-6263 8200

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sr. No. | Name and Description of main Products/Services | NIC Code of the Product/Service | % to Total Turnover of the Company |
|----------------|--|--|---|
| 1. | Manufacturing and Trading of sauces, jams, jellies and marmalades and Business of buy, sell, deal, all types of food stuff feeds and kind of varieties of fruits, dry fruits, foods, health foods, protein foods, food products and other eatable bakery products. | 1030 & 4630 | 100% |

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

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/Subsidiary/ Associate | % of Shares Held | Applicable Section |
|---------|---------------------------------|---------|-------------------------------|------------------|--------------------|
| None | | | | | |

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

i) Category-wise Share Holding

| Category of Shareholders | 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 | 4347500 | 0 | 4347500 | 63.45 | 4347500 | 0 | 4347500 | 63.45 | 0 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt (s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any Other.... | 700300 | 0 | 700300 | 10.22 | 700300 | 0 | 700300 | 10.22 | 0 |
| Sub-total (A) (1):- | 5047800 | 0 | 5047800 | 73.67 | 5047800 | 0 | 5047800 | 73.67 | 0 |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any Other.... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of | 5047800 | 0 | 5047800 | 73.67 | 5047800 | 0 | 5047800 | 73.67 | 0 |

| | | | | | | | | | |
|--|---------|---|---------|-------|---------|---|---------|-------|------|
| Promoter (A) = (A)(1)+(A)(2) | | | | | | | | | |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FIIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 156000 | 0 | 156000 | 2.28 | 4000 | 0 | 4000 | 0.06 | 2.22 |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 207259 | 0 | 207259 | 3.02 | 215259 | 0 | 215259 | 3.14 | 0.12 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 1424000 | 0 | 1424000 | 20.78 | 1504000 | 0 | 1504000 | 21.95 | 1.17 |
| c) Others (HUF) | 0 | 0 | 0 | 0 | 12000 | 0 | 12000 | 0.17 | 0.17 |
| Non Resident Indians | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Overseas Corporate Bodies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| | | | | | | | | | |
|---|---------|---|---------|-------|---------|---|---------|--------|------|
| Foreign Nationals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Clearing Members | 16941 | 0 | 16941 | 0.24 | 68941 | 0 | 68941 | 1.0061 | 0.77 |
| Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign Bodies - D R | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non resident Indian Non Repatriable | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(2):- | 1804200 | 0 | 1804200 | 26.33 | 1804200 | 0 | 1804200 | 26.33 | 0 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 1804200 | 0 | 1804200 | 26.33 | 1804200 | 0 | 1804200 | 26.33 | 0 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 6852000 | 0 | 6852000 | 100 | 6852000 | 0 | 6852000 | 100 | 0 |

(ii) Shareholding of Promoters and Promoter Group

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Share holding at the end of the year | | | % change in share holding 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 | |
| 1 | Mr. Pravin Choudhary | 33,94,800 | 49.54% | 0 | 33,94,800 | 49.54% | 0 | 0 |
| 2 | Mr. Jayesh Choudhary | 9,52,700 | 13.90% | 0 | 9,52,700 | 13.90% | 9,00,000 | 17.83 |

| | | | | | | | | |
|---|----------------------|------------------|---------------|----------|------------------|---------------|----------|-------------|
| 3 | Mrs. Manju Choudhary | 7,00,000 | 10.21% | 0 | 7,00,000 | 10.21% | 0 | 0 |
| 4 | Mr. Ashok Bardia | 100 | 0.0015 % | 0 | 100 | 0.0015 % | 0 | 0 |
| 5 | Mr. Kishore Bardia | 100 | 0.0015 % | 0 | 100 | 0.0015 % | 0 | 0 |
| 6 | Mrs. Vidhi Jain | 100 | 0.0015 % | 0 | 100 | 0.0015 % | 0 | 0 |
| | Total | 50,47,800 | 73.66% | 0 | 50,47,800 | 73.66% | 0 | 7.83 |

iii) Change in Promoters' Shareholding (No change in promoter's shareholding)

| Sl. No. | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | Mr. Pravin Choudhary | | | | |
| 1 | At the beginning of the year | 33,94,800 | 49.54% | 33,94,800 | 49.54% |
| 2 | Date wise increase/ Decrease in Promoters Share Holding during the year specifying the reasons for increase/decrease (e.g. Allotment/Transfer/ Bonus/ Sweat equity etc.) | 0 | 0 | 0 | 0 |
| 3 | At the End of the year | 33,94,800 | 49.54% | 33,94,800 | 49.54% |

| Sl. No. | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | Mr. Jayesh Choudhary | | | | |
| 1 | At the beginning of the year | 9,52,700 | 13.90% | 9,52,700 | 13.90% |
| 2 | Date wise increase/ Decrease in Promoters Share Holding during the year specifying the reasons for increase/decrease (e.g. Allotment/Transfer/ Bonus/ Sweat equity etc.) | 0 | 0 | 0 | 0 |
| 3 | At the End of the year | 9,52,700 | 13.90% | 9,52,700 | 13.90% |

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

| Sl. No. | | 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 |
| | For Each of the Top 10 Shareholders | | | | |
| 1) | Pradeep Panjwani | | | | |
| | At the beginning of the year | 560000 | 8.17 | 560000 | 8.17 |
| | Date wise increase/ Decrease in Promoters Share Holding during the year specifying the reasons for increase/decrease (e.g. Allotment/Transfer/ Bonus/ Sweat equity etc.) | 0 | 0 | 0 | 0 |
| | At the End of the year (or on the date of separation, if separated during the year) | 560000 | 8.17 | 560000 | 8.17 |

| Sl. No. | | 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 |
| | For Each of the Top 10 Shareholders | | | | |
| 2) | Roshan Jain | | | | |
| | At the beginning of the year | 524000 | 7.64 | 524000 | 7.64 |
| | Shares Purchased from Open Market | 20000 | 0.29 | 20000 | 0.29 |
| | At the End of the year (or on the date of separation, if separated during the year) | 544000 | 7.93 | 544000 | 7.93 |

| Sl. No. | | 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 |
| | For Each of the Top 10 Shareholders | | | | |
| 3) | Bhavik Panjwani | | | | |
| | At the beginning of the year | 212000 | 3.09 | 212000 | 3.09 |
| | Shares Purchased from Open Market | 72000 | 1.05 | 72000 | 1.05 |
| | At the End of the year (or on the date of separation, if separated during the year) | 284000 | 4.14 | 284000 | 4.14 |

| Sl. No. | | 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 |
| | For Each of the Top 10 Shareholders | | | | |
| 4) | Rikhab Jain | | | | |
| | At the beginning of the year | 88000 | 1.28 | 88000 | 1.28 |
| | Date wise increase/ Decrease in Promoters Share Holding during the year specifying the reasons for increase/decrease (e.g. Allotment/Transfer/ Bonus/ Sweat equity etc.) | 0 | 0 | 0 | 0 |
| | At the End of the year (or on the date of separation, if separated during the year) | 88000 | 1.28 | 88000 | 1.28 |

| Sl. No. | | 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 |
| | For Each of the Top 10 Shareholders | | | | |
| 5) | Pantomath Stock Broker Pvt Ltd. | | | | |
| | At the beginning of the year | 16000 | 0.23 | 16000 | 0.23 |
| | Shares Purchased from Open Market | 52000 | 0.76 | 52000 | 0.76 |

| | | | | | |
|--|--|-------|------|-------|------|
| | At the End of the year (or on the date of separation, if separated during the year) | 68000 | 0.99 | 68000 | 0.99 |
|--|--|-------|------|-------|------|

| Sl. No. | | 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 |
| | For Each of the Top 10 Shareholders | | | | |
| 6) | Anand Agrawal | | | | |
| | At the beginning of the year | 28000 | 0.41 | 28000 | 0.41 |
| | Date wise increase/ Decrease in Promoters Share Holding during the year specifying the reasons for increase/decrease (e.g. Allotment/Transfer/ Bonus/ Sweat equity etc.) | 0 | 0 | 0 | 0 |
| | At the End of the year (or on the date of separation, if separated during the year) | 28000 | 0.41 | 28000 | 0.41 |

| Sl. No. | | 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 |
| | For Each of the Top 10 Shareholders | | | | |
| 7) | Meena Agrawal | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Shares Purchased from Open Market | 12000 | 0.18 | 12000 | 0.18 |
| | At the End of the year (or on the date of separation, if separated during the year) | 12000 | 0.18 | 12000 | 0.18 |

| Sl. No. | | 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 |
| | For Each of the Top 10 Shareholders | | | | |

| | | | | | |
|----|--|-------|---------|-------|------|
| | | | company | | |
| 8) | Megha Agrawal | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Shares Purchased from Open Market | 12000 | 0.18 | 12000 | 0.18 |
| | At the End of the year (or on the date of separation, if separated during the year) | 12000 | 0.18 | 12000 | 0.18 |

| Sl. No. | | 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 |
| | For Each of the Top 10 Shareholders | | | | |
| 9) | Mayuri Agrawal | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Shares Purchased from Open Market | 12000 | 0.18 | 12000 | 0.18 |
| | At the End of the year (or on the date of separation, if separated during the year) | 12000 | 0.18 | 12000 | 0.18 |

| Sl. No. | | 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 |
| | For Each of the Top 10 Shareholders | | | | |
| 10) | Sonal Agrawal | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Shares Purchased from Open Market | 12000 | 0.18 | 12000 | 0.18 |
| | At the End of the year (or on the date of separation, if separated during the year) | 12000 | 0.18 | 12000 | 0.18 |

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | Name of the Directors and Key Managerial Personnel | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | Mr. Pravin Choudhary : Managing Director | | | | |
| 1 | At the beginning of the year | 33,94,800 | 49.54 | 33,94,800 | 49.54 |
| 2 | Date wise increase/ Decrease in Promoters Share Holding during the year specifying the reasons for increase/decrease (e.g. Allotment/Transfer/ Bonus/ Sweat equity etc.) | 0 | 0 | 0 | 0 |
| 3 | At the End of the year | 33,94,800 | 49.54 | 33,94,800 | 49.54 |

| Sl. No. | Name of the Directors and Key Managerial Personnel | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | Mr. Jayesh Choudhary : Whole Time Director | | | | |
| 1 | At the beginning of the year | 9,52,700 | 13.90 | 9,52,700 | 13.90 |
| 2 | Date wise increase/ Decrease in Promoters Share Holding during the year specifying the reasons for increase/decrease (e.g. Allotment/Transfer/ Bonus/ Sweat equity etc.) | 0 | 0 | 0 | 0 |
| 3 | At the End of the year | 9,52,700 | 13.90 | 9,52,700 | 13.90 |

| Sl. No. | Name of the Directors and Key Managerial Personnel | 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 |
| | Mrs. Manju Choudhary : Director | | | | |
| 1 | At the beginning of the year | 7,00,000 | 10.21 | 7,00,000 | 10.21 |
| 2 | Date wise increase/ Decrease in Promoters Share Holding during the year specifying the reasons for increase/decrease (e.g. Allotment/Transfer/ Bonus/ Sweat equity etc.) | 0 | 0 | 0 | 0 |
| 3 | At the End of the year | 7,00,000 | 10.21 | 7,00,000 | 10.21 |

V. INDEBTEDNESS

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

| | | Secured loan excluding deposits | Unsecured loan | Deposits | Total Indebtedness |
|------|--|---------------------------------|----------------|----------|------------------------|
| | Indebtedness at the beginning of the financial year | | | | |
| i) | Principal Amount | 20,65,44,917.00 | 0.00 | - | 20,65,44,917.00 |
| ii) | Interest due but not Paid | - | - | - | - |
| iii) | Interest accrued but not due | - | - | - | - |
| | Total (i+ii+iii) | 20,65,44,917.00 | 0.00 | - | 20,65,44,917.00 |
| | Change in Indebtedness during the financial year | - | - | - | - |
| | * Addition | - | 1,84,19,966.00 | - | 1,84,19,966.00 |
| | * Reduction | 75,04,264.00 | - | - | 75,04,264.00 |

| | | | | | |
|--|--|------------------------|-----------------------|---|------------------------|
| | Net Change | 75,04,264.00 | 1,84,19,966.00 | - | 1,09,15,702.00 |
| | Indebtedness at the end of the financial year | - | - | - | - |
| | Principal Amount | 19,90,40,653.00 | 1,84,19,966.00 | - | 21,74,60,619.00 |
| | Interest due but not Paid | - | - | - | |
| | Interest accrued but not due | - | - | - | - |
| | Total (i+ii+iii) | 19,90,40,653.00 | 1,84,19,966.00 | - | 21,74,60,619.00 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sr. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | Total Amount |
|---------|---|--|---------------------------------|
| 1 | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961 | Mr. Pravin Choudhary (Managing Director) Mr. Jayesh Choudhary (Whole Time Director) | 6,22,500.00 12,22,500.00 |
| 2 | Stock Option | - | 0 |
| 3 | Sweat Equity | - | 0 |
| 4 | Commission -as % of profit - others, specify... | - | 0 0 |
| 5 | Others, Please specify | - | 0 |
| | Total (A) | | 18,45,000.00 |
| | Ceiling as per the Act | - | - |

B. Remuneration to other directors:

| Sr. no. | Particulars of Remuneration | Name of Directors | Total Amount |
|---------|--|---|---------------------|
| | 3. Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify | Mr. Ajay Lodha, Mr. Pawan Jain, Mr. Rahul Mohadikar | 67,500.00 |
| | Total (1) | | 67,500.00 |
| | 4. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify | Mr. Haresh Kumar Prashad, Mrs. Manju Choudhary | 45,000.00 |
| | Total (2) | | 45,000.00 |
| | Total (B)=(1+2) | | 1,12,500.00 |
| | Total Managerial Remuneration | | 19,57,500.00 |
| | Overall Ceiling as per the Act | NA | NA |

REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| Sl. no | Particulars of Remuneration | Key Managerial Personnel | | | |
|--------|--|--------------------------------------|-------------------|-----|-------|
| | | CEO | Company Secretary | CFO | Total |
| 1 | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | 3,82,195/- + 2,57,699/- = 6,39,894/- | | | |
| 2 | Stock Option | | | | |
| 3 | Sweat Equity | | | | |
| 4 | Commission - as % of profit - others, specify... | | | | |
| 5 | Others, please specify | | | | |
| | Total | 3,82,195/- + 2,57,699/- = 6,39,894/- | | | |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

Nakoda Group of Industries Limited

SD/-

SD/-

Pravin Choudhary

Jayesh Choudhary

(Managing Director)

(Whole Time Director)

Place: - Nagpur

Date: - 07.10.2020

(Din: - 01918804)

(Din: - 02426233)

ANNEXURE II - SECRETARIAL AUDIT REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

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

**To,
The Members,
NAKODA GROUP OF INDUSTRIES LIMITED
CIN:- L15510MH2013PLC249458**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NAKODA GROUP OF INDUSTRIES LIMITED having CIN- L15510MH2013PLC249458** (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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, representation and reports provided by the Company, its Board of Directors, its designated officers, 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 on 31st March, 2020 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:

- A.** We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March , 2020 according to the provisions of:
- (i) The Companies Act, 2013 (“the Act”) and the rules made 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. There were no such transactions in the Company during the period under audit.

(v) **The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 (SEBI Act):-**

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(vi) **Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company during the audit period for the financial year ended 31st March, 2020:-**

The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

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

The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(vii) **For the other applicable laws:-**

We have examined the framework, processes and procedures of compliance of laws applicable on the Company. We have examined reports, compliances with respect to applicable laws on test basis.

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

- (i) Secretarial Standards with regard to the Meeting of Board of Directors (SS-1), General Meetings (SS-2) and Report of the Board of Directors (SS-4) issued by the Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We report that, during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except following

- 1) The Company has filed the E- Form MGT-14 after due date with late filing fee vide SRN H82432238 dated 13/08/2019 for disclosure of Interest & appointment of Secretarial Auditor.

B. We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors including Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013 and the Listing Regulations.
- Adequate Notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance except where Meeting was convened at shorter notice duly approved by the Board, 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.
- Majority decision is carried through while the dissenting members' views if any are captured and recorded as part of the minutes.
- The Company has obtained all necessary approvals under the various provisions of the Act; and

C. We further report that, there are prima facie 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.

D. We further report that, during the audit period, there were no other specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines etc., having major bearing on the Company's affairs.

Place: Nagpur

Date:- 07.10.2020

UDIN:- F005522B000871178

Encl. ANNEXURE I

R.A. DAGA & Co

Company Secretaries

SD/-

Rachana Daga

Proprietor

Membership No: 5522

C.P.No:5073

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

ANNEXURE I

**To,
The Members,
NAKODA GROUP OF INDUSTRIES LIMITED
CIN:- L15510MH2013PLC249458**

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 financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation 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, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place: Nagpur
Date:- 07.10.2020**

**R.A. DAGA & Co.
Company Secretaries**

**SD/-
Rachana Daga
Proprietor
Membership No: 5522
C. P. No: 5073
UDIN:- F005522B000871178**

ANNEXURE III

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

A. Conservation of Energy

Conservation of energy, research and development, Technology absorption, foreign exchange earnings and outgo (Particulars pursuant to the Companies (Accounts) Rules, 2014)

Particulars required by the Section 134(3) (m) of the companies act 2013 (“the act”) read with the rule 8(3) of the companies (Accounts) Rules 2014 and forming part of directors report for the year ended March 31st, 2020.

The Company has always been a forerunner in conservation of energy and natural resources. All manufacturing processes and products are designed for minimizing carbon footprints and are being continuously upgraded to consistently achieve this goal. Measures are taken additional investments and impact on reduction of energy consumption. The pioneering effort of the Company in rainwater harvesting has started giving good results.

The steps have resulted not only in saving the energy and conserving natural resources but also in reducing our running costs of the operations. The Company has spent Rs. 1, 14, 66,283/- on energy, Power and Fuel consumption during the financial year 2019-20.

B. TECHNOLOGY ABSORPTION:

The Company has almost fully Automated manufacturing, Processing and sorting unit at its factory. The company is in process to convert it into fully automatic plant. The company has adopted upgraded technology at each and every step of progress which helps in optimization of process parameters to improve the product quality, safety, cost saving in existing manufacturing process.

C.FOREGIN EXCHANGE EARNING/OUTGO:

The company has not done any Foreign expenditures during the year.

The company has Recorded Foreign income Rs. 4, 89, 86,784/- CIF Basis INR (700471 USD) during the year.

For and on behalf of the Board of Directors

Nakoda Group of Industries Limited

SD/-

SD/-

Pravin Choudhary

Jayesh Choudhary

Place: - Nagpur

(Managing Director)

(Whole Time Director)

Date: -07.10.2020

(Din: - 01918804)

(Din: - 02426233)

INDEPENDENT AUDITOR'S REPORT

To the Members of

NAKODA GROUP OF INDUSTRIES LIMITED

Report on the Audit of the Financial Statements

Opinion

1. We have audited the financial statements of NAKODA GROUP OF INDUSTRIES LIMITED ("the Company"), which comprise the balance sheet as at March 31, 2020 and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit and its cash flows for the year ended on that date.

Basis for Qualified Opinion

3. As at the year end, we have sent independent balance confirmations to banks/ financial institutions for borrowings, bank balances and certain trade receivables selected on sample basis. We have not received responses to our request for such balance confirmations towards borrowings amounting to Rs. 994.09 Lakhs, bank balances of Rs. 22.55 Lakhs and trade receivables of Rs. 556.83 Lakhs. Though the management of Company has provided us with the Bank statements for verification, bank and borrowings balance confirmation were not received.

In the absence of sufficient and appropriate evidence in relation to unconfirmed balances we are unable to determine whether any adjustments are required to the said balances as on March 31, 2020 and related disclosures in notes to the financial statements/ results.

Due to Covid 2019 related restrictions and safety concerns, we could not conduct the physical verification of inventory. The Company's management and an Chartered Accountant appointed by them, however, conducted physical verification of inventories post year end and prior to the date of the board meeting to be held for the purpose of adopting the financial results at certain locations (factories and cold storage) and has

made available a certificate in confirmation thereof along with the reconciliation of inventories as at year ended March 31, 2020.

Inventories, being material to the financial statements/results of the Company, we were required to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories. However due to Covid 2019 restrictions, we could not attend the physical inventory count. Accordingly we are unable to determine whether any adjustments are required to the said balances as on March 31, 2020.

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

Emphasis of Matter

4. "We draw attention to Note 30 in the financial Statements, which describes the management's assessment of the impact of the outbreak of Corona virus (Covid-19) on the business operations and financial position of the Company. The management believes that Covid-19 pandemic currently does not have material impact on the Company; however, the future impact may be different from that estimated as at the date of approval of these financial statements.

Our opinion is not modified in respect of this matter."

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters

Other Information

6. The Company's Board of Directors is responsible for the preparation and presentation of its report (herein after called as "Board Report") which comprises various information required under section 134(3) of the Companies Act 2013 but does not include the financial statements and our auditor's report thereon.
7. Our opinion on the financial statements does not cover the Board Report and we do not express any form of assurance conclusion thereon.

8. In connection with our audit of the financial statements, our responsibility is to read the Board Report and, in doing so, consider whether the Board Report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Board Report; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

9. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
10. In preparing the financial statements, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
11. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

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

Report on Other Legal and Regulatory Requirements

14. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the

Companies Act, 2013, we give in the “Annexure A” statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations as at March 31, 2020 on its financial position in its financial statement
 - ii. The Company did not have any long-term contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company.

For Gandhi Rathi and Co.
Chartered Accountants
Firm’s Registration Number: 103031W

SD/-

C. N. Rathi
Partner
Membership No. 039895
UDIN: 20039895AAAACV8820

Place: Nagpur
Date: 29.07.2020

“Annexure A” referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory requirements” of our report of even date.

NAKODA GROUP OF INDUSTRIES LIMITED (“the Company”)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have been physically verified by the management during the year as per the regular programme of verification, which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanation given by the management, the title deeds of immovable properties included in Property, plant and equipment/ fixed assets are held in the name of the Company.
- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Kindly refer Para 3 of Main Auditor’s Report.
- iii. According to information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 & 186 of the Act, in respect of loans, investments made or guarantees or securities granted in respect of which provisions of section 185 and 186 of the Act are applicable.
- v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits to which the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules 2014(as amended). Accordingly clause 3 (v) of the Order is not applicable to the Company and hence not commented upon.
- vi. Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. Thus reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii. a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including provident fund, employees’ state insurance, sales-tax, service tax, duty of custom, duty of excise, value added tax, local body tax, goods & service tax, income tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

- b. According to the information and explanations given to us, no undisputed dues in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, local body tax, cess, goods & service tax and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- c. According to the records of the Company, there are no disputed dues of Income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or goods & service tax which has not been deposited with the relevant authority.
- viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to banks or Financial Institution as at the balance sheet date. The Company does not have any outstanding dues in respect of financial institutions, government and debenture holders. Kindly refer Para 3 of Main Auditor's Report.
- ix. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer/ further public offer/ debt instruments.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the Management.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. According to the information and explanations given to us, the Company has not

entered into any non-cash transactions with its directors or persons connected with him as referred to in section 192 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.

- xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company and hence not commented upon.

For Gandhi Rathi & Co.
Chartered Accountants
Firm's Registration Number: 103031W

SD/-

C N Rathi
Partner
Membership No. 039895
Place: Nagpur
UDIN:- 20039895AAAACV8820
Date: 29.07.2020

“Annexure B” referred to in the Independent Auditor’s report of even date on the financial statements of Nakoda Group of Industries Limited

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

1. We have audited the internal financial controls over financial reporting of Nakoda Group of Industries Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

2. 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) (‘the Guidance Note’). 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 Act.

Auditors’ Responsibility

3. 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 as prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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.
4. 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.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. 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
 - a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
 - c. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company has maintained, 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 March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Gandhi Rathi & Co.
Chartered Accountants
Firm's Registration Number: 103031W**

SD/-

**C.N. Rathi
Partner
Membership No. 39895
Place: Nagpur
UDIN:- 20039895AAAACV8820
Date: 29.07.2020**

NAKODA GROUP OF INDUSTRIES LIMITED

ANNEXURE-1
SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31st MARCH 2020
a. Basis of Preparation.

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared on an accrual basis. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b. Use of Estimates

The preparation of financial statements in conformity with India GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

c. Tangible Fixed Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses were incurred.

d. Depreciation on Tangible Fixed Assets.

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II are used, which is based on independent technical evaluation.

| Particulars | Depreciation |
|--------------------|---|
| Factory Building | Over its useful life as technically assessed (30 Years) |
| Plant & Machinery. | Over its useful life as technically assessed (05 to 15 years) |

| | |
|-----------------------------------|---|
| Motor Car | Over its useful life as technically assessed (05 years) |
| Motor Lorry | Over its useful life as technically assessed (05 years) |
| Tata Ace | Over its useful life as technically assessed (05 years) |
| Weighing Machine. | Over its useful life as technically assessed (15 years) |
| Office Equipment. | Over its useful life as technically assessed (05 years) |
| Computer. | Over its useful life as technically assessed (03 years) |
| Industrial Light | Over its useful life as technically assessed (05 years) |
| Office Equipment. | Over its useful life as technically assessed (05 years) |
| Printing Cylinder | Over its useful life as technically assessed (05 years) |
| Factory Equipment | Over its useful life as technically assessed (05 years) |
| Electrical Fitting & Installation | Over its useful life as technically assessed (10 years) |
| Intangible Assets | Over its useful life as technically assessed (10 years) |

e. Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, packing materials, trading and other products are determined on weighted average basis.

f. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services, sales tax, service tax, excise duty. Gross Turnover includes sales tax, service tax and excise duty. Excise duty and sales tax deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

g. Foreign Currency Translation

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

h. Retirement and Other Employee Benefits.

Retirement benefit in the form of provided fund is a defined contribution scheme. The Contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

i. Provisions

A provision is recognized when the company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Where the company expects some or all of a provision to be reimbursed for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expenses relating to any provision is presented in the statement of profit and loss net of any reimbursement.

j. Contingent Liabilities and Contingent Assets

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

Has neither any contingent liability nor Contingent assets are recognized disclosed in the Financial Statements.

i. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**For Gandhi Rathi & Co.
Chartered Accountants
Firm's Registration Number: 103031W**

SD/-

**C.N. Rathi
Partner
Membership No. 39895
Place: Nagpur
UDIN:- 20039895AAAACV8820
Date: 29.07.2020**

NAKODA GROUP OF INDUSTRIES LTD
Balance Sheet as on March 31, 2020

| Particulars | NOTES | As At | As At |
|--|----------|--------------------|--------------------|
| | | 31.3.2020 | 31.3.2019 |
| CAPITAL AND LIABILITIES | | | |
| | | | |
| SHARE HOLDERS' FUND | | | |
| | | | |
| Share Capital | 1 | 68,520,000 | 68,520,000 |
| Reserves and Surplus | 2 | 70,391,509 | 70,139,701 |
| | | 138,911,509 | 138,659,701 |
| NON-CURRENT LIABILITIES | | | |
| | | | |
| Long -term borrowings | 3 | 89,705,340 | 73,220,214 |
| Deferred tax liabilities | 4 | 7,987,563 | 7,105,788 |
| Other Non-current Liabilities | 5 | 141,018 | 827,930 |
| Long term provisions | 6 | 166,438 | 152,896 |
| | | 98,000,359 | 81,306,828 |
| CURRENT LIABILITIES | | | |
| | | | |
| Short-term borrowings | 7 | 118,051,394 | 118,132,028 |
| Trade payables | | | |
| Total outstanding dues to Micro and Small Enterprises | 8 | 3,705,325 | 7,319,328 |
| Total outstanding dues of creditors other than Micro and Small Enterprises | 8 | 7,860,910 | 11,521,372 |
| Other current liabilities | 9 | 17,035,418 | 21,819,118 |
| | | 146,653,048 | 158,791,846 |
| | | | |
| Total | | 383,564,916 | 378,758,374 |

| | | | |
|--|---------------|--------------------|--------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Fixed Assets | | | |
| Tangible Assets | 10 | 144,473,835 | 128,942,315 |
| Intangible Assets | 10 | 76,509 | 86,199 |
| Capital Work-In-Progress | 10 | - | - |
| Long-term loans and Advances | 11 | 1,033,982 | 1,063,982 |
| Other Non current Assets | 12 | 4,431,845 | 5,589,047 |
| | | 150,016,170 | 135,681,543 |
| CURRENT ASSETS | | | |
| Inventories | 13 | 124,142,192 | 158,368,418 |
| Trade receivables | 14 | 55,683,336 | 42,853,404 |
| Cash and Bank Balances | 15 | 3,373,592 | 2,745,584 |
| Loans and Advances | 16 | 3,794,362 | 3,850,153 |
| Other Current Assets | 17 | 46,555,265 | 35,259,272 |
| | | 233,548,746 | 243,076,831 |
| | | | |
| Total | | 383,564,916 | 378,758,374 |
| Significant Accounting Policies | | | |
| Notes on Financial Statements | 1 - 17 | | |

Place : Nagpur

Date : 29.07.2020

As per our Report of even date as annexed

For Gandhi Rathi & Co.

Chartered Accountants

SD/-

(C. N. Rathi)

Partner

M. No. 39895

Firm Reg. No. 103031W

For and on behalf of the Board

SD/-

SD/-

Jayesh Choudhary
(Director)

Pravin Choudhary
(Managing Director)

SD/-

SD/-

Pratul Wate
(C. S.)

Sakshi Tiwari
(C. F.O.)

NAKODA GROUP OF INDUSTRIES LTD
Statement of Profit and Loss Account For the Period Ended 31st March 2020

| Particulars | NOTES | As At 31.3.2020 | As At 31.3.2019 |
|--|--------------|--------------------|--------------------|
| INCOME | | | |
| Revenue From Operations | 18 | 250,868,678 | 519,938,102 |
| Other Income | 19 | 5,153,829 | 144,961 |
| TOTAL REVENUE | | 256,022,507 | 520,083,063 |
| EXPENSES | | | |
| Cost of material consumed | 20 | 102,240,155 | 429,427,365 |
| Purchases of Traded goods | | 34,382,944 | 69,283,770 |
| Changes in inventories | 21 | 46,290,281 | (55,744,245) |
| Employee Benefit Expenses | 22 | 6,895,066 | 4,861,396 |
| Finance Cost | 23 | 24,074,920 | 20,703,740 |
| Depreciation and amortization expenses | | 9,794,559 | 8,701,195 |
| Other expenses | 24 | 31,210,998 | 33,180,890 |
| TOTAL EXPENSES | | 254,888,923 | 510,414,110 |
| PROFIT BEFORE TAXATION | | 1,133,583 | 9,668,953 |
| Tax Expenses | | | |
| Current Tax | | | 9,672 |
| Deferred Tax | | 881,776 | 898,871 |
| Profit for the Year | | 251,808 | 8,760,410 |
| Earnings per equity share of face value of Rs.10 each | | | |
| Basic and Diluted (in Rs.) | | 0.04 | 1.34 |
| Significant Accounting Policies | | | |
| Notes on Financial Statements | 18-30 | | |

As per our Report of even date as annexed

For Gandhi Rathi & Co.
Chartered Accountants
SD/-
(C. N. Rathi)
Partner
M. No. 39895, Firm Reg. No. 103031W

Date:- 29.07.2020

For and on behalf of the Board

SD/-
Jayesh Choudhary
(Director)

SD/-
Pravin Choudhary
(Managing Director)

SD/-
Pratul Wate
(C. S.)

SD/-
Sakshi Tiwari
(C. F.O.)

Place:- Nagpur

NAKODA GROUP OF INDUSTRIES LTD
CASH FLOW STATEMENT FOR THE PERIOD ENDED ON MARCH 31, 2020

| PARTICULARS | 2019-20 | | 2018-19 | |
|--|--------------|--------------|-------------|--------------|
| | (Rs.) | (Rs.) | (Rs.) | (Rs.) |
| A. Cash Flow From Operating Activities | | | | |
| Net Profit Before Tax | | 11,33,583 | | 96,68,953 |
| Adjustments for : | | | | |
| Depreciation | 97,94,559 | | 87,01,195 | |
| Interest & Financial Expense | 2,40,74,920 | | 20,70,374 | |
| Interest Income | -51,239 | | -93,041 | |
| | | 3,38,18,240 | | 2,93,11,894 |
| Operating Profit before working Capital Changes | | 34,951,824 | | 38,980,846 |
| (Increase)/Decrease in Sundry Debtors | -1,28,29,932 | | - | 1,71,22,014 |
| (Increase)/Decrease in Inventories | 3,42,26,226 | | - | 3,94,26,644 |
| (Increase)/Decrease in Loans & Advances | 55,791 | | 2,05,67,937 | |
| (Increase)/Decrease in Other Current Assets | -1,12,95,993 | | -42,21,463 | |
| Increase/(Decrease) in Trade payables | -72,74,465 | | 58,32,331 | |
| Increase/(Decrease) in Other Current Liabilities | -47,83,700 | | 26,53,884 | |
| Increase/(Decrease) in Other Non Current Liabilities | | | -68,760 | |
| | | -19,02,072 | | -3,17,84,728 |
| Cash Generated from Operations | | 3,30,49,752 | | 71,96,118 |
| Less:- Current Tax | | 0 | | -9,672 |
| Net Cash from Operating Activities | | 3,30,49,752 | | 71,86,446 |
| B. Cash Flow From Investing Activities | | | | |
| Increase in Tangible Asset & Intangible asset | -2,53,16,389 | | -39,66,038 | |
| Decrease in Capital Work In progress | | | - | |
| Increase in Long Term Loans & Advances | 30,000 | | 66,774 | |
| Increase in Other Non Current Assets | 11,57,202 | | -39,48,684 | |
| Interest Income | 51,239 | | 93,041 | |
| Net Cash from Investing Activities | | -2,40,77,948 | | -77,54,907 |

| | | | | |
|--|--------------|------------|-------------|-----------|
| C. Cash Flow From Financing Activities | | | | |
| Increase In Short Term Borrowings | -80634 | | 29,95,249 | |
| Increase/(Decrease) in Equity Share Capital | | | 1,85,20,000 | |
| Increase in Share Premium | | | 4,63,00,000 | |
| Increase/(Decrease) in Long Term Provisions | 13,542 | | 11,986 | |
| Increase/(Decrease) in Long Term Borrowing | 1,64,85,126 | | - | |
| Increase/(Decrease) in Long Term Liabilities | -6,86,912 | | 4,54,52,833 | |
| Interest & Financial Expense | -2,40,74,920 | | - | |
| Prior period taxes | | | 2,07,03,740 | |
| Net Cash from Financing Activities | | -83,43,798 | | 16,70,662 |
| Net Increase in Cash & Cash equivalents | | 6,28,008 | | 11,02,200 |

Notes :

| | | |
|---|-----------|-----------|
| 1) Cash & Cash equivalents at the beginning of period | 2,745,584 | 1,643,384 |
| Cash & Cash equivalents at the end of period | 3,373,592 | 2,745,584 |
| | 628,008 | 1,102,200 |

2) The above cash flow statement has been prepared in accordance with the requirements of Accounting Standard 3. "Cash Flow Statement " issued by the Institute of Chartered Accountants of India.

Place : Nagpur

Date : 29.07.2020

As per our Report of even date as annexed
For Gandhi Rathi & Co.
Chartered Accountants
SD/-

(C. N. Rathi)
Partner
M. No. 39895
Firm Reg. No. 103031W

For and on behalf of the Board

SD/-

Jayesh Choudhary
(Director)

SD/-

Pratul Wate
(C. S.)

SD/-

Pravin Choudhary
(Managing Director)

SD/-

Sakshi Tiwari
(C. F.O.)

| NAKODA GROUP OF INDUSTRIES LTD | | | | |
|--|--|---------------------------|---------|---------------------------|
| NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2020 | | | | |
| Particular | | As at 31.03.2020 | | As at 31.03.2019 |
| NOTE - 1 | | | | |
| SHARE CAPITAL | | | | |
| (a) | Authorised Share Capital | 80,000,000 | | 80,000,000 |
| | Equity Shares of Rs. 10/- each | | | |
| | Issued, Subscribed & Paid up | | | |
| | 6852000 Equity Shares of Rs. 10/- each | 68,520,000 | | 68,520,000 |
| | | 68,520,000 | | 68,520,000 |
| | No shares issued & subscribed in last 5 years. | 2018-19 | 1852000 | 2018-19 |
| | | 2016-17 | 4990000 | 2016-17 |
| | | | | 1852000 |
| | | | | 4990000 |
| (b) | Details of Shareholders holding more than 5% Equity Shares | | | |
| | | | | |
| | Particular | Shares %Holding | | Shares %Holding |
| | | 31.03.2020 | | 31.03.2019 |
| 1 | Pravin Choudhary | 3394800 | 49.544% | 3394800 |
| 2 | Jayesh Choudhary | 952700 | 13.904% | 952700 |
| 3 | Manju Pravin Choudhary | 700000 | 10.216% | 700000 |
| 4 | Pradeep Omprakash Panjwani | 560000 | 8.172% | 560000 |
| 5 | Roshan Jain | 544000 | 7.939% | 524000 |
| | | | | |
| (c) | Reconciliation Statement of Shares Outstanding | | | |
| | Particular | NO. of share As at | | NO. of share As at |
| | | 31.03.2020 | | 31.03.2019 |
| | Number of Shares at the beginning of the year | 6,852,000 | | 5,000,000 |
| | Add: Issued during the year | - | | 1,852,000 |
| | | | | |
| | Number of Shares at the end of the year | 6,852,000 | | 6,852,000 |

| | NOTE - 2 | | |
|-----|---|-------------------|-------------------|
| | RESERVES AND SURPLUS | | |
| | Surplus in Statement of Profit and Loss | | |
| (a) | Profit & Loss Balance at the beginning of the year | 23,839,701 | 15,079,291 |
| | Add: Profit for the year | 251,808 | 8,760,410 |
| | Less: Retained Earnings | - | - |
| | Profit & loss Balance at the end of the year | 24,091,509 | 23,839,701 |
| (b) | Share Premium | | |
| | Opening Balance | 46,300,000 | - |
| | Add:- Shares issues at premium | - | 46,300,000 |
| | Closing Balance at the end of the year | 46,300,000 | 46,300,000 |
| | Grand Total | 70,391,509 | 70,139,701 |
| | NOTE - 3 | | |
| | LONG TERM BORROWINGS | | |
| | SECURED LOAN | | |
| | HDFC Term Loan | 80,989,259 | 88,412,889 |
| | Total (A) | 80,989,259 | 88,412,889 |
| | Less:- Current Maturities for Long term debt | - | - |
| | Current Maturities of long term Debt | 1,904,790 | 15,192,675 |
| | Total (B) | 1,904,790 | 15,192,675 |
| | Total (A-B) | 79,084,469 | 73,220,214 |

| | | | | |
|--|---|-------------------|-------------------|----------------------------|
| | UNSECURED LOAN | | | |
| | From Banks | 18,419,966 | - | |
| | Total (C) | 18,419,966 | - | |
| | | | | |
| | Less:- Current Maturities for Long term debt | | | |
| | Current Maturities of long term Debt | 7,799,095 | - | |
| | | | | |
| | Total (D) | 7,799,095 | - | |
| | Total (C-D) | 10,620,871 | - | |
| | | | | |
| | TOTAL | 89,705,340 | 73,220,214 | |
| | * Term Loans From HDFC Bank is Secured by hypothecation of Plant and Machinery and Personal Guarantee | | | |
| | Maturity profile of Secured Term Loan and Unsecured Loan are set out below | | | |
| | MATURITY PROFILE (Rs in Lacs) | | | |
| | Year | 2021-22 | 22-23 | 23-24 & onwards |
| | Term Loan from HDFC Bank | 130.57 | 170.28 | 489.99 |
| | Unsecured Loan | 85.88 | 20.32 | - |
| | NOTE - 4 | | | |
| | | | | |
| | DEFERRED TAX LIABILITIES | | | |
| | | | | |
| | Opening Balance | | 7,105,788 | 6,206,917 |
| | Addition during the year | | 881,776 | 898,871 |
| | | | | |
| | | | 7,987,563 | 7,105,788 |
| | NOTE - 5 | | | |
| | OTHER NON CURRENT LIABILITIES | | | |
| | | | | |
| | Payables for Fixed Assets | | | |
| | Others | | 128,201 | 827,930 |
| | Related Party (Refer Note no 27) | | 12,817 | - |
| | | | 141,018 | 827,930 |
| | NOTE - 6 | | | |
| | LONG TERM PROVISIONS | | | |
| | | | | |
| | Gratuity Payable | | 166,438 | 152,896 |
| | | | | |
| | TOTAL | | 166,438 | 152,896 |

| NOTE - 7 | | |
|--|--------------------|--------------------|
| SHORT-TERM BORROWINGS | | |
| SECURED LOANS | | |
| Cash Credit (From Bank of India) | - | 40,986 |
| Working Capital Loan from HDFC Bank | 118,051,394 | 91,093,535 |
| PCFC (From Bank Of India) | - | 26,997,507 |
| TOTAL | 118,051,394 | 118,132,028 |
| *HDFC Bank loan and PCFC are secured by Hypothecation of Stocks, Book Debts, Personal Guarantee and Other Current Asset. | | |
| NOTE - 8 | | |
| TRADE PAYABLES | | |
| Payables for Goods - MSME | 1,539,898 | 7,278,968 |
| Payables for Goods Others | 7,860,910 | 11,118,962 |
| Payables for Goods MSME - Related Party (Refer Note no 27) | 2,165,427 | 40,360 |
| Payables for Goods - Related Party | - | 402,410 |
| TOTAL | 11,566,235 | 18,840,700 |
| NOTE 9 | | |
| OTHER CURRENT LIABILITIES | | |
| Accrued Interest | - | 2,330,206 |
| Current Maturities of long term Debt | 9,703,885 | 15,192,675 |
| Payables for Expenses & Other - MSME | 123,923 | 349,347 |
| Payables for Expenses & Other - Others | 3,962,865 | 3,164,493 |
| Payables for Expenses & Other - Related Party (Refer Note no 27) | 5,000 | - |
| Advances received from Customers | | |
| Related Party (Refer Note no 27) | 1,008,765 | - |
| Others | 356,512 | - |
| Other Payable | 1,508,041 | 536,525 |
| Employees Provision | 366,428 | 245,872 |
| TOTAL | 17,035,418 | 21,819,118 |

| | | | |
|--|--|--------------------|--------------------|
| | NOTE- 11 | | |
| | LONG TERM LOANS AND ADVANCES | | |
| | Unsecured, considered good | | |
| | Capital Advances | 154,872 | 154,872 |
| | Security Deposit & other Deposit | 879,110 | 909,110 |
| | TOTAL | 1,033,982 | 1,063,982 |
| | NOTE-12 | | |
| | Other Non current Assets | | |
| | Preliminary Expenditure | 31,112 | 52,244 |
| | IPO Expenses | 2,695,226 | 3,593,634 |
| | Preoperative Expenditure | 1,397,598 | 1,447,350 |
| | Renewal charges (MPCB) | 140,000 | 160,000 |
| | ROC Expense | 167,909 | 335,819 |
| | TOTAL | 4,431,845 | 5,589,047 |
| | NOTE-13 | | |
| | INVENTORIES | | |
| | (Valued at weighted average cost basis) | | |
| | Raw Materials, Packing Materials | 23,691,416 | 11,627,360 |
| | Semi Finished Goods | 82,646,885 | 81,098,480 |
| | Finished Goods | 16,322,389 | 65,642,577 |
| | Traded Goods | 1,481,503 | - |
| | TOTAL | 124,142,192 | 158,368,418 |
| | NOTE-14 | | |
| | TRADE RECEIVABLE | | |
| | (a) Over 6 Months (Unsecured) | | |
| | Considered Good | | |
| | Related Parties (Refer Note no 27) | 5,291,806 | - |
| | Others | 43,371,921 | 8,020,742 |
| | TOTAL (A) | 48,663,727 | 8,020,742 |

| | | |
|---|-------------------|-------------------|
| (b) Below 6 Months (Unsecured) | | |
| Considered Good | | |
| Others | 6,956,412 | 11,073,313 |
| Related Party (Refer Note no 27) | 63,197 | 23,759,349 |
| TOTAL (B) | 7,019,609 | 34,832,662 |
| TOTAL (A+B) | 55,683,336 | 42,853,404 |
| NOTE-15 | | |
| CASH AND CASH EQUIVALENTS | | |
| Balances with Banks | 2,255,439 | 28,046 |
| Cash on hand | 1,118,153 | 1,643,870 |
| Other Bank Balances | | |
| In Fixed Deposit (below 12 months period)* | - | 1,073,668 |
| TOTAL | 3,373,592 | 2,745,584 |
| NOTE-16 | | |
| SHORT TERM LOANS AND ADVANCES | | |
| Unsecured, considered good | | |
| Good Suppliers & Service Providers | | |
| Others | 1,175,823 | 3,164,358 |
| Related Party | 2,291,289 | - |
| Advances given to Staff | 45,509 | - |
| Other Advances | 281,741 | 681,236 |
| Related Party | - | 4,559 |
| TOTAL | 3,794,362 | 3,850,153 |
| NOTE - 17 | | |
| OTHER CURRENT ASSETS | | |
| Balance with Revenue Authorities | 13,338,102 | 16,314,192 |
| Other Receivables | 33,217,163 | 18,945,080 |
| TOTAL | 46,555,265 | 35,259,272 |

| NAKODA GROUP OF INDUSTRIES LTD | | |
|--|--------------------|--------------------|
| NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2020 | | |
| Particular | 31.03.2020 | 31.03.2019 |
| NOTE - 18 | | |
| Revenue From Operation | | |
| Sale of products | 238,294,815 | 507,238,090 |
| Other Operating Revenue | 12,573,863 | 12,700,012 |
| DIC Subsidy Income | 8,915,000 | 8,532,335 |
| MEIS License Income | 2,933,760 | 2,793,900 |
| Drawback on Export | 41,317 | 8,425 |
| Packing Charges | 69,574 | 441,090 |
| Scrap Sale | - | 1,690 |
| Income from Job work | 306,180 | 104,250 |
| Round off | 3,967 | 464 |
| Accounts W/off | 16,929 | 185,238 |
| Freight Income | 171,187 | 478,140 |
| Cash on Delivery charges | 10,098 | - |
| Shipping charges | 48,526 | - |
| Subscription Income | 2,780 | - |
| Rate Difference | 54,545 | 154,480 |
| TOTAL | 250,868,678 | 519,938,102 |
| NOTE - 19 | | |
| Other Income | | |
| Interest on FDR | 29,829 | 72,491 |
| Interest on Electricity Security Deposit | 21,410 | 20,550 |
| Agriculture Subsidy Income | 5,000,000 | - |
| Interest received MVAT | 61,014 | - |
| Miscellaneous Income | 9,736 | 31,000 |
| Weigh Bridge charges | 31,840 | 20,920 |
| TOTAL | 5,153,829 | 144,961 |
| Cost of Materials Consumed | | |
| NOTE - 20 | | |
| Raw material consumed | | |
| Opening Stock of Raw Material | 11,627,360 | 27,944,959 |
| Purchases During the Year | 114,304,210 | 413,109,766 |
| Closing stock | 23,691,416 | 11,627,360 |
| Cost of Materials Consumed | 102,240,155 | 429,427,365 |

| NOTE - 21 | | |
|--|-------------------|---------------------|
| Changes in inventory of finished goods and work in progress | | |
| (Increase)/decrease in stocks | | |
| Closing Stock of Finished Goods | 16,322,389 | 65,642,577 |
| Closing Stock Of Traded Goods | 1,481,503 | - |
| Closing Stock of Semi Finished Goods | 82,646,885 | 81,098,480 |
| Opening Stock of Semi Finished Goods | 81,098,480 | 45,345,650 |
| Opening Stock of Finished Goods | 65,642,577 | 4,452,600 |
| Opening Stock of Traded Goods | - | 41,198,562 |
| (Increase)/Decrease in Stocks | 46,290,281 | (55,744,245) |
| NOTE - 22 | | |
| Employee Benefits Expense | | |
| Salaries and Wages | 6,643,147 | 4,544,682 |
| Provident Fund Contributions & Others | 235,004 | 296,196 |
| Staff Welfare Expenses | 3,120 | 8,307 |
| Gratuity Exp-Current Period | 13,795 | 12,211 |
| TOTAL | 6,895,066 | 4,861,396 |

| NOTE - 23 | | |
|---------------------------------------|------------|-----------|
| Finance Costs | | |
| Interest on Cash Credit a/c 104 | 275,049 | 2,908,552 |
| Interest on PCFC A/C | 418,819 | 3,474,033 |
| Interest on HDFC Term Loan | 7,464,319 | 3,526,666 |
| Interest on Term Loan (31) | - | 2,055,500 |
| Interest on Term Loan (09) | - | 3,074,065 |
| Interest on HDFC Working Capital Loan | 10,942,909 | 4,253,244 |
| Business Loan Interest | 3,068,850 | - |

| | | |
|--|-------------------|-------------------|
| Stamp Duty | 424,500 | - |
| PCFC Contract Charges | - | 1,411,680 |
| Bank A/c Renewal charges | 580,000 | - |
| Loan Processing Charges | 900,474 | - |
| TOTAL | 24,074,920 | 20,703,740 |
| NOTE - 24 | | |
| Other Expenses | | |
| Export Expenses | 2,907,706 | 2,531,709 |
| Power & Fuel | 11,466,283 | 8,614,574 |
| Repairs & Maintenance - Factory Building | 107,077 | 126,401 |
| Repairs & Maintenance - P & M & Electrical | 685,465 | 1,686,534 |
| Freight Expenses | 3,578,500 | 4,133,925 |
| Travelling Expenses | 791,856 | 773,334 |
| Discount & Settlement Expenses | 46,477 | 104,017 |
| Repairs & Maintenance - Vehicles & Others | 600,742 | 652,913 |
| Business Promotion Expenses | 1,288,601 | 768,570 |
| Preliminary Expenses w/off | 1,137,202 | 1,137,202 |
| Almond Processing Expenses | - | 602,488 |
| Selling & Distribution Expenses | 133,341 | - |
| Other Expenses | 8,467,749 | 12,049,223 |
| TOTAL | 31,210,998 | 33,180,890 |

NAKODA GROUP OF INDUSTRIES LTD
NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2020
NOTE '10' FIXED ASSETS
SCHEDULE OF FIXED ASSETS AS AT 31ST MARCH 2020

| ASSETS | GROSS BLOCK | ADDITIONS | TRANSFER / SALE | GROSS BLOCK | DEPRECIATION | | | NET BLOCK | |
|-------------------------------------|---------------------|-------------------------|-----------------|---------------------|---------------------|-------------------|-------------------|--------------------|--------------------|
| | AS ON 01.04.2019 | DURING THE PERIOD | | AS ON 31.03.2020 | Up to 31.03.2019 | FOR THE PERIOD | UPTO 31.3.2020 | AS ON | AS ON |
| | | | | | | | | 31.03.2019 | 31.03.2020 |
| Factory Building | 41,580,021 | - | - | 41,580,021 | 2,255,113 | 1,316,701 | 3,571,814 | 39,324,909 | 38,008,207 |
| Plant & Machinery | 95,761,856 | 25,152,979 | - | 120,914,835 | 12,376,961 | 7,590,817 | 19,967,778 | 83,384,894 | 100,947,058 |
| Motor lorry 407 | 112,655 | - | - | 112,655 | 60,049 | 21,404 | 81,453 | 52,606 | 31,202 |
| Motor Car | 222,530 | - | - | 222,530 | 118,618 | 42,281 | 160,899 | 103,912 | 61,631 |
| Motor Car (Honda civic) | 351,579 | - | - | 351,579 | 187,406 | 66,800 | 254,206 | 164,173 | 97,373 |
| Maruti Swift Car | 163,871 | - | - | 163,871 | 29,117 | 10,379 | 39,496 | 134,755 | 124,376 |
| Tata Ace | 124,343 | - | - | 124,343 | 66,280 | 23,625 | 89,905 | 58,062 | 34,437 |
| Mobile | 67,928 | 84,181 | - | 152,109 | 33,736 | 22,536 | 56,272 | 34,192 | 95,837 |
| Canon Photocopy Machine | 98,000 | - | - | 98,000 | 40,964 | 18,620 | 59,584 | 57,036 | 38,416 |
| Computer | 91,290 | - | - | 91,290 | 47,153 | 21,063 | 68,216 | 44,137 | 23,074 |
| Cooling Tower | 180,000 | - | - | 180,000 | 40,290 | 34,200 | 74,490 | 139,710 | 105,510 |
| Crate | 59,716 | - | - | 59,716 | 30,961 | 11,346 | 42,307 | 28,755 | 17,409 |
| Digital Electronic Weighscale | 57,200 | - | - | 57,200 | 9,043 | 3,623 | 12,666 | 48,157 | 44,534 |
| Industrial Light | 319,480 | - | - | 319,480 | 38,273 | 20,234 | 58,507 | 281,207 | 260,973 |
| Office Equipment | 72,289 | - | - | 72,289 | 28,438 | 13,735 | 42,173 | 43,851 | 30,116 |
| Printing Cylinder | 68,992 | 60,246 | - | 129,238 | 15,155 | 20,395 | 35,550 | 53,837 | 93,688 |
| Factory Equipment | 128,018 | - | - | 128,018 | 34,299 | 24,323 | 58,622 | 93,719 | 69,396 |
| Electrical Fitting and Installation | 5,435,967 | - | - | 5,435,967 | 559,907 | 516,417 | 1,076,324 | 4,876,060 | 4,359,643 |
| Printer | 20,254 | 18,983 | - | 39,237 | 1,911 | 6,371 | 8,282 | 18,343 | 30,955 |
| Total Tangible Assets-A | 144,915,989 | 25,316,389 | - | 170,232,378 | 15,973,674 | 9,784,869 | 25,758,543 | 128,942,315 | 144,473,835 |
| Intangible Assets | 102,000 | - | - | 102,000 | 15,801 | 9,690 | 25,491 | 86,199 | 76,509 |
| Total Intangible Assets-B | 102,000 | - | - | 102,000 | 15,801 | 9,690 | 25,491 | 86,199 | 76,509 |
| TOTAL= A+ B | 145,017,989 | 25,316,389 | - | 170,334,378 | 15,989,475 | 9,794,559 | 25,784,034 | 129,028,514 | 144,550,344 |

NAKODA GROUP OF INDUSTRIES LTD
NOTES FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED
31.03.2020

| PARTICULARS | 31.03.2020 |
|--------------------------------------|-------------------|
| NOTE - 3 | |
| LONG TERM BORROWINGS | |
| SECURED LOAN | |
| HDFC Term Loan | 80,989,259 |
| TOTAL | 80,989,259 |
| UNSECURED LOAN | |
| From Banks | |
| Aditya Birla Capital | 2,393,389 |
| Capfloat Financial Services Pvt Ltd | 2,398,256 |
| HDFC Bank | 1,588,081 |
| ICICI Bank | 1,591,669 |
| IDFC First Bank | 2,425,899 |
| Indusind Bank | 2,788,646 |
| Kotak Mahindra Bank | 2,829,975 |
| Magma Fincorp Limited | 2,404,051 |
| TOTAL | 18,419,966 |
| NOTE 5 | |
| OTHER NON CURRENT LIABILITIES | |
| Payables for Fixed Assets | |
| Others | |
| Kavita Metals | 34,476 |
| Shree Balaji Industries | 30,005 |
| Reliable Engineers | 63,720 |
| TOTAL (I) | 128,201 |
| Related Party | |
| Parshva Industries LLP | 12,817 |
| TOTAL (II) | 12,817 |
| TOTAL (I+II) | 141,018 |
| NOTE 6 | |
| LONG TERM PROVISIONS | |
| Gratuity Payable | 166,438 |
| TOTAL | 166,438 |

| | |
|---|-------------------|
| NOTE 8 | |
| TRADE PAYABLES | |
| PAYABLES FOR GOODS - MSME | |
| TOTAL (A) | 1,539,898 |
| | |
| PAYABLES FOR GOODS - OTHERS | |
| TOTAL (B) | 7,860,910 |
| TRADE PAYABLES MSME(RELATED PARTY) | |
| | |
| Nakoda Agro Comm. Pvt Ltd | 2,165,427 |
| TOTAL (C) | 2,165,427 |
| TOTAL (A+B+C) | 11,566,235 |
| NOTE 9 | |
| OTHER CURRENT LIABILITIES | |
| i) Payables For Expenses And Others - MSME | |
| TOTAL (i) | 123,923 |
| | |
| ii) Payables For Expenses And Others - Others | |
| TOTAL (ii) | 3,962,865 |
| | |
| ii) Payables For Expenses And Others - Related Party | |
| | |
| Manju Choudhary | 5,000 |
| TOTAL (iii) | 5,000 |
| | |
| ADVANCES RECEIVED FROM CUSTOMER | |
| | |
| RELATED PARTY | |
| Nakoda Fruit Pvt Ltd | 1,008,765 |
| TOTAL | 1,008,765 |
| | |
| OTHERS | |
| TOTAL | 356,512 |

| | |
|--|------------------|
| iii) OTHER PAYABLE | |
| Audit Fees Payable | 63,000 |
| Electricity Expense Payable | 183,185 |
| Profession Tax Payable | 52,900 |
| RCM Payable | 29,910 |
| T.D.S.Payable | 306,077 |
| Telephone Expense Payable | 1,860 |
| Interest Payable | 871,109 |
| TOTAL (iii) | 1,508,041 |
| | |
| iv) EMPLOYEE BENEFIT PROVISION | |
| | |
| Salary Payable | 332,815 |
| Employee's Provident Fund Organisation | 23,378 |
| ESIC Payable | 7,118 |
| Gratuity Payable | 3,117 |
| TOTAL (iv) | 366,428 |
| | |
| NOTE-11 | |
| A) ADVANCES FOR FIXED ASSETS | |
| Kailash Engineering | 154,872 |
| TOTAL (A) | 154,872 |
| | |
| B) SECURITY AND OTHER DEPOSITS | |
| | |
| Affatus Graveures Pvt Ltd | 1,928 |
| Barcode deposit | 20,000 |
| Electricity Security Deposit | 283,000 |
| Maharashtra State Mining Corporation | 567,182 |
| The New India Assurance Co. Ltd | 7,000 |
| | |
| TOTAL (B) | 879,110 |

| | |
|--|-------------------|
| NOTE '14' | |
| TRADE RECEIVABLE | |
| ABOVE 6 MONTHS | |
| RELATED PARTY | |
| Parshva Food International | 5,291,806 |
| | |
| TOTAL | 5,291,806 |
| | |
| OTHERS | |
| TOTAL | 43,371,921 |
| | |
| BELOW 6 MONTHS | |
| TOTAL | 6,956,412 |
| | |
| RELATED PARTIES | |
| | |
| Navin Choudhary | 35,015 |
| Indian Trading Company | 28,182 |
| TOTAL | 63,197 |
| | |
| NOTE 15 | |
| ii) BALANCE WITH SCHEDULED BANKS; IN | |
| (a) CURRENT ACCOUNT | |
| Bank Of India | 2,244,576 |
| HDFC Bank | 10,863 |
| TOTAL | 2,255,439 |
| | |
| NOTE 16 | |
| A) LOANS & OTHER ADVANCES | |
| For Goods Suppliers & Service Providers | |
| Related Party | |
| Parshvanath Overseas | 2,291,289 |
| Nakoda Software Solutions Pvt. Ltd. | 1,80,238 |
| Total (i) | 2,471,527 |
| | |
| Others | |
| Total (ii) | 9,95,585 |

| | |
|--|-------------------|
| Advances given to Staff | |
| Dampu Dhoke | 4,548 |
| Indrakumar Pande | 10,000 |
| Ram Kashyap | 13,444 |
| Sagar Prajapati | 1,500 |
| Shubhangi Gawande | 186 |
| Subramanium Iyer Kumar | 8,200 |
| Vipnil Dhawale | 7,631 |
| Total (iii) | 45,509 |
| Others | |
| Total (iv) | 281,741 |
| | |
| NOTE 17 | |
| A) BALANCES WITH REVENUE AUTHORITIES | |
| i) WITH EXCISE & CUSTOMS AUTHORITIES | |
| Drawback Recievables | 9,358 |
| Excise Duty Receivable | 3,244,514 |
| MEIS License Receivable | 25,818 |
| | 3,279,690 |
| | |
| ii) WITH SALES TAX AUTHORITIES | |
| MVAT Receivable (16-17) | 923,530 |
| Gst Receivable | 4,597,213 |
| | 5,520,743 |
| iii) WITH INCOME TAX AUTHORITIES | |
| TDS Receivable | 9,327 |
| MAT Credit Receivable | 4,528,342 |
| | 4,537,669 |
| TOTAL - BALANCES WITH REVENUE AUTHORITIES | 13,338,102 |
| | |
| B) OTHER RECEIVABLES | |
| DIC Subsidy Receivable | 27,485,130 |
| Coal Cess Receivable | 732,033 |
| Agriculture Subsidy Receivable | 5,000,000 |
| | |

| | |
|------------------------|-------------------|
| TOTAL | 33,217,163 |
| NOTE '23' | |
| FINANCE COSTS | |
| Business Loan Interest | |
| Aditya Birla Capital | 405,412 |
| Capital Float | 395,272 |
| HDFC Bank Ltd | 247,199 |
| ICICI Bank | 252,275 |
| IDFC First Bank | 366,473 |
| Indusind Bank | 460,889 |
| Kotak Mahindra Bank | 534,120 |
| Magma Fincorp Ltd | 407,211 |
| TOTAL | 3,068,850 |

NOTES TO ACCOUNTS

NOTE NO.25-CONTINGENT LIABILITY:

BANK GUARANTEE

| Particulars | March 31, 2020 | March 31, 2019 |
|--|-----------------------|-----------------------|
| Guarantees given by Company's Bankers on behalf of the Company, against EPGC License | NIL | 1,701,740 |

NOTE NO. 26 -PAYMENT MADE TO AUDITORS:

| Particulars | March 31, 2020 | March 31, 2019 |
|---------------------------------|-----------------------|-----------------------|
| 1) As Audit Fees | 70,000 | 70,000 |
| 2) As Other Consultancy Matters | 103,750 | 20,000 |

NOTE NO 27-DISCLOSURE AS PER AS-18:-RELATED PARTY TRANSACTIONS

| NAME OF RELATED PARTY |
|---------------------------------|
| |
| Jayesh Choudhary |
| Jayesh Choudhary (HUF) |
| Pravin Choudhari |
| Pravin Choudhari (HUF) |
| Nakoda agro commodities pvt ltd |
| Nakoda food industries |

| |
|-------------------------------|
| Nakoda fruit products pvt ltd |
| Navkar processor |
| Parshva food international |
| Parshvanath overseas |
| Indian Trading Company |
| Navin Choudhary |
| Manju Choudhary |

ADVANCE TRANSACTIONS
2019-20

| NAME | ADVANCE GIVEN | ADVANCE RETURNED |
|----------------------------|---------------|------------------|
| PARSHVA FOOD INTERNATIONAL | 4,727,290 | 4,727,290 |
| MANJU CHOUDHARY | 905,334 | 905,334 |
| PRAVIN CHOUDHARY | 403,493 | 403,493 |

LOAN TRANSACTIONS
2019 - 20

| NAME | LOAN ACCEPTED | LOAN REPAID |
|----------------------------|---------------|-------------|
| PRAVIN CHOUDHARY HUF | 2,950,000 | 2,950,000 |
| JAYESH CHOUDHARY HUF | 845,000 | 845,000 |
| JAYESH CHOUDHARY | 839,173 | 839,173 |
| PRAVIN CHOUDHARY | - | - |
| PARSHVANATH OVERSEAS | 1,525,000 | 1,525,000 |
| PARSHVA FOOD INTERNATIONAL | 50,000 | 50,000 |

| PARTICULARS | TRANSACTION DURING THE YEAR | BALANCE OUTSTANDING |
|---|-----------------------------|---------------------|
| Purchase from Jayesh Choudhary (HUF) | 310,728 | - |
| Purchase from Nakoda Agro Commodities Pvt Ltd | 3,919,234 | 2,165,427 Cr. |
| Sale to Indian Trading Company | 836,361 | 28,182 Dr. |
| Purchase from Indian Trading Company | 947,330 | 28,182 Dr. |
| Rent. TO Pravin Choudhary | 600,000 | - |
| Sale to Nakoda Fruit Products Pvt Ltd | 922,097 | 1,008,765 Cr. |
| Purchase from Nakoda Fruit Products Pvt Ltd | 300,522 | - |
| Purchase From Parshva Industries LLP | 24,490,000 | 12,817 Cr. |
| Job work receipts nakoda fruit products | 306,180 | - |
| Director Remuneration (Pravin Choudhary) | 600,000 | - |
| Director Remuneration (Jayesh Choudhary) | 1,200,000 | - |

| | | |
|---|------------|---------------|
| Director Sitting Fees (Pravin Choudhary) | 22,500 | - |
| Director Sitting Fees (Manju Choudhary) | 22,500 | 5,000 Cr. |
| Director Sitting Fees (Jayesh Choudhary) | 22,500 | - |
| sales to Parshva Food International | 10,435,700 | 5,291,806 Dr. |
| Purchase from Parshvanath overseas | - | 2,291,289 Dr. |
| Sale to Navin Choudhary | 77,189 | 35,015 Cr. |
| Expenses paid of Parshva Food International | 151,532 | - |

NOTE NO -28 VALUE OF EXPORT

| PARTICULARS | 2019-20 | | | | | | | 2018-19 | |
|---------------------------------|------------|------------|-----------------|-----------------|------------|------------|-----------------|-----------------|--|
| | FOB VALUE | CIF VALUE | USD (FOB VALUE) | USD (CIF VALUE) | FOB VALUE | CIF VALUE | USD (FOB VALUE) | USD (CIF VALUE) | |
| | Rs | Rs | | | Rs | Rs | | | |
| EXPORT OF FINISHED/TRADED GOODS | 47,654,995 | 48,986,784 | 681,620 | 700,471 | 52,224,489 | 52,947,318 | 757,884 | 768,450 | |

NOTE NO. -29

Reclassification, regrouping of items has been done in the financial statements of the Previous year for true and better presentation.

NOTE NO. - 30 COVID 19 IMPACT ON BUSINESS

The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus includes travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. COVID-19 is significantly impacting business operation of the companies in India. On March 24, 2020, the Government of India announced a nationwide lockdown for 21 days which got further extended multiple times till June 30, 2020 to prevent community spread of COVID-19 resulting in significant reduction in economic activities. The Company has made an assessment of the impact of the pandemic on its operations and the carrying value of current and non-current assets, based on the internal and external sources of information and indicators of economic forecasts. Based on such assessment, the Company is

confident of recovering the carrying value of these assets as at March 31, 2020. The future impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Place : Nagpur

Date : 29.07.2020

For and on behalf of the Board

FOR M/S. NAKODA GROUP OF INDUSTRIES LTD.

SD/-

SD/-

For Gandhi Rathi & Co.

Chartered Accountants

Jayesh Choudhary

Pravin Choudhary

SD/-

(Director)

(Managing Director)

(C. N. Rathi)

Partner

SD/-

SD/-

M. No. 39895

Firm Reg. No. 103031W

Pratul Wate

(C. S.)

Sakshi Tiwari

(C. F.O.)

MANAGEMENT DISCUSSION AND ANALYSIS

CORPORATE OVERVIEW

Nakodas group is a Leading manufacturer of Tutti Fruity (Diced Chelory) also called as “Papaya Preserve”, Karonda Cherries (Indian Cherries), Sweet lime peels, Orange Cut Peels, Sesame Seeds Hulled Auto dry, All Variety of Jams, Sauces, Spices, Chikkis (Fruity Bars), Pickles, Papads, Canned Vegetables and Frozen Fruits & Vegetables.

Nakodas Group has kept its legacy to make people fall in love with their most delicious, healthy and natural products. Nakodas Group brings you the finest natural ingredients from all around the world to satisfy your heart with its delightful taste.

Since 1998 we are existing exporter of all above items in Middle East & European Countries. Our Company has around 80% export oriented business and rest is on domestic market of India. Our factory is situated in heart of Nagpur which is also known as the heart of India as it is located centrally to all the conveniences. Hence, we are very conveniently making supplies of the above products very promptly & regularly with less loss of time to the states of India. Our Major Clients are Ice-Cream Factories, Bakeries, Sweets & Namkeens Factories, Airline Companies, Railway Catering & Indian Military.

The Financial statements are prepared in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 2013 (“the Act”) read with Section 133 of the Companies Act, 2013. Your Management accepts responsibility for the integrity and objectivity of the financial statements, as well as for the various estimates and judgments used therein. These estimates and judgments relating to financial statements are prudently made to reflect in a true and fair manner the form and substance of transactions. This also enables in reasonably presenting the Company’s state of affairs and profits and cash flows for the year ended March 31st, 2020.

ECONOMY OVERVIEW

The India’s Economic performance in 2019-20 has moderated as shown in the Economic Survey. The Economic growth is expected to revive in upcoming years with the expected normalization in the economy as the cash crunch eases. This is indicative of the relative stability of the economy. There has been an improvement in the government’s fiscal management in 2019-20 aided by the buoyancy in revenue collections.

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year. In India, the food sector has emerged as a high-growth and high-profit sector due to its immense potential for value addition, particularly within the food processing industry.

IMPACT OF COVID-19

COVID – 19 has spread globally and during the last quarter of F.Y. 2019-20 in India. This has an impact on the business operations of the Company and all the available resources as well. Your company has taken all the necessary precautions measures at office as well as factory premises to ensure personal safety along with continuity of business such as temperature monitoring, compulsory use of face mask, frequent use of hand sanitizers. Sanitization of work places,

frequent use of hand wash, work from home facility, working with alternate employee facility etc. we have provided Emergency leaves to the employees to take care of health issues which they may face while working.

Your company also rapidly adopted the guidelines announced by the Central and State Government as well as by the Local Authorities. The same guidelines are placed in the work place for the employees and workers so that personal safety can be ensured.

The business operations faced several challenges including:

- a) Limited working Time at work place.
- b) Reduced employee attendance due to local transport restriction.
- c) Temporary stoppage of some activities at work place.
- d) Lack of Raw Material due to non availability of Transport.
- e) Delay in supply of Finished Products due Transport issues.
- f) Non availability of Workers due to migration.
- g) Cancellation of Export Orders.
- h) Reduced demand of the finished products.
- i) Working with the limited work force as per the guidelines of local authorities.

SWOT ANALYSIS



Review of Operations:

In this volatile environment, your Company believes in long term profitable and sustainable growth. Your Company maintained a forward looking approach to ensure that it is well prepared for new opportunities and handle new challenges with speed. Since the success of your Company depends on the ability of the business to keep understanding the changing environment and to keep adapting its responses in a seamless manner it continued to focus on realigning its initiatives internally and externally. Your Company focused on the principles of continuous excellence to drive efficiencies.

Your company has achieved overall turnover of Rs. 25.08 Cr. in Financial Year 2019-20 as against the turnover of Rs. 51.99 Cr. in the previous year. The EBIDTA is Rs. 3,50,03,062/- in the financial year 2019-20 as compared to Rs. 3,90,73,887/- in the previous year.

The Financial Review of your Companies is as under:-

| F.Y. 2014-15 | F.Y. 2015-16 | F.Y. 2016-17 | F.Y. 2017-18 | F.Y. 2018-19 | F.Y. 2019-20 |
|---|--|--|--|---|--|
| <ul style="list-style-type: none"> • Turn over – Nil • Net Loss 17,50 5/- | <ul style="list-style-type: none"> • Turn over – Nil • Net Profit -Nil | <ul style="list-style-type: none"> • Turn over 23.78 Cr. • Net Profit 50 Lakhs | <ul style="list-style-type: none"> • Turn over 48.74 Cr. • Net Profit 1Cr. | <ul style="list-style-type: none"> • Turn over 51.99 Cr. • Net Profit 87.60 Lakhs | <ul style="list-style-type: none"> • Turn over 25.09 Cr. • Net Profit 2.52 Lakhs |

FORWARD LOOKING STATEMENTS

Statements in this report describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations that involve risks and uncertainties. Such statements represent the intention of the Management and the efforts being put into place by them to achieve certain goals. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances. Therefore, the investors are requested to make their own independent assessments and judgments by considering all relevant factors before making any investment decision. The Company assumes no responsibility in respect of the forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events

For and on behalf of the Board of Directors

Nakoda Group of Industries Limited

SD/-

SD/-

Pravin Choudhary

Jayesh Choudhary

Place: - Nagpur

(Managing Director)

(Whole Time Director)

Date: -07.10.2020

(Din: - 01918804)

(Din: - 02426233)



NAKODA GROUP OF INDUSTRIES LIMITED

Registered Address :

239 South Old Bagadganj Small
Factory Area, Nagpur – 440008

Tel. : 0712- 2778824 / 2721555

Email : cs@nakodas.com

Web : www.nakodas.com