

**NAGARJUNA AGRICULTURAL RESEARCH AND
DEVELOPMENT INSTITUTE PRIVATE LIMITED**

25th ANNUAL REPORT

2019 - 2020

Board of Directors

Venkata Sitaramaraju Penmetsa

M Rambabu

Registered Office

Nagarjuna Hills,
Punjagutta,
Hyderabad,
Telangana – 500 082

CIN : U29100TG1995PTC022409

Statutory Auditors

M/s. Saranga Pani & Co.,
Chartered Accountants
Hyderabad

NOTICE

Notice is hereby given that the 25th Annual General Meeting of Nagarjuna Agricultural Research and Development Institute will be held at 4:00 p.m on Friday, October 30, 2020 at the registered office of the Company at Nagarjuna Hills, Punjagutta, Hyderabad – 500082, Telangana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Twenty fifth Annual Report of the Company, Balance Sheet as at March 31, 2020, the Statement of Profit & Loss for the Financial Year ended March 31, 2020, and the Reports of the Directors and Auditors thereon.

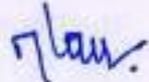
SPECIAL BUSINESSES:

2. To consider and thought fit, to pass with or without modification(s) if any, the following Ordinary Resolution:

"**RESOLVED THAT** Mr. Venkata Sitaramaraju Penmetsa (DIN: 02298073) who was appointed as an Additional Director with effect from February 25, 2020 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made there under (including its statutory modification or re-enactment thereof), who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By Order of the Board

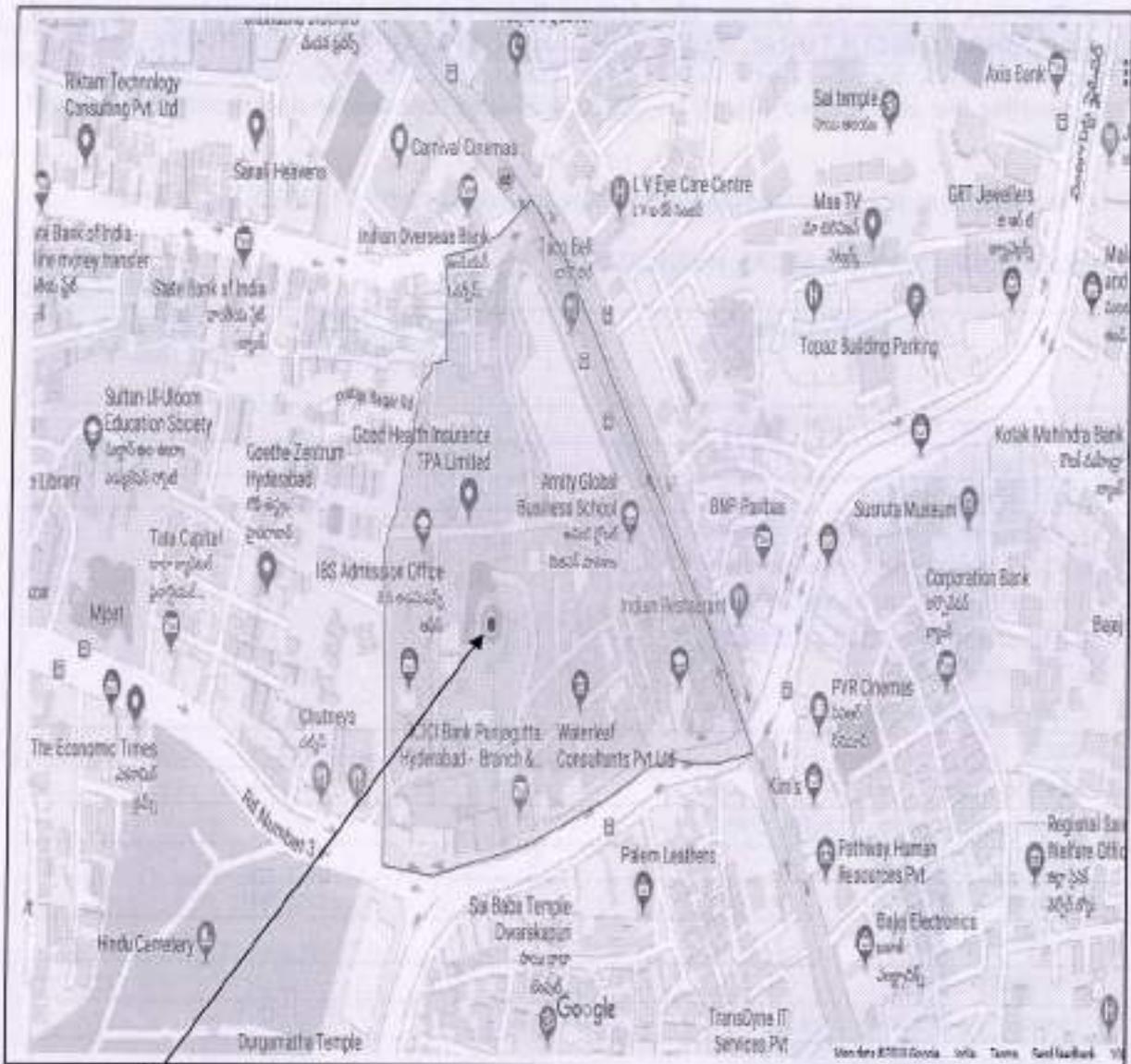
Hyderabad
15.09.2020


M Rambabu
Chairman
DIN: 02298091

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business to be transacted at the meeting, is annexed hereto
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such a proxy need not be a member of the Company. The instrument appointing the proxy should be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.
5. Members, proxies, and other representatives are requested to bring to the meeting the attendance slips enclosed herewith duly completed and signed mentioning their details.
6. Every Member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty four hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than three days in writing of the intension to inspect the proxies lodged shall be required to be provided to the Company
7. A Route map showing directions to reach the venue of the Annual General Meeting is given at the end of this Notice as per the requirement of Secretarial Standards – II on General Meeting.
8. The Register of Directors' shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
9. All documents referred to in the notice and explanatory statement are open for inspection at the Registered Office of the Company during office hours on all working days except public holidays, up to and including the date of the Annual General Meeting.

Route map as per the requirement of Secretarial Standards on General Meeting



Nagarjuna Agricultural Research And Development Institute Private Limited

**Registered office:
Nagarjuna hills, Punjagutta,
Hyderabad – 500082, Telangana.**

DIRECTORS' REPORT

Your Directors present the Twenty fifth Annual Report on the business and operations of **NAGARJUNA AGRICULTURAL RESEARCH AND DEVELOPMENT INSTITUTE** ("NARDI" / "the Company") together with the Audited Financial Statements of Accounts of your Company for the year ended March 31, 2020 and other accompanying reports, notes and certificates.

The Financial Results of the Company for the year ended March 31, 2020 are as under:

A. BUSINESS AND FINANCIAL HIGHLIGHTS

| Particulars | Rs.in Lakhs | |
|---|---------------------------|-------------------------|
| | 2019-2020 Current Year | 2018-19 Current Year |
| Net sales/income from Operations | - | - |
| Other Income | - | - |
| Total Expenditure | - | - |
| a. Increase/(decrease) in Stock | - | - |
| b. Cost of materials consumed | - | - |
| c. Employee benefits expense | - | - |
| d. Purchase of traded products | - | - |
| e. Power and fuel | - | - |
| f. Other expenses | - | - |
| Total | - | - |
| Finance cost | - | - |
| Depreciation and amortization | - | - |
| Profit before tax | - | - |
| Provision for tax | - | - |
| Deferred tax | - | - |
| Profit after tax | - | - |
| Dividend – equity shares | - | - |
| Tax on proposed dividend | - | - |
| Balance c/d to balance sheet | - | - |
| Paid Up equity share capital (Face value of Re.10/- per share) | 1000800 | 1000800 |
| Reserves excluding revaluation reserve | (1025998) | (1025998) |

FINANCIAL SUMMARY

The company has discontinued carrying out its activities and has yet to formulate plans relating to activities in future, notwithstanding this the accounts for the year has been drawn up on a going concern basis.

ACTIVITIES OF THE COMPANY

The Company was incorporated with the object to promote, run and maintain educational centers either independently or in collaboration with bodies in India or abroad.

In view of non-availability of support from the sponsors, the company has ceased to continue its charitable activities and has been converted into a Private Limited Company. The has discontinued carrying out its activities and has yet to formulate plans for its future activities.

DETAILS OF SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES, AND THEIR FINANCIAL POSITION

As at March 31, 2020 and as on date of this report, the Company does not have any Associate, Subsidiary or Joint Venture Company. There is no change in the status of subsidiaries or associates companies during the year under review. There is no material fact that requires mention on the performance and financial position of the Associate Companies.

SHARE CAPITAL

The Paid-Up Equity Capital of the company as on March 31, 2020 is Rs.1,00,800/- (Rupees One lakh and eight hundred only) consisting of 10,080 (Ten thousand and eighty shares) Equity Shares of Rs.10/- (Rupees Ten) each.

TRANSFER TO RESERVES

There has been no transfer to General Reserves during the Financial Year 2019-20 in view of losses incurred by the Company.

DIVIDEND

Considering the operating performance for the financial year ended on March 31, 2020, your Directors do not recommend any dividend for the year.

CHANGE IN THE NATURE OF BUSINESS

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

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of the Report.

B. DIRECTORS, BOARD COMMITTEES, KEY MANAGERIAL PERSONNEL AND REMUNERATION

During the period under review Mr. K S Raju vacated the office of Directorship w.e.f February 25, 2020 and Mr. Venkata Sitaramaraju Penmetsa has been appointed as an Additional Director w.e.f February 25, 2020.

KEY MANAGERIAL PERSONNEL

The Company does not fall under the statutory limits for the applicability of the Provisions of Key Managerial Personnel; hence the same does not apply.

MEETINGS OF THE BOARD

The Board of Directors of your company, during the period under review met four times on July 10, 2019, August 28, 2019, October 14, 2019 and February 25, 2020

GENERAL MEETINGS

During the period under review, an extraordinary general meeting was held on November 13, 2019 to alter the objects clause of Memorandum of Association of the Company.

PERSONNEL

There are no employees as on date on the rolls of the Company who are in receipt of remuneration which requires disclosures under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

C. DISCLOSURES

RELATED PARTY TRANSACTIONS

There are no contracts or arrangements entered into by the company with related parties in accordance with the provisions of Section 188(1) of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The company has not provided any Loans, Guarantees or made Investments pursuant to Section 186 of the Companies Act, 2013.

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

In relation to the information required to be furnished under the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the company is not undertaking any manufacturing activity and accordingly there is no information available pertaining to Conservation of Energy and Technology Absorption. There is no Foreign Exchange Earnings and Outgo.

EXTRACT OF ANNUAL RETURN

The Extract of the Annual Return for the year ended March 31, 2020 appear as **Annexure- I** to this report.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India relating to Meetings of the Board and its Committees and the General Meetings, which have mandatory application during the year under review.

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

There were no orders passed by Regulators or Courts or Tribunals impacting the going concern status and future business operations of the Company.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The company has adequate and essential Internal Financial Controls and is maintaining the same.

The Board of Directors have evaluated the effectiveness of the company's internal controls and procedures and confirm that they are adequate based on the size and the nature of its business.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors, Cost Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

FIXED DEPOSITS

In terms of the provisions of Sections 73 of the Companies Act, 2013 read with the relevant Rules made there under, the Company had no opening or closing balances and also has not accepted any fixed deposits during the year under review and as such, no amount of principal or interest was outstanding as on March 31, 2019.

CORPORATE SOCIAL RESPONSIBILITY

As the company does not breach any of the limits specified, the provisions of Section 135 of the Companies Act, 2013, does not apply to the company. The company has not incurred any expenditure during the year under review towards Corporate Social Responsibility activities.

D. AUDITORS AND AUDIT REPORT

STATUTORY AUDITORS

M/s. Saranga Pani & Co., Chartered Accountants, Hyderabad, was appointed as the Statutory Auditors' for a term of five (5) years commencing from the conclusion of the 24th Annual General Meeting up to the conclusion of the 29th Annual General Meeting.

STATUTORY AUDIT REPORT

The Statutory Auditors' have qualified their opinion in the Audit Report for the year ended March 31, 2020, on the Company's ability to continue as a going concern basis notwithstanding suspension of activities of the Company.

EXPLANATION ON THE STATUTORY AUDIT REPORT:

The Company has discontinued carrying out its activities and has yet to formulate plans relating to activities in future.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors of the Company have not reported any frauds to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

E. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) and Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby report:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The Directors had 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 had prepared the annual accounts on a going concern basis; and
- (e) The Directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

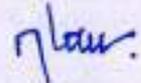
Your Directors wish to place on record their appreciation for the support and cooperation extended by the Central Government, Government of Karnataka and Nagarjuna Fertilizers and Chemicals Limited.

CAUTIONARY STATEMENT

The Board's Report may contain certain statements that the Company believes are, or may be considered to be "forward looking statements" within the meaning of applicable securities law and regulations. All these forward looking statements are subject to certain risks and uncertainties, including but not limited to Government action, economic developments, risks inherent to the Company's growth strategy and other factors that could cause the actual results to differ materially from those contemplated by the relevant forward looking statements and the company is not obliged to update any such forwarding looking statements.

Hyderabad
15.09.2020

By Order of the Board



M Rambabu
Chairman
DIN: 02298091

| | | | | | | | | | |
|--|---|---------------|---------------|--------------|---|---------------|---------------|--------------|---|
| j) Bodies Corporate. | - | 91020 | 91020 | 90.95 | - | 91020 | 91020 | 90.95 | - |
| k) Banks / FI | - | - | - | - | - | - | - | - | - |
| l) Any Other.... | - | - | - | - | - | - | - | - | - |
| Sub-total (A)(1):- | - | 91020 | 91020 | 90.95 | - | 91020 | 91020 | 90.95 | - |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | - | - | - | - | - | - | - | - | - |
| b) Other -Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corporate. | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any Other.... NRI based Company | - | - | - | - | - | - | - | - | - |
| Sub-total (A)(2):- | - | - | - | - | - | - | - | - | - |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | - | 91020 | 91020 | 90.95 | - | 91020 | 91020 | 90.95 | - |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | - | - | - | - | - | - | - | - | - |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1):- | - | - | - | - | - | - | - | - | - |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| i) Indian | - | - | - | - | - | - | - | - | - |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | - | - | - | - | - | - | - | - | - |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | - | - | - | - | - | - | - | - | - |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | - | 9060 | 9060 | 9.05 | - | 9060 | 9060 | 9.05 | - |
| c) Others NRI | - | - | - | - | - | - | - | - | - |
| Trusts | - | - | - | - | - | - | - | - | - |
| Foreign National | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(2):- | - | 9060 | 9060 | 9.05 | - | 9060 | 9060 | 9.05 | - |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | - | - | - | - | - | - | - | - | - |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | - | 100080 | 100080 | 100 | - | 100080 | 100080 | 100 | - |

(ii) Shareholding of Promoters

| Sl No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|--------|---|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1. | Amlika Mercantile Private Limited | 66000 | 65.95% | -- | 66000 | 65.95% | -- | -- |
| 2. | Nagarjuna Fertilizers and Chemicals Limited | 25020 | 25% | -- | 25020 | 25% | -- | -- |

(iii) Change in Promoters' Shareholding

| Sl. No. | Shareholding at the beginning of the year | | | Cumulative Shareholding during the year | |
|---------|---|---------------|----------------------------------|---|----------------------------------|
| | Name | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | | | | |
| - | - | - | - | - | - |
| | At the End of the year | | | | |
| - | - | - | - | - | - |

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

| Sl. No. | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | | |
|---------|---|---------------|---|---------------|----------------------------------|
| | For Each of the Top 10 Shareholders | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | | | | |
| 1. | Mr. Kallepalli Soma Raju | 5 | 0.00 | 5 | 0.00 |
| 2. | Mr. K Rahul Raju | 9020 | 9.01 | 9020 | 9.01 |
| 3. | Ms. Sangeetha Iyer | 10 | 0.00 | 10 | 0.01 |
| 4. | Mr. T V Dwarakanath | 5 | 0.00 | 5 | 0.00 |
| 5. | Mr. A Vyasa Maheshwara Rao | 10 | 0.00 | 10 | 0.01 |
| | At the End of the year (or on the date of separation, if separated during the year) | | | | |
| 1. | Mr. Kallepalli Soma Raju | 5 | 0.00 | 5 | 0.00 |
| 2. | Mr. K Rahul Raju | 9020 | 9.01 | 9020 | 9.01 |

| | | | | | |
|----|----------------------------|----|------|----|------|
| 3. | Ms. Sangeetha Iyer | 10 | 0.00 | 10 | 0.01 |
| 4. | Mr. T V Dwarakanath | 5 | 0.00 | 5 | 0.00 |
| 5. | Mr. A Vyasa Maheshwara Rao | 10 | 0.00 | 10 | 0.01 |

(v) **Shareholding of Directors and Key Managerial Personnel:** None of the Directors on the Board holds shares in the company

| 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 Directors and KMP | | | | |
| | At the beginning of the year | | | | |
| | Mr. M Rambabu | 10 | 0.00 | 10 | 0.00 |
| | At the end of the year | | | | |
| | Mr. M Rambabu | 10 | 0.00 | 10 | 0.00 |

V. INDEBTEDNESS

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

Rs. In Lakhs

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | - | - |
| Change in Indebtedness during the financial year | | | | |
| • Addition | - | - | - | - |
| • Reduction | - | - | - | - |
| Net Change | | | | |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | - | - |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sl. 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 | - | - |
| 2. | Stock Option | - | - |
| 3. | Sweat Equity | - | - |
| 4. | Commission - as % of profit - others, specify... | - | - |
| 5. | Others, please specify | - | - |
| | Total (A) | - | - |
| | Ceiling as per the Act | - | - |

B. Remuneration to other directors:

| Sl. no. | Particulars of Remuneration | Name of Directors | Total Amount |
|---------|--|-------------------|--------------|
| 1. | 3. Independent Directors | - | - |
| | • Fee for attending board / committee meetings | - | - |
| | • Commission | - | - |
| | • Others, please specify | - | - |
| | Total (1) | - | - |
| | 4. Other Non-Executive Directors | - | - |
| | • Fee for attending board / committee meetings | - | - |
| | • Commission | - | - |
| | • Others, please specify | - | - |
| | Total (2) | - | - |
| | Total (B)=(1+2) | - | - |
| | Total Managerial Remuneration | - | - |
| | Overall Ceiling as per the Act | - | - |

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

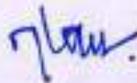
| Sl. no. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|---|--------------------------|-------------------|-----|-------|
| | | CEO | Company Secretary | CFO | Total |
| 1. | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax 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 | - | - | - | - |
| 2. | Stock Option | - | - | - | - |
| 3. | Sweat Equity | - | - | - | - |

| | | | | | |
|----|--|---|---|---|---|
| 4. | Commission - as % of profit -others, specify ... | - | - | - | - |
| 5. | Others, please specify | - | - | - | - |
| | Total | - | - | - | - |

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 | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| B.DIRECTORS | - | - | - | - | - |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| C. OTHER OFFICERS IN DEFAULT | - | - | - | - | - |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |

**For NAGARJUNA AGRICULTURAL RESEARCH AND DEVELOPMENT INSTITUTE
PRIVATE LIMITED**



**M RAMBABU
CHAIRMAN
DIN: 02298091**

Place: Hyderabad
Date: 15.09.2020

NAGARJUNA AGRICULTURAL RESEARCH AND DEVELOPMENT INSTITUTE

Registered Office: Nagarjuna Hills, Punjagutta, Hyderabad, Telangana – 500082

Email Address: secretarial@nagarjunagroup.com

CIN: U29100TG1995PTC022409

Twenty fifth Annual General Meeting at 4:00 P.M on Friday, October 30, 2020 at the Registered office of the Company at Nagarjuna Hills, Punjagutta, Hyderabad – 500082, Telangana

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):

Email Id:

Registered Address:

Folio NO./Client ID*

DP ID*:

I/We, being the member(s) of _____ shares of Nagarjuna Agricultural Research And Development Institute, hereby appoint:

1. Name : _____
Address : _____
Email Id : _____
Signature : _____ or failing him
2. Name : _____
Address : _____
Email Id : _____
Signature : _____ or failing him
3. Name : _____
Address : _____
Email Id : _____
Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty fifth Annual General Meeting of the company, to be held on Friday, October 30, 2020 at the Registered Office Nagarjuna Hills, Punjagutta, Hyderabad – 500082, Telangana and at the adjournment thereof.

** I / we direct my / our proxy to vote on resolution(s) in the manner indicated below:

| |
|--|
| Ordinary Business |
| 1. Adoption of Financial Statements for the year ended March 31, 2019 and the Directors Report and Auditors Report thereon |
| Special Businesses |
| 2. Appointment of Mr. Venkata Sitaramaraju Penmetsa as Director |

Affix Revenue
Stamp

Signed this ____ day of _____ 2020

Signature of shareholder

Signature of Proxy holder(s)

NOTES:

- 1) The form should be signed across the stamp as per specimen signature registered with the Company.
- 2) The proxy form should be deposited at least forty-eight hours before the commencement of the meeting at the registered office of the Company.
- 3) A proxy need not be a Member of the Company.
- 4) A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.
- 5) The submission by a Member of this form of proxy will not preclude such member from attending in person and voting at the Meeting.
- 6) Requisitions, if any, for inspection of Proxies shall be submitted to the company in writing at least three days before the commencement of the Meeting. Proxies shall be made available for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting.

NAGARJUNA AGRICULTURAL RESEARCH AND DEVELOPMENT INSTITUTE

Registered Office: Nagarjuna Hills, Punjagutta, Hyderabad, Telangana – 500082

Email Address: secretarial@nagarjunagroup.com

CIN: U29100TG1995PTC022409

Twenty fifth Annual General Meeting at 4.00 P.M on Friday, October 30, 2020 at the Registered office of the Company at Nagarjuna Hills, Punjagutta, Hyderabad – 500082, Telangana

ADMISSION SLIP

Name of the Member: _____ *DP ID: _____

Regd. Folio No.: _____ *Client ID: _____

No. of shares held: _____

Signature of the Member / Proxy

Note: Member / Proxy must hand over the duly signed attendance slip at the venue.

NAGARJUNA AGRICULTURAL RESEARCH AND DEVELOPMENT INSTITUTE PRIVATE LIMITED
(Formerly NAGARJUNA AGRICULTURAL RESEARCH AND DEVELOPMENT INSTITUTE)
Statement of Profit and Loss for the Year ended March 31, 2020

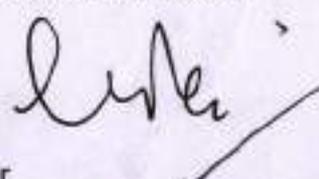
Rs

| Particulars | Note No | Year ended 31st March, 2020 | Year ended 31st March, 2019 |
|---|---------|-----------------------------------|-----------------------------------|
| Revenue from Operations | | | |
| Other Income | | - | - |
| Total Income | | | |
| Expenses | | | |
| Finance Cost | | - | - |
| Other Expenses | | - | - |
| Total Exepnses | | | |
| Profit/(Loss) Before Tax | | | |
| Tax Expense | | - | - |
| Profit/(Loss) After Tax for the period | | | |
| Other Comprehensive Income | | - | - |
| Total Comprehensive Income for the period | | | |
| Earnings per equity share of face value ₹10/- each Basic and Diluted | 9 | - | - |
| Corporate Information and Significant Accounting Policies | 1 and 2 | | |

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached
for Saranga Pani & Co
Chartered Accountants
Firm Registration No. 0500305

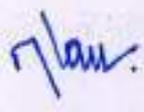
For and on behalf of the Board



(C S Pani)
Proprietor
Membership No. 073178
UDIN : 20073178AAAALU8375



P Venkata Sitaramaraju
Director
DIN 2298073



M RAMBABU
Director
DIN 02298091

Hyderabad,
Date: 15.09.2020

NAGARJUNA AGRICULTURAL RESEARCH AND DEVELOPMENT INSTITUTE PRIVATE LIMITED
(Formerly NAGARJUNA AGRICULTURAL RESEARCH AND DEVELOPMENT INSTITUTE)
Statement of Profit and Loss for the Year ended March 31, 2020

Rs

| Particulars | Note No | Year ended 31st March, 2020 | Year ended 31st March, 2019 |
|---|----------------|-----------------------------------|-----------------------------------|
| Revenue from Operations | | | |
| Other Income | | - | - |
| Total Income | | | |
| Expenses | | | |
| Finance Cost | | - | - |
| Other Expenses | | - | - |
| Total Exepenses | | | |
| Profit/(Loss) Before Tax | | | |
| Tax Expense | | - | - |
| Profit/(Loss) After Tax for the period | | | |
| Other Comprehensive Income | | - | - |
| Total Comprehensive Income for the period | | | |
| Earnings per equity share of face value ₹10/- each Basic and Diluted | 9 | - | - |
| Corporate Information and Significant Accounting Policies | 1 and 2 | | |

Accompanying Notes form an integral part of the Financial Statements

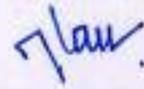
As per our report of even date attached
for Saranga Pani & Co
Chartered Accountants
Firm Registration No. 050030S

For and on behalf of the Board

(C S Pani) 
Proprietor
Membership No. 073178
UDIN : 20073178AAAALU8375



P Venkata Sitaramaraju
Director
DIN 2298073



M RAMBABU
Director
DIN 02298091

Hyderabad,
Date: 15.09.2020

NAGARJUNA AGRICULTURAL RESEARCH AND DEVELOPMENT INSTITUTE PRIVATE LIMITED
 (Formerly NAGARJUNA AGRICULTURAL RESEARCH AND DEVELOPMENT INSTITUTE)
 Statement of Changes in Equity for the period ended 31st March, 2020

Amount in Rs

A. Equity Share Capital

| Particulars | No. | Rupees |
|---|-----------|-----------|
| Equity shares of Rs 1 each issued, subscribed and fully paid up | | |
| Balance as at 31st March, 2018 | 10,00,800 | 10,00,800 |
| Changes in Equity Share Capital during the year | 0 | 0 |
| Balance as at 31st March, 2019 | 10,00,800 | 10,00,800 |

B. Other Equity

| | Share application money pending allotment | Equity component of Compound financial instruments | Reserves and Surplus | | Total |
|-------------------------------|---|--|----------------------|-------------------|-------------|
| | | | Capital Reserve | Retained Earnings | |
| As at 1st April, 2018 | - | - | 1,44,877 | (11,70,875) | (10,25,998) |
| Profit for the year | - | - | - | - | - |
| Other Comprehensive Income | - | - | - | - | - |
| As at 1st April, 2019 | - | - | 1,44,877 | (11,70,875) | (10,25,998) |
| Profit for the year | - | - | - | - | - |
| Other Comprehensive Income | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - |
| Balance at 31st March, 2020 | - | - | 1,44,877 | (11,70,875) | (10,25,998) |

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached
 for Saranga Pani & Co
 Chartered Accountants
 Firm Registration No. 0500305

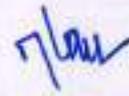
(C S Pani)
 Proprietor
 Membership No. 073178
 UDIN : 20073178AAAAALUR375

Hyderabad,
 Date: 15.09.2020

For and on behalf of the Board



P Venkata Sitaramaraju
 Director
 DIN 2298073



M RAMBABU
 Director
 DIN 02258091

NAGARJUNA AGRICULTURAL RESEARCH AND DEVELOPMENT INSTITUTE PRIVATE LIMITED
 (Formerly NAGARJUNA AGRICULTURAL RESEARCH AND DEVELOPMENT INSTITUTE)
 Cash Flow Statement for the year ended March 31, 2020

Rs

| | Year ended 31st March, 2020 | Year ended 31st March, 2019 |
|---|-----------------------------------|-----------------------------------|
| A. Cash Flow from Operating Activities | | |
| Net Profit / (Loss) before Tax | - | - |
| Operating Profit before working capital changes | - | - |
| Movements in Working Capital : | | |
| Increase / (Decrease) in Other Current Liabilities | - | - |
| (Increase) / Decrease in Long Term Loans and Advances | - | - |
| (Increase) / Decrease in Other Current Assets | - | - |
| Cash generated from / (used in) operations | - | - |
| Direct Taxes Paid (net of refunds) | - | - |
| Net cash from / (used in) operating activities | - | - |
| B. Cash Flow from Investing activities | | |
| Net cash from / (used in) investing activities | - | - |
| C. Cash flow from Financing activities | | |
| Net cash from / (used in) financing activities | - | - |
| Net Increase/(Decrease) in Cash and Cash equivalents | - | - |
| Cash and cash equivalents as at the beginning of the year | 3,373 | 3,373 |
| Cash and cash equivalents as at the end of the year | 3,373 | 3,373 |

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached
 for Saranga Pani & Co
 Chartered Accountants
 Firm Registration No. 0500305

For and on behalf of the Board

(C S Pani)
 Proprietor
 Membership No. 073178
 UDIN : 20073178AAAALU8375

P Venkata Sitaramaraju
 Director
 DIN 2298073

M RAMBABU
 Director
 DIN 02298091

Hyderabad,
 Date: 15.09.2020

1 CORPORATE INFORMATION

Nagarjuna Agricultural Research and Development Institute ("the Company") was incorporated under Section 25 of The Companies Act 1956. The license under Section 8 of the Companies Act, 2013 was surrendered. Consequently Nagarjuna Agricultural Research and Development Institute Pvt Ltd ("the Company") came into effect from 17th October 2017. Now the main objects of the Company are to undertake the business of export, import, trading, manufacturing, winding, stocking, transporting and purchase of Plant and machinery, Equipment, Commodities of all types and merchandise of all kinds. During the year the Company has not carried out any activity.

The company is a Associate of Nagarjuna Fertilizer and Chemicals Limited.

2 SIGNIFICANT ACCOUNTING POLICIES**2.1. Basis of preparation:**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 in line with the decision of the holding company.

The financial statements have been prepared on a historical cost basis and are presented in Indian Rupees ('INR').

2.2. Current versus non-current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

2.3. Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.4. Earnings Per Share:

Basic earnings per equity share is computed by dividing the net profit/loss for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year.

2.5. Taxes:

2.5.1. Current Tax: Provision for current tax is made based on the taxable income computed for the year under the Income Tax Act, 1961.

2.5.2. Deferred Tax: Deferred tax is recognised on timing differences, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.6. Provisions, Contingent liabilities, Contingent assets and Commitments:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.7. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Amount in Rs

3. Cash and Cash equivalents

Cash and Cash equivalents

Balances with banks in Current accounts

Cash on hand

| As at March 31, 2020 | As at March 31, 2019 |
|-------------------------|-------------------------|
| | |
| 3,373 | 3,373 |
| - | - |
| 3,373 | 3,373 |

Notes to Financial Statements for the year ended March 31, 2020

4. Share Capital

| | March 31, 2020 | | March 31, 2019 | |
|--|----------------|-----------|----------------|-----------|
| | No. of Shares | Rs. | No. of Shares | Rs. |
| Authorized Equity Shares of ₹ 10/- each | 2,50,000 | 25,00,000 | 2,50,000 | 25,00,000 |
| Issued, Subscribed and Paid Up Equity Shares of ₹ 10/- each | 1,00,080 | 10,00,800 | 1,00,080 | 10,00,800 |

4.1 Reconciliation of the Number of shares outstanding at the beginning and at the end of the year

| | March 31, 2020 | | March 31, 2019 | |
|--|----------------|-----------|----------------|-----------|
| | No. of Shares | Rs. | No. of Shares | Rs. |
| Equity Shares of ₹ 10/- each balance at the beginning of the year | 1,00,080 | 10,00,800 | 1,00,080 | 10,00,800 |
| Add: Issued during the year | - | - | - | - |
| Balance at the end of the year | 1,00,080 | 10,00,800 | 1,00,080 | 10,00,800 |

4.2 Rights, Preferences and Restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4.3 Shares held by the holding Company

| | March 31, 2020 | | March 31, 2019 | |
|---|----------------|----------|----------------|----------|
| | No. of shares | Rs. | No. of shares | Rs. |
| Equity Shares of ₹ 10/- each Amlika Mercantile Private Limited | 66,000 | 6,60,000 | 66,000 | 6,60,000 |

4.4 Details of shareholders holding more than 5% of the Shares

| | March 31, 2020 | | March 31, 2019 | |
|---|----------------|--------------------|----------------|--------------------|
| | No. of shares | % of Share holding | No. of shares | % of Share holding |
| Equity Shares of ₹ 10/- each Amlika Mercantile Private Limited | 66,000 | 65.95% | 66,000 | 65.95% |
| Nagarjuna Fertilizers and Chemicals Limited | 25,020 | 25.00% | 25,020 | 25.00% |
| Shri K. Rahul Raju | 9,020 | 9.01% | 9,020 | 9.01% |

| | Amount in Rs | |
|--|-------------------------|-------------------------|
| | As at March 31, 2020 | As at March 31, 2019 |
| 5. Other Equity | | |
| Capital Reserve (Refer to Note No. 5.1) | | |
| Opening Balance | 1,44,877 | 1,44,877 |
| Less: Utilisation during the year | - | - |
| Less: write-off of assets during the year | - | - |
| Closing Balance | 1,44,877 | 1,44,877 |
| Retained Earnings | | |
| Debit Balance: In the Statement of Profit and Loss | | |
| Opening Balance | -11,70,875 | -11,70,875 |
| Add: Profit/(loss) for the year | 0 | 0 |
| Closing Balance | -11,70,875 | -11,70,875 |
| Total | -10,25,998 | -10,25,998 |

5.1 Capital grants received for acquisition of Capital assets are stated on gross basis and grouped under Reserves and surplus. Depreciation charge on assets acquired out of capital grants is charged to Statement of Profit and Loss and set off by transferring an identical amount from Capital Reserve.

| | Amount in Rs | |
|---------------------------------------|-------------------------|-------------------------|
| | As at March 31, 2020 | As at March 31, 2019 |
| 6. Other Financial Liabilities | | |
| Liability for Expenses | 6,099 | 6,099 |
| | 6,099 | 6,099 |

| | Amount in Rs | |
|-------------------------------------|-------------------------|-------------------------|
| | As at March 31, 2019 | As at March 31, 2018 |
| 7. Other Current Liabilities | | |
| Others | | |
| Audit Fees payable | 22,472 | 22,472 |
| | 22,472 | 22,472 |

NAGARJUNA AGRICULTURAL RESEARCH AND DEVELOPMENT INSTITUTE PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2020

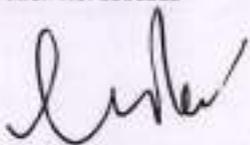
8. Contingent Liabilities not provided for: Rs Nil (Previous Year : Rs Nil)
9. There are no employees in the Company eligible for retirement benefits and therefore no provision is warranted as provided in Ind AS-19 on 'Employee Benefits' issued by the Institute of Chartered Accountants of India.
10. There are no reportable segments as envisaged in Ind AS-108 on ' Operating Segments' issued by the Institute of Chartered Accountants of India.
11. Based on the information available with the Company, there are no transactions during the year or balances outstanding as at the Balance Sheet date with / to small scale industrial undertakings and Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.
12. The Company has discontinued carrying out its activities and has yet to formulate plans relating to activities in future, notwithstanding this the accounts for the year have been drawn up on a going concern basis.
13. Previous year figures have been regrouped / reclassified to conform to current year classification.

Signatories to Notes '1 to 13'

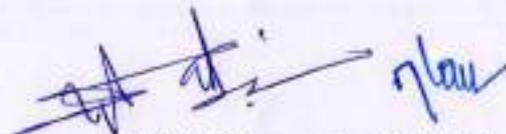
For Saranga Pani & Co
Chartered Accountants
Firm Registration No. 0500305

[C S Pani]
Proprietor
Membership No. 073178

Hyderabad,
Date: 15.09.2020



For and on behalf of the Board



P Venkata Sitaramaraju M RAMBABU
Director Director



INDEPENDENT AUDITOR'S REPORT

To

The Members of
Nagarjuna Agricultural Research and Development Institute Private Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Nagarjuna Agricultural Research and Development Institute Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit / loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.



Mei



Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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 other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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 auditors' 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.

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

1. As required by section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of 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, the statement of changes in equity and the cash flow statement dealt by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rules made thereunder and in force for the time being;
 - e. on the basis of the written representations received from the directors as on 31st March 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 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 A'; and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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 which would impact its financial





position;

- ii. The company did not, as at March 31, 2020, have any material foreseeable losses relating to long term contracts including derivative contracts.
 - iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund during the year ended 31st March 2020.
2. The Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Government of India in terms of sub-section (11) of section 143 of the Act is not applicable to the company for the year under Audit.

For **Saranga Pani & Co**
Chartered Accountants
Firm's Registration No.
050030S




C SarangaPani
Proprietor
Membership No. 073178

Place: Hyderabad
Date: 15-09-2020
UDIN : 20073178AAAAALU8375



Annexure A to the Independent Auditor's report (Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Nagarjuna Agricultural Research and Development Institute Private Limited of even date)

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

We have audited the internal financial controls over financial reporting of Nagarjuna Agricultural Research and Development Institute Private 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

The Board of Directors of the Company 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. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and

testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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





Company.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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.

Place: Hyderabad
Date: 15-09-2020
UDIN : 20073178AAAALU8375



For Saranga Pani & Co
Chartered Accountants
Firm's Registration No. 050030S

C Saranga Pani
Proprietor
Membership No. 073178