

**Date: 04.09.2021**

**To,  
Department of Corporate Service  
Bombay Stock Exchange Limited,  
P.J. Towers, Dalal Street,  
Mumbai-400001**

**Scrip Code: 531449**

**Sub: Notice of Annual General Meeting of the Company, and E-voting**

**1. Notice of AGM:**

This is to inform you that the 27th Annual General Meeting ("AGM") of **GRM Overseas Limited** is scheduled to be held on **Tuesday, 28th September, 2021 at 11:30 A.M** through Video Conferencing mode ("VC") / Other Audio Visual means ("OAVM"). Annual Report FY 2020-21 Containing Notice of the AGM is attached.

**2. E-voting:**

The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting	<b>Saturday, September 25, 2021 at 09:00 A.M. (IST)</b>
End of remote e-voting	<b>Monday, September 27, 2021 at 05:00 P.M. (IST)</b>
Cut-off date	<b>Tuesday, September 21, 2021</b>

**This is for your information and record please**

**For GRM Overseas Limited**

**Balveer Singh  
Company Secretary  
M. No. 59007**



**TANOUSH**  
ORGANIC

**Benti**



**Registered Office**  
128, First Floor,  
Shiva Market Pitampura,  
Delhi 110034, India. • +91-11-4733 0330

**Corporate Office**  
8 K.M. Stone, Gohana-Rohtak Road  
Village Naultha, Panipat 132145  
Haryana, India • +91-972964 7000/8000

**Factory**  
• Gohana Road (Panipat), Haryana  
• Naultha (Panipat), Haryana  
• Gandhidham, Gujarat



GRM OVERSEAS LIMITED

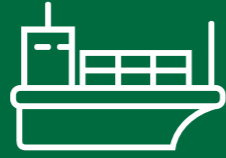
— ANNUAL REPORT 2020-21 —

# GROWING 10X



3<sup>rd</sup>

Largest rice exporter to the world



45+

Years of legacy and rich experience

27+

Number of countries where GRM developed a market for its rice



1800

Number of stores, tied-up to reach its customers globally

261+

Suppliers



#3

GRM possesses rice milling plants



2

Number of Warehousing facilities

3

Number of rice brands sold under the banner of GRM



125+

Distributors



430

Employees (Direct & Indirect)



## STRATEGIC REVIEW



- Company Overview **04**
- Message Chairman & MD **06**
- International Market **08**
- Domestic Market **10**
- 10X Product Range **12**
- Manufacturing Facilities **14**

## STATUTORY REPORTS



- Management Discussion & Analysis **16**
- Corporate Information **21**
- Board Report **22**
- Corporate Governance Report **43**
- Business Responsibility Report **66**

## FINANCIAL REPORT



### Standalone Financial Statements

- a. Independent Auditors' Report **76**
- b. Balance Sheet **84**
- c. Statement of Profit and Loss **86**
- d. Statement of Cash Flow **88**
- e. Notes to the Financial Statements **92**

### Consolidated Financial Statements

- a. Independent Auditors' Report **120**
- b. Balance Sheet **128**
- c. Statement of Profit and Loss **130**
- d. Statement of Cash Flow **132**
- e. Notes to the Financial Statements **136**

Notice **167**

## COMPANY OVERVIEW

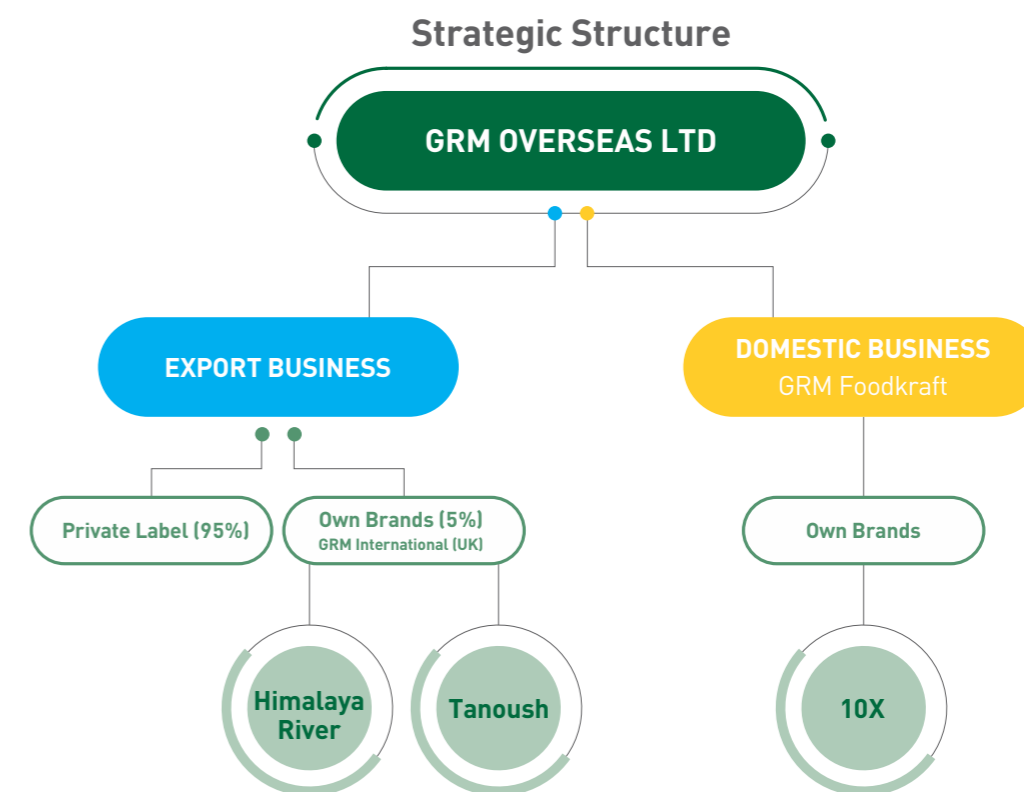
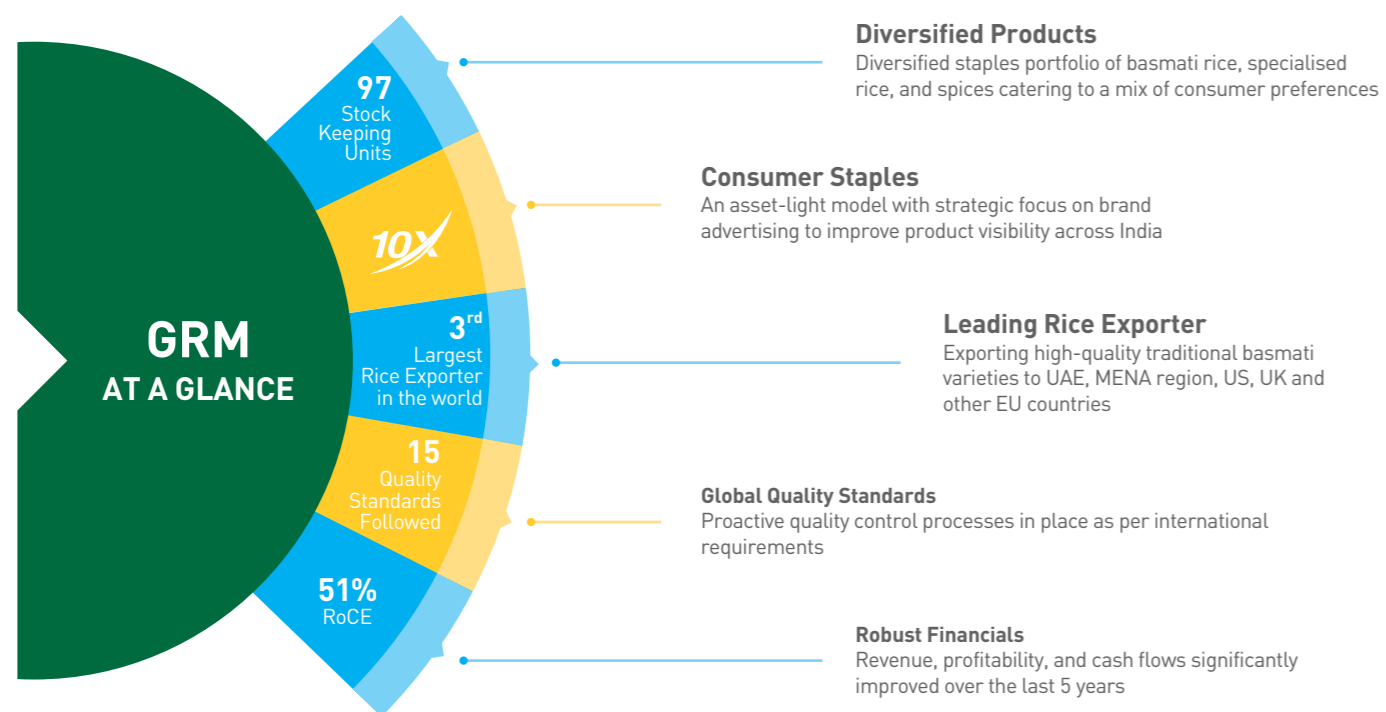
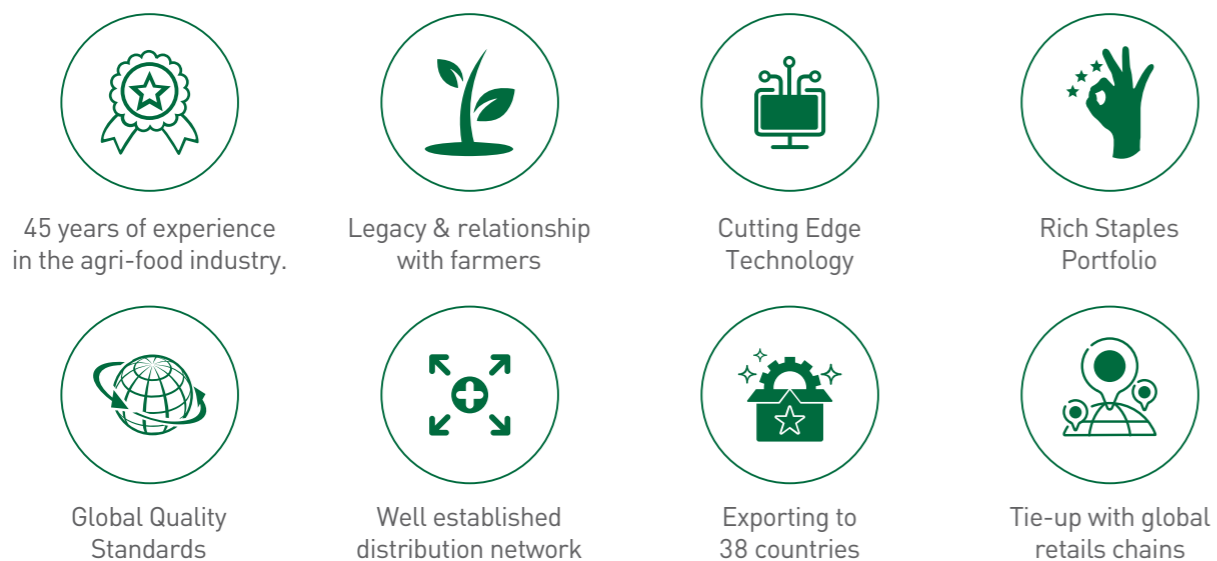
### SETTING THE PACE TOWARDS THE GOAL

From humble inception in 1974 to redefining ourselves in the form of GRM, we are India's leading rice exporter, primarily focused on all varieties of basmati rice. Our growth story is a result of our never-ending quest for excellence. Investing in the latest technology and giving importance to our R & D division has helped us in adapting our products to the ever-growing market.



GRM was established in 1974 and it has travelled a long way since then. Initially setup as a rice manufacturing and trading house, it is growing to become a consumer staples organization. During the initial years, GRM exported rice to the Middle East, United Kingdom and the United States. Gradually expanding its reach, GRM has developed a market for its rice in more than 38 countries, thereby achieving the title of the Third Largest Rice Exporter in India. In recent years, GRM has endeavoured to reach the consumers directly with its brands and products. By placing its products on the shelves of several major retailer in India and abroad, GRM has ensured that the end consumer always has easy access to their high-quality products.

GRM has established itself as a quality Basmati Rice producer and supplier worldwide. It has reached this height through its incessant quest for excellence and commitment to customer taste. With its well-defined strategy of employing cutting edge technology, while investing considerable time and money into R & D, the company has excelled in anticipating the changes in food industry trends and bringing in products accordingly to cater to the ever-growing market. It functions through a network of sales and distribution offices in the UK, USA & Middle East and has tied up with 1,800 stores globally to reach its customers.



## MESSAGE FROM CHAIRMAN & MD



**Mr. Atul Garg**  
Chairman & Managing Director

Life in 2020-21 was overshadowed by the impact of the pandemic, and on behalf of the Board, let me start by saying that our thoughts go out to all those who have suffered from the effects of this terrible pandemic. Equally, we remain deeply thankful to all those front-line workers – including in our own business – who have worked tirelessly to help keep others safe and our economies moving forward. Despite the inevitable and widespread disruption to our business, the group responded with commendable resilience and ingenuity, delivering a good set of results in very challenging circumstances. Importantly, we also took the opportunity last year to progress our strategic change agenda of GRM 2.0, with each of us overwhelmingly supporting our proposal to simplify.

### BEATING THE PANDEMIC

The pandemic has tested the world in ways few anticipated. They also tested the resilience of our business – our people, our operations, our financial strength. While this has not been an easy year for many, but it's made our company more robust and better prepared for a fast-changing world. We have responded with speed and agility to protect our people while growing our business. We are driving a progressive agenda on our people's physical and



mental well-being and the future of work. We also continue to serve our consumers through our purposeful brands, which are more relevant than ever. Above all, this year has strengthened our commitment to being the domestic leader in consumer staples. We have reciprocated vigorously to our GRM 2.0 business model and delivered superior performance.

### TAKING GRM 2.0 FORWARD



GRM has made a reputation as a purpose-driven company founded on strong values, wonderful brands, and a talented and committed workforce. GRM 2.0 is not just a statement or phrase; it's a passion we live by and are sure to achieve by 2024-25. GRM 2.0 isn't just something we say – it steers our decisions and shapes our actions at every business level. GRM 2.0 also means anticipating the significant changes shaping our industry—becoming fully digitised, lowering cost and more agile. We will use our scale and influence to create positive change well beyond the industry dynamics. We wish to expand into high-growth markets with superior products that are good for both people and the environment. Further, we will attract the very best people into a diverse, inclusive and flexible working culture.

The Consolidated **EBITDA** has increased from ₹ **48 Cr.** in FY 2020 to ₹ **67 Cr.** in FY2021. We registered an increase of **40%** in our **EBITDA**.

The **Profit After Tax (PAT)** has increased from ₹ **31.7 Cr.**

in FY2020 to ₹ **45.42 Cr.** in FY2021.



### OUR PERFORMANCE

Given the need to manage the business dynamically in the wake of the far-reaching effects of the coronavirus pandemic, we took the prudent decision early in the year to focus on volume-led competitive growth and the delivery of underlying operating profit and free cash flow, as the best means of maximising value. Our results confirm that those objectives were met, improving underlying operating profit and strong free cash flow. Responding quickly and decisively to events – combined with a sharper focus on operational basics – contributed significantly to the step-up in competitiveness. We are strongly backing our GRM 2.0 approach, including the strategic review of new segments and products. We are confident that everything possible will help accelerate topline growth and its vision to make GRM a premier consumer staple company.

### LOOKING AHEAD

Even though conditions will remain challenging, and we will be living with the effects of Covid-19 for some time to come, GRM has already shown it can withstand shocks and emerge stronger. With its powerful brand portfolio,

enviable position in the growth markets of the future, and recognised leadership, GRM has some enduring and unrivalled strengths. Combined with its strong leadership team and outstanding workforce, we are confident that the group is well-placed to deliver competitive returns while meeting the needs of its multiple – and highly valued – stakeholders.

Finally, on behalf of the Board, let me express our profound appreciation to the hardworking women and men – and the many more the company partners with – Farmers, Distributors, Stakeholders, Shareholders, Investors etc for their impressive efforts and commitment during one of the most complex and challenging year ever. It's because of your support that we have been able to deliver outstanding results and growth.

Warm Regards,

**Atul Garg**  
Chairman & Managing Director

## INTERNATIONAL MARKET

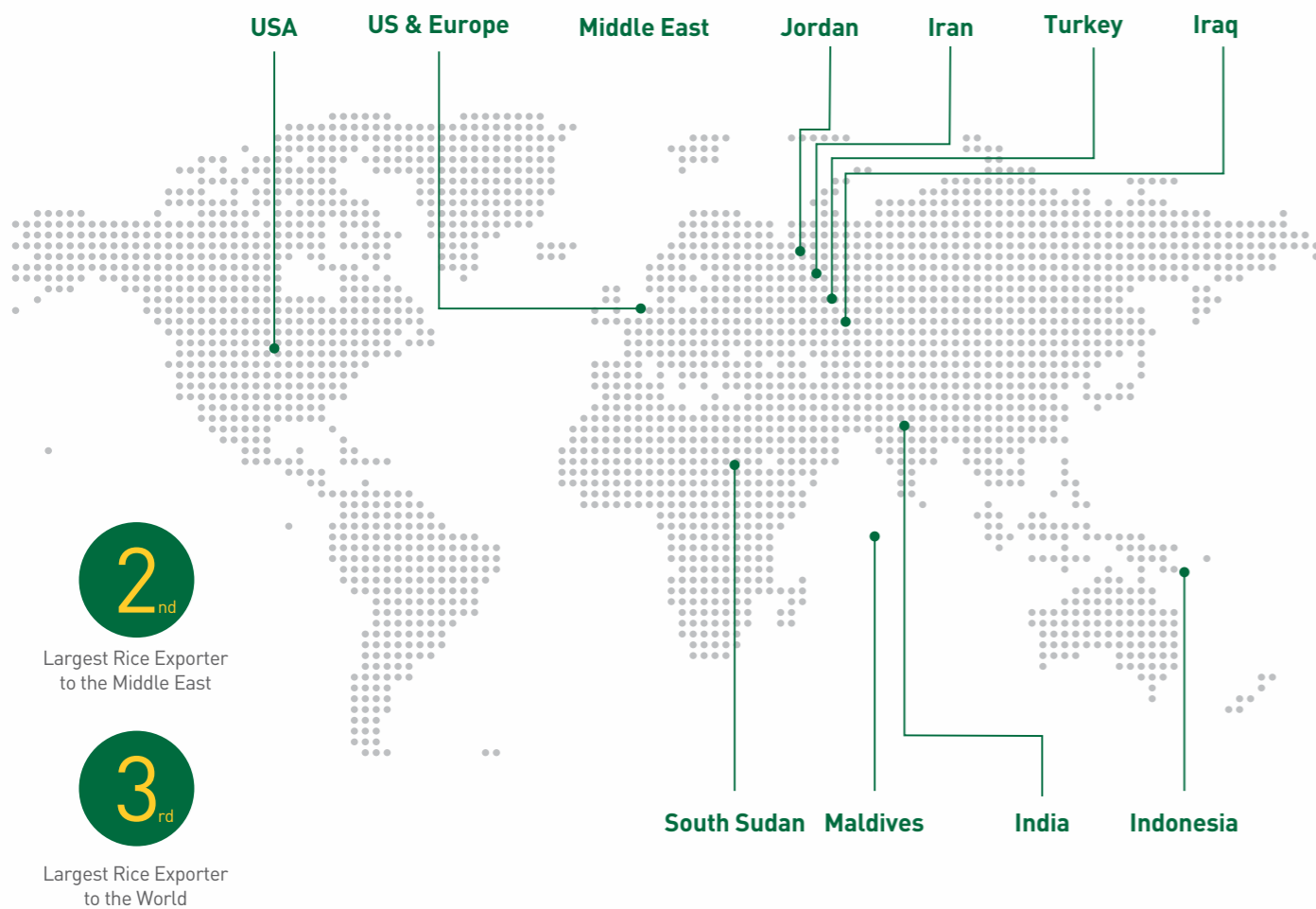
GRM has always wanted to be the first choice for all its customers across the geographies. It has continued to manufacture excellent quality products that have fulfilled its customer's expectations. This ideology of persistence has allowed GRM to be a leader in the global arena; especially in the United Kingdom, Europe, the United States and the Middle East.

**₹748 Cr.**  
Export Business Revenue  
on Consolidated Basis\*

**Private Label (95%)**  
Exports to MENA Region

**Own Brands (5%)**  
Exports to UK, Europe, and  
25 countries

\*for the year ended 31st March 2021



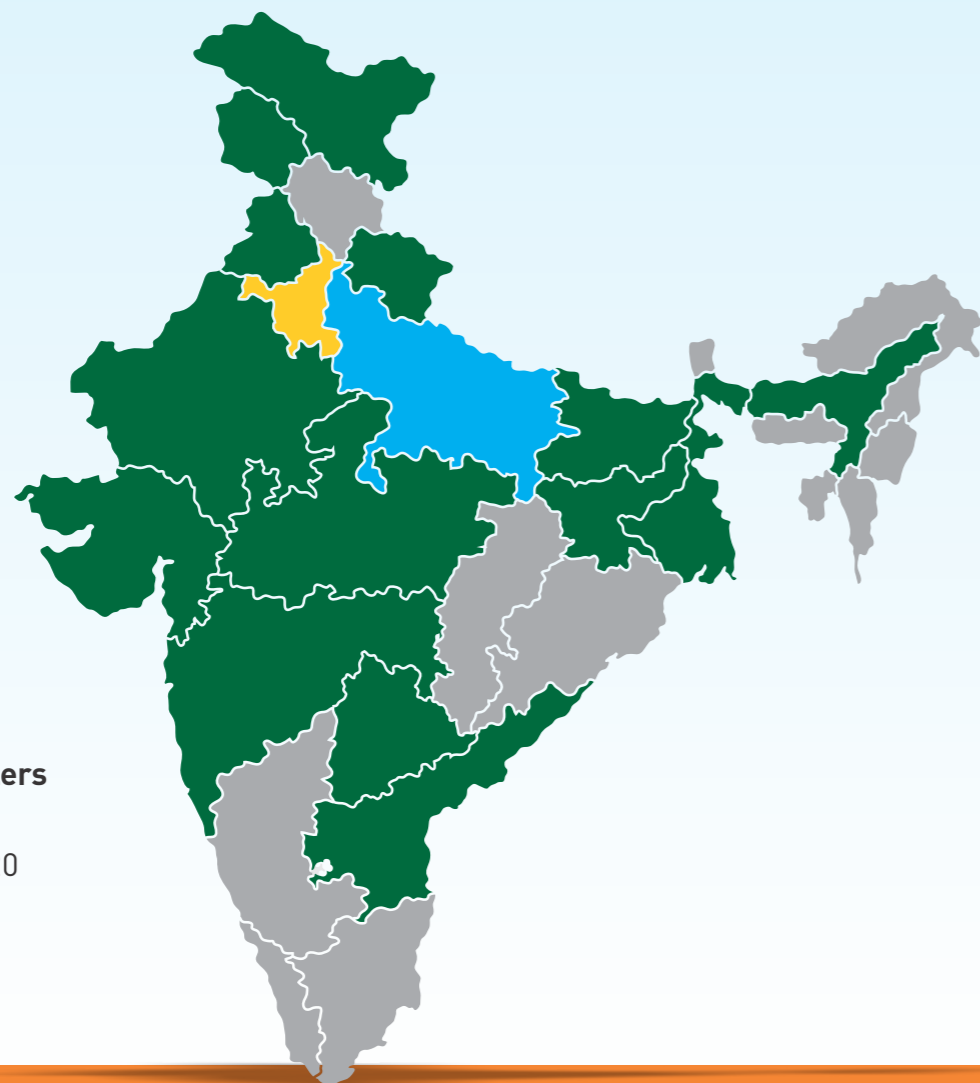
### Key Customers



## EXPORT MARKET BRANDS



DOMESTIC MARKET



Number of Dealers

- Less than 10
- Between 11-20
- More than 20

Expanding to  
**52+**  
DISTRIBUTION CENTRE (DC)

Supplying to  
**1,60,000+**  
KIRANA STORES

Reaching out to  
**1.3 Billion**  
TARGET CONSUMER



DOMESTIC BUSINESS

**58**  
Cr. GRM Foodkraft Revenue<sup>#</sup>

<sup>#</sup>for the year ended 31st March 2021

GENERAL TRADE

**105** Distributors  
**over 90K** Touch Point (Kirana Stores)

<sup>\*</sup>for the quarter ended 30th June 2021

MODERN TRADE (B2B)



10X PRODUCT RANGE

10X

*Capturing the very essence of India through its taste*



**Premium Biryani Steam Basmati Rice**



**Regular Range Steam Basmati Rice**



**Premium Biryani Cream Sella Basmati Rice**



**Regular Range Cream Sella Basmati Rice**



**Kheer Rice**



**Extra Long Grain Golden Sella Basmati Rice**



**Regular Range Golden Sella Basmati Rice**



**Perfect Daily Choice Long Grain Rice**



**Premium Biryani Golden Sella Basmati Rice**



**Extra Long Grain Cream Sella Basmati Rice**



**Perfect Choice for Rozana Basmati Rice**



**Golconda Range**





## MANUFACTURING FACILITIES

### Technologically Equipped. Technically Advanced.

Coming this far without adhering to stringent quality measures was impossible. Our facilities conform to world-class standards and regulations. We do regular audits by certified and accredited agencies to make sure we do not fail at any step. When it comes to quality we maintain a ZERO ERROR policy.

- Strong long-standing relationships with farming communities
- Manufacturing and procurement facilities in the Basmati growing regions
- Fully automated rice processing plant equipped by Buhler (Germany) and Stake (Japan)
- Advanced in-house laboratories
- Production of 2,800 MT of packed rice in a single day at all sites combined
- Warehousing space with the most hygienic storage conditions, on-going fumigation and safe custody of cargo
- Sufficient capacity for future growth

### Top Notch Product Quality & Certified Facilities

At GRM, we procure the paddy in the optimal season and store it in the most hygienic conditions to age to perfection. We are equipped with comprehensive systems that ensure ongoing fumigation, maximum production from the ground, optimal moisture & humidity and protection from all forms of infestation.

#### QUALITY IS THE TOUCHLINE THAT FORMS OUR REPUTATION

**Well-equipped & highly advanced in-house laboratories to check the quality of paddy and rice, ensuring unparalleled product quality**

**Lab Equipments:** Moisture meters, lab De-huskers, Electronic Vernier Calipers, Precision Electronic Weighing Scales, Paddy Separator & lab polishers

**Farm to shelf product traceability** through our ERP systems to ensure sustainability and enhance consumer satisfaction

**Regular audits by accrediting organizations** to ensure that we deliver only the best to our customers

#### OUR FACILITIES CONFORM TO WORLD-CLASS STANDARDS



GMP Certified



ISO 22000:2005



BRC (British Retailers Consortium) Certified



U.S. FDA Certification



Safe Quality Food Certificate (which includes HACCP)



Organic Certification



Kosher Certified

#### ANNUAL PRODUCTION CAPACITY

# 4,40,800 MT



PANIPAT  
(HARYANA)

## 300<sub>MT</sub>

Daily Production



NAULTHA  
(HARYANA)

## 500<sub>MT</sub>

Daily Production



GANDHIDHAM  
(GUJARAT)

## 2000<sub>MT</sub>

Daily Production

#### PRODUCTION & PROCESSING FACILITY

**3 Milling plants:**  
550 MT per day

**9 Sortex Plants:**  
1,400 MT per day

#### WAREHOUSING FACILITY

**1.75 lakh feet<sup>2</sup>**  
space adjacent to the Kutch-Gujarat factory

Facilitating speedy shipments from **Kandla and Mundra ports.**

MT: metric tonnes

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY OVERVIEW

#### Economic Scenario

##### Global Economy

In 2020, the Covid-19 pandemic caused a major disruption to the global economy. Months of uncertainty and fear paralysed economic activity across sectors. Trade and tourism were halted, while job and productivity losses increased dramatically. The world's economies endured an unparalleled slump as Governments around the world enacted lockdowns to tackle the rising Covid-19 outbreaks. Fiscal and monetary stimulus programmes were swiftly implemented to help rescue the economy.

One year into the pandemic, economic recoveries are varying across nations and sectors, reflecting adoption of the new normal and the extent of policy support. The global growth is predicted to reach 6% in 2021, before moderating to 4.4% in 2022. (Source: World Economic Outlook). The future is uncertain and it will depend on the direction the pandemic takes, the effectiveness of policy support, and the pace of the vaccine-powered normalisation.

##### Indian Economy

In the pre-Covid-19 scenario, the Indian Economy continued the mid-single digit growth path. GDP growth has shown negative signs during current period post Covid-19 outbreak in the country. First few cases of Covid-19 infection emerged in India in February 2020. Travel restrictions and testing norms were put in place from 1st week of March and these intensified further in the following week leading to a complete lockdown of entire country on 24th March 2020.

GRM also announced a production shutdown across all its manufacturing units initially while, production resumed at some of our manufacturing units, after securing permissions for producing essential products.

#### Changing Dynamics of the Food and FMCG Sector

The FMCG landscape is undergoing a sea change with the emergence of Covid-19, which is also impacting consumer behavior across markets and geographies. We expect the following consumer trends to pick up in the post-Covid-19 world:

1. Increased consumer focus on health and hygiene, particularly on agri and food products, with a preference for packaged branded products
2. Discretionary spending would be curtailed due to shift of priorities towards essentials
3. Movement towards financial security to gain momentum
4. Technology to act as a catalyst for convenient, safe and enhanced consumer experiences

We also expect the industry to undergo recalibration of the supply chain and distribution network, with channels like e-commerce and Direct to Consumer gaining salience. Local kirana (grocery) stores have seen a resurgence as proximity and availability of products came into prominence. These retail outlets may become more organized, digitally enabled, and serviced directly.

The Indian Food sector, which contributes to 57% of the overall FMCG market, witnessed growth of 8-9%. While the Food sector, riding on demand for consumer staples, has been growing at a good pace. Due to the extended lockdown in India, cooking at home was a big theme due to which convenience foods and cooking ingredients were in high demand.

#### Internal Control Systems and Their Adequacy:

GRM has an Internal Control System corresponding with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function are defined in the Internal Audit Manual. The Internal Audit function reports directly to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director to maintain its objectivity and independence.

The Internal Audit Department also monitors and evaluates the efficacy and adequacy of the internal control system, its compliance with operating systems, accounting procedures and policies all across. Based on the internal audit function report, the committee undertakes corrective action in their respective areas, thereby strengthening the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Board's Audit Committee.

#### Material Developments in Human Resources/ Industrial Relations, Including Number of the Employed

GRM as an organisation recognises human capital as an essential and strategic resource and honours the dignity of each employee irrespective of position, and highly values the cultural diversities of its employees. It believes in employee empowerment across the organisation to

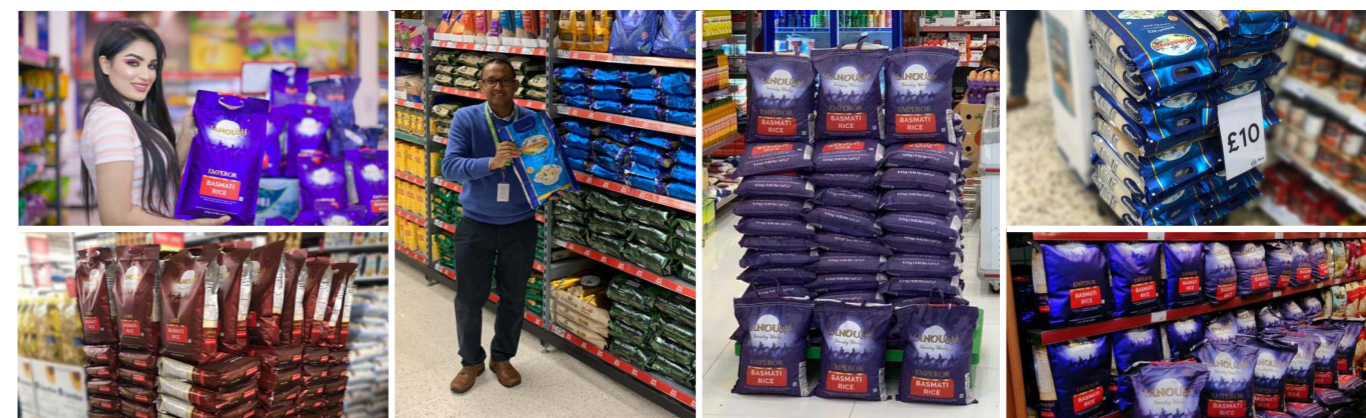
achieve organisational effectiveness. Special efforts are made to identify specific training needs to update the skills of the employees. Human Resources continue to get the primary focus of the management and regard its human resources amongst its most valuable assets. It always has and will continue to invest in people during the year through the various training programme to keep its employees competent. As of the financial year ended 31st March 2021, GRM has employed a total of 430 employees inclusive of indirect employees.

#### Discussion on Financial Performance with respect to Operational Performance.

The Company recorded Consolidated operational revenue of ₹ 799.37 crores as compared to ₹ 777.15 crores during the previous financial year. The Company achieved EBIDTA margin of 8.37% in FY2020-2021 against 6.13% in FY 2019-2020.

The Company achieved Consolidated Earnings before Interest, Depreciation and Tax (EBIDTA) of ₹ 67 crores for the FY2020-2021 against that of ₹ 48 crores for the FY 2019-2020.

The EPS for the year increased to ₹ 121.92 per share as compared to ₹ 85.92 of last year.



## FINANCIAL HIGHLIGHTS

#### CONSOLIDATED REVENUE

₹ 806 Cr.

during FY2021, as compared to ₹ 790 Cr. during FY2020.

#### THE PROFIT BEFORE TAX (PBT)

₹ 58.85 Cr.

during FY2021, as compared to ₹ 43.05 Cr. during FY2020.

#### THE PROFIT AFTER TAX (PAT)

₹ 45.42 Cr.

during FY2021, as compared to ₹ 31.7 Cr. during FY2020.

#### INTEREST COVERAGE RATIO\*

6.03%

during FY2021, as compared to 3.97% during FY2020.

#### DEBT EQUITY RATIO\*

1.39%

during FY2021, as compared to 2.34% during FY2020.

#### OPERATING PROFIT MARGIN\* (%)

8.02%

during FY2021, as compared to 5.75% during FY2020.

#### NET PROFIT MARGIN\* (%)

5.68%

during FY2021, as compared to 4.08% during FY2020.

#### RETURN ON NET WORTH\* (%)

33.59%

during FY2021, as compared to 35.25% during FY2020.

\*All ratios are based on consolidated basis.

**BUSINESS OVERVIEW - GRM 2.0**

GRM 2.0 is all about the company moving up the value chain. It's an evolution of the company for a sustainable future business model. Under GRM 2.0 we would be identifying, organizing and simplifying our entire business into two separate operating groups.

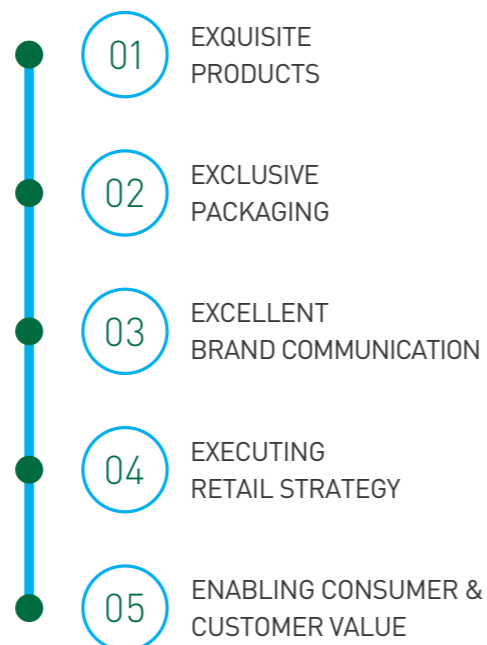
- GRM Global Agri would solely focus on Contract Research & Manufacturing Services (CRAMS) in Basmati Rice, globally.
- GRM Foods would initiate new avenues for their Brands into foods staple, globally.

Both these segments will have crystal clear focus, and the result would be beneficial for our global customers, communities and our businesses. Our years of experience and hard work have laid the perfect platform for GRM 2.0. It's centred on building on our brand laurels and pressing the full throttle to unlock the immense potential that brand GRM possesses. All this would happen smoothly while our brand continues to grow our core business.

**5E Strategy For GRM 2.0**

GRM Overseas has experience of over 4 decades and is the 3rd largest exporter of Basmati Rice to Gulf Region and 5th largest globally. Previous GRM had framed strategies and accordingly new brands were launched. The brand were launched initially in UK and followed by the Gulf region.

Under GRM 2.0 the company has decided to enter the ever-attractive and ever-growing Indian market with its own brand. Our focus would be to enter not only the rice segment but also the entire food staple space. Our extensive R&D team will keep on its hard work and we would keep launching various products in the FMCG space. Over the coming time we would like to leverage ourselves from just a company in the rice segment to a key organisation in the Indian FMCG space. And to penetrate in this space we have formulated 5E strategy that would help us in steering into the FMCG space.


**Exquisite Products**

We would develop products that are too good to be missed. Our product taste and quality be the best in the segment and we would make sure that the customer could differentiate our brand from other quite easily.

**Exclusive Packaging**

Packaging is the first impression that a brand or product makes on the shelf. We would be investing in attractive packaging design and material to attract consumer. Our exclusive packaging would convey our brand equity and would help consumers select our product for their needs and delight.

**Excellent Brand Communication**

Positioning our communication is the most critical part of this GRM 2.0. We would be communicating our product benefits with exceptional advertising that would tinker with the emotional quotient of the consumer. It would make the audiences think, talk, laugh, cry, smile, act and buy — and that would drive the category and brand growth.

**Executing Retail Strategy**

To make GRM 2.0 successful we would need to execute our retail strategy execution to perfection. Our strategy would be based on various factors such as right store coverage, product forms, sizes, price points, shelving and merchandising

**Enabling Consumer & Customer Value**

Penetrating into Indian market that is very highly cost-oriented we would need to present our customer and consumer with a brand value that they would love to have. Our mission is to present a clear vision at a compelling price.

**Other Factors**
**Changing Lifestyle**

Indian consumer and market have changed drastically over the past decade. With the rise in the per capita income, more and more customers are ready to try new products and then take their decision rather than taking the brand's past laurels as a benchmark.

**Customer Preferences**

With the constantly changing buying patterns, customers prefer premium, branded and healthy products instead of low quality and cheap ones. This factor is likely to push up demand for branded and healthy rice products like Basmati rice across modern retail chains.

**Greater Acceptability**

Increasing acceptance of rice as a staple diet has enhanced accessibility of Basmati rice across different markets round the globe. Our different product offerings will be strategically positioned to cater to different categories of consumers at different geographical locations and across different price points to enhance affordability.

## SWOT Analysis

### Strengths

- More than 45 years of experience in the agri-food industry
- Exporting to 38 countries. Leading exporter to gulf region, with a global footprint expanding rapidly
- State-of-the-art facilities with collective capacity of 2,000 MT per day to cater growing domestic and international demand
- Well established distribution network
- Tie-up with reputed customers like ASDA (Walmart UK), T.J. Morris and B&M in the UK; Albert Heijn in Holland and Metro in Poland and Carrefour in the UAE
- Superior product quality, consistent supply and competitive pricing

### Weakness

- Rice production is strongly dependent on weather conditions, rainfall and other climatic conditions
- Weather, disease and pests affect both the quantity and quality of rice produced
- Due to required ageing of rice to enhance and maintain quality, the working capital cycle requirement is higher.

### Opportunities

- GRM making increasing efforts towards its own brand development, as it allows for differentiation in a rice industry, makes way for greater market acceptance, and imparts ability to develop a pricing premium in the long term. The Company has launched own branded products in European retailers and is focused on expanding sales of own branded products to newer geographies
- Acquired manufacturing facility in Gandhidham, which is in proximity to the Mundra port, provides opportunity to focus on operationally efficient export oriented production and helps to supports to augment exports
- The future of Basmati is very bright in India. Indian consumption is only around 20% of basmati production in the country. As per capita income in India grows, domestic market will further see growth in Indian market. It offers an opportunity of growth in sales by double digits for next 10 years
- There are a very few nation-wide players and being in a niche segment like basmati rice and have other

speciality rice like red rice, organic rice,, brown rice etc., we find a good opportunity therein.

GRM is expanding business in India to serve General Trade, Modern Trade and Horeca. Our tie-up with MAN consumers, Dubai to promote in-house brands makes the growth coming from everywhere

### Threats

- Recessionary trend in the global economy and increasing trade barriers in the international markets impacts demand adversely
- In Basmati rice exports, India only competes with Pakistan. With increasing competition from Pakistan may impact India's dominance in the global Basmati market
- Competition from domestic unorganized sector players who accounting for nearly half of the Basmati market, pose a threat to the large organized players like GRM, particularly in general trade.

## Cautionary Statement

The document contains statements about expected future events, financial and operating results of GRM Overseas Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of GRM Overseas Limited's Annual Report, FY20-21.

## CORPORATE INFORMATION

### BOARD OF DIRECTOR

#### Mr. Atul Garg

Chairman & Managing Director

#### Mr. Hukam Chand Garg

Founder & Non-Executive Director

#### Mrs. Mamta Garg

Executive Director

#### Mr. Nipun Jain

Non-Executive Director

#### Mr. Raj Kumar Garg

Independent Director

#### Mr. Gautam Gupta

Independent Director

#### Mrs. Kiran Dua

Independent Director

#### Ms. Nidhi

Independent Director

### KEY MANAGERIAL PERSONNEL

#### Mr. Atul Garg

Chairman & Managing Director

#### Mr. Ratanlal Mittal

Chief Financial Officer

#### Mr. Balveer Singh

Company Secretary

### BANKERS

#### State Bank of India

Special Commercial Branch, G.T. Road, Panipat (Haryana)

#### Union Bank of India

Ambedkar Chowk, G.T. Road, Karnal (Haryana)

### AUDITORS

#### Vinod Kumar & Associates Chartered Accountants

Global Business Square, Building No. 32, Sector 44, Institutional Area, Gurgaon 122002 India

#### M/s Devesh Arora and Associates

Company Secretaries (Secretarial Auditor)

### REGISTERED OFFICE

#### GRM Overseas Limited

128, First Floor, Shiva Market Pitampura, Delhi - 110 034.  
CIN: L74899DL1995PLC064007

### WORKS

#### GRM Overseas Limited

1. Gohana Road, Near Sugar Mills, Panipat 132103 (Haryana)
2. 8 KM Stone, Gohana-Rohtak Road, Village Naultha, Panipat 132103 (Haryana)
3. 328-329 GIDC Estate, Mithirohar Taluka, Gandhidham, Dist. - Kutch 370201 (Gujarat)

### REGISTRAR & SHARE TRANSFER AGENTS

#### MAS Services Ltd.

T-34, 2nd Floor, Okhla Industrial Area PH-II, New Delhi 110020

## BOARD REPORT

TO,

**THE MEMBERS,  
GRM OVERSEAS LIMITED**

Your Director's have great pleasure in presenting their 27th Annual Report together with the Audited Accounts of the Company for the Year ended March 31, 2021.

(Amount in Lakh)

PARTICULAR	STANDALONE		CONSOLIDATED	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Revenue from Operations	77,808.42	76,651.82	79,937.35	77,715.26
Other Income	541.46	1,281.65	644.59	1,281.90
<b>Total Income</b>	<b>78,349.88</b>	<b>77,933.47</b>	<b>80,581.94</b>	<b>78,997.16</b>
Operating Expenditure	71,989.1	71,443.53	732,43.81	72,951.77
<b>Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)</b>	<b>6,360.78</b>	<b>6,489.94</b>	<b>7,338.3</b>	<b>6,045.39</b>
Depreciation and amortization Expenses	281.21	291.23	282.54	291.64
Finance Costs	1164.20	1,447.80	1,170.62	1,449.09
<b>Profit before Exceptional Items and Tax</b>	<b>4915.37</b>	<b>4,750.91</b>	<b>5,884.96</b>	<b>4,304.66</b>
Exceptional Items	Nil	Nil	Nil	Nil
Tax expense	Nil	Nil	Nil	Nil
Current Year	1249.53	1,197.61	1,340.05	1,197.61
Deferred Tax Credit	3.11	(62.93)	3.1	(62.93)
Mat Credit Entitlement				
<b>Profit After Tax (PAT)</b>	<b>3662.73</b>	<b>3,616.23</b>	<b>4,541.82</b>	<b>3,169.98</b>
Other Comprehensive Income	2.70	1.11	(127.73)	(32.03)
Total Comprehensive Income for the year	3665.44	3,617.34	4,414.09	3,137.95
Balance as per the last Financial Statements	8875.42	5,481.57	7,729.52	4,781.93
Appropriations				
Dividends + Tax	972.48	222.39	972.48	222.39
Transfer to General Reserve	Nil	Nil	Nil	Nil
Prior period Items	Nil	Nil	Nil	Nil
Retained Earnings	11,568.89	8875.42	11282.60	7,729.52
EPS Basic	98.32	98.01	121.92	85.92
EPS Diluted	98.32	98.01	121.92	85.92

Your Directors hereby inform you that in the current year the overall performance of the company is good as compare to the last financial year. During the current year the Company would make all efforts to accelerate its' pace of growth and overall performance.

### DIVIDEND:

The Board in its meeting held on March 10, 2021 had declared an interim dividend of Rs. 20/- per equity share i.e. 200% of nominal value of Rs. 10/- each for the financial year 2020-21. The total dividend payout for the just concluded year shall be 7.88 Cr. The Dividend Distribution Policy, in terms of Regulation 43A of the Securities

and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is in place and available on the website of the Company <https://www.grmrice.com>.

### TRANSFER TO RESERVES

Your Company Proposes not to Transfer any amount to General Reserves for the Financial year 2020-21.

### CHANGES IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of your company during the year under review.

### SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

As on March 31, 2021 your Company has Two subsidiaries viz., GRM International Holdings Ltd. and GRM Foodkraft Private Limited and one step down subsidiary viz., GRM Fine Foods Inc. There are no associate or Joint Venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). Further there has been no material change in the nature of business of the subsidiaries during the financial year 2020-21.

The Consolidated Financial Statements of your Company for the financial year 2020-21 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, applicable Indian Accounting Standards (Ind As) and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "SEBI Listing Regulations"). The consolidated financial statements have been prepared by consolidating audited financial statements of your Company and its subsidiaries, as approved by the respective Board of Directors. Further, pursuant to the proviso of sub section (3) of section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 a separate statement containing the salient features of the financial statements of Subsidiaries of the Company in the prescribed form AOC-1 is given in the Consolidated Financial Statements, forming part of this Annual report as **Annexure- 1**.

Consolidated Turnover is 79,937.35/- Lakh as compared to 77,715.26/- Lakh in the same period previous year. Consolidated Net Profit after Tax is 45,41.82/- Lakh as compared to 3,169.98/- Lakh in the previous year.

The financial statements of the subsidiary companies and related information are available for inspection by the members at the Registered Office of your Company during business hours on all days except Saturday, Sunday and holiday with prior intimation upto the date of the Annual General Meeting ('AGM') as required under Section 136 of the Companies Act, 2013.

Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office / Corporate Office of your Company. The financial statements including the consolidated financial statements, financial statements of subsidiaries and all other documents shall also be available on Company's website [www.grmrice.com](http://www.grmrice.com) in downloadable format.

### SHARE CAPITAL:

The paid up equity capital as on March 31, 2021 was Rs. 3,94,00,000/-. Company has issued and allotted 310500 Convertible Warrants on preferential issues basis. During the year under review 250500 Warrants were converted into Equity Shares and Paid up Share capital stands increased from Rs. 3,68,95,000 to Rs. 3,94,00,000. As on March 31, 2021 Company has Outstanding 60,000 convertible warrants.

### TRANSFER OF AMOUNTS AND SHARES TO INVESTOR EDUCATION & PROTECTION FUND

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and The Investor Education and Protection

Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, read with all relevant notifications as issued by the Ministry of Corporate Affairs from time to time and Amendment thereto, all shares in respect of which dividend has remained unpaid or unclaimed for a period of seven years have been transferred by the Company, within the stipulated due date, to the Investor Education and Protection Fund (IEPF).

#### • TRANSFER OF UNCLAIMED DIVIDEND TO IEPF

Your Company during the year 2020-21 has transferred a total amount aggregating to Rs.3,66,766/- as Unpaid Final Dividend for FY 2012-13 to the Investor Education and Protection Fund. This amount was lying unclaimed/ unpaid with the Company for a period of seven years after Declaration of Dividend for the financial year 2012-13.

A list of shareholders along with their folio number or DP. ID. & Client ID., who have not claimed their dividends for the last seven consecutive years i.e. 2013-14- to 2020-21 and whose shares are therefore liable for transfer to the IEPF Demat account, has been displayed on the website of the Company at [www.gmrice.com](http://www.gmrice.com).

#### • TRANSFER OF SHARE TO IEPF

As required under Section 124 of the Companies Act, 2013, 1503 Equity Shares, in respect of which dividend has not been claimed by the members for seven consecutive years or more, have been transferred by your Company to the Investor Education and Protection Fund Authority (IEPF) during the financial year 2020-21. Details of shares transferred are available on the website of IEPF as well as your Company.

### MATERIAL CHANGES AND COMMITMENTS, IF ANY, 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

Authorised Shares Capital of the Company is increased from Rs. 7,00,00,000 to Rs. 20,00,00,000 pursuant to Ordinary Resolution passed by the members of the Company through postal Ballot conducted on April 15, 2021.

Board of Director at their Meeting held on May 27, 2021 Converted 60,000 convertible warrant into equity shares of the Company and Paid up Shares capital stands Increased to Rs. 4,00,00,000.

Board of Director at their meeting held on May 27, 2021 recommended for issue for 80,00,000 equity shares as bonus and same is approved by members of the company through postal ballot conducted on July 02, 2021. Shares were allotted by the board of directors in their meeting held on July 17, 2021 and paid up Share capital stands increased to Rs. 12,00,00,000.

### SEGMENT REPORTING

Your company is engaged and focused on single activity of 'Rice Sheller' to provide better results and to be leader in its core activity.

### BOARD OF DIRECTORS

As on March 31, 2021, your Company's Board has a strength of 08 (Eight) Directors including 2 (Two) Woman Director. The Chairman of the Board was a Executive Director. The composition of the Board is as below:

Category	Number of Directors	% to Total Number of Directors
Executive Directors	2	25.00
Non Executive, Non Independent Director	2	25.00
Non-Executive-Independent Directors	4	50.00

During the Period under review following Changes taken place in Board of Director and KMP.

Sr. No.	Name of Director and KMP	Designation	Date of Event	Appointment/ Re-Appointment/Cessation/ Change in Designation
1	Hukam Chand Garg	Non Executive Director cum Chairman	28.08.2020	Cease to be Chairman
2	Atul Garg	Managing Director cum Chairman	28.08.2020	Appointment as Chairman

### AUDIT COMMITTEE

As on March 31, 2021, the Audit Committee of GRM Overseas Limited comprises of following 3 (Three) Members, all are Non-Executive Independent Directors:

Name	Designation
Mr. Raj Kumar Garg	Chairman
Mr. Gautam Gupta	Member
Ms. Kiran Dua	Member

All the recommendation made by the Audit Committee was accepted by the Board of Directors. The Powers and role of the Audit Committee are included in report on Corporate Governance forming part of this Annual Report

### KEY MANAGERIAL PERSONNEL:

The following employees were designated as whole-time key managerial personnel by the Board of Directors during the year under review:

- Mr. Atul Garg, Managing Director
- Mr. Rattan Lal Mittal, Chief Financial Officer
- Mr. Balveer Singh- Company Secretary

### DIRECTOR NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report and placed on the website of company at [www.gmrice.com](http://www.gmrice.com).

### NUMBER OF MEETINGS OF THE BOARD

During the Financial Year 2020-21, 11 (Eleven) Board meetings were held on as follows:

Sr. No.	Date of Board Meetings
1	June 17, 2020
2	July 28, 2020
3	August 28, 2020
4	September 14, 2020
5	November 11, 2020
6	December 15, 2020
7	January 21, 2021
8	February 08, 2021
9	February 13, 2021
10	February 25, 2021
11	March 10, 2021

For details thereof kindly refer to the section 'Board Meeting and Procedures - Details of Board Meetings held and attended by the directors during the financial year 2020-21, in the report of Corporate Governance forming part of this Annual Report.

### STATEMENT ON ANNUAL EVALUATION OF THE BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

The Board has laid down the manner and criteria of evaluation of the Board of its own, Committees and Individual Directors in which annual evaluation of the Board, Committees of the Board and Individual Directors would be evaluated. The said criteria are aligned with the SEBI circular dated 5th January 2017 on 'Guidance Note on Board Evaluation'. The evaluation includes various criteria including performance, knowledge, roles and responsibilities etc.

The Board of Directors has evaluated its Committees, Individual Directors (i.e. Executive and Non-executive Director) and the Board itself. After evaluation, the Board found their performances upto the mark and satisfactory. The Nomination and Remuneration Committee has also evaluated the individual performance of each Director and found it satisfactory.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm:

- i. that in the preparation of the Annual Accounts for the year ended March 31, 2021, the applicable Indian Accounting standards (Ind AS) have been followed and that there are no material departures;
- ii. that appropriate accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs as at March 31, 2021 and of the profit of the Company for the Financial year ended on March 31, 2021;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the annual accounts for the year ended March 31, 2021 have been prepared on a going concern basis;
- v. that they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. that they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### DECLARATION BY INDEPENDENT DIRECTOR(S) AND RE-APPOINTMENT, IF ANY

All Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 read with SEBI Listing Regulations, so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

### OPERATIONS, PERFORMANCE AND FUTURE OUTLOOK OF THE COMPANY

A detailed review of operations and performance and future outlook of the Company is given separately under the head 'Management Discussion & Analysis' pursuant to Regulation 34 read with Part B of Schedule V of SEBI Listing Regulations, and the same is annexed and forms part of this Annual Report.

### PARTICULARS OF REMUNERATION OF DIRECTORS AND KMPs

A statement containing the details of the Remuneration of Directors and KMPs as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as part of this Report as **Annexure-2**.

### EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, The Annual Return of your Company is available on its corporate website at <https://www.grmrice.com>.

### AUDITORS AND AUDITORS' REPORT

#### i) STATUTORY AUDITORS

At the 25th Annual General Meeting (AGM) of the Company held on September 30, 2019, the members of the Company had appointed M/s. Vinod Kumar & Associates, Chartered Accountants to hold office as Statutory Auditors for a period of Two consecutive years till the conclusion of the 27th Annual General Meeting. At the ensuing AGM, the tenure two years of M/s. Vinod Kumar & Associates, Chartered Accountants shall expire, and they are eligible re-appointment for another term of Two years under the provision of the Companies Act, 2013. M/s. Vinod Kumar & Associates, Chartered Accountants (Firm Registration No. 002304N), are proposed to be Re-appointed as Auditors of the Company.

The Company has also received a certificate from the Auditors to the effect, inter alia, that their appointment, if made, would be within the limits laid down by the Act and they are not disqualified for such appointment under the provisions of applicable laws. Your Directors have therefore proposed to appoint M/s. Vinod Kumar & Associates, Chartered Accountants as Statutory Auditors of the Company, subject to the approval of the members at the ensuing AGM.

The present Statutory Auditors- M/s Vinod Kumar & Associates., Chartered Accountants, have submitted their Report on the Financial Statements of the Company for the FY 2020-21, which forms part of the Annual Report 2020-21. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of Companies Act, 2013 read with rules framed thereunder, either to the Company or to the Central Government.

#### ii) SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Devesh Arora & Associates, Company Secretaries, having their office at, 48/16, Back Side, 2nd Floor, Ashok Nagar, New Delhi-110018 to undertake the Secretarial Audit functions of the Company.

The Secretarial Audit Report submitted by M/s Devesh Arora & Associates, in the prescribed form MR- 3 is attached as '**Annexure 3**' which forms part of this Report. The Secretarial Auditors' Report does not contain any qualification, reservation or adverse remark.

### EXPLANATIONS OR COMMENTS BY THE BOARD ON QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE:

There is no other qualification, reservation or adverse remark or disclaimer made by the auditor in his report; and the company secretary in practice in his secretarial audit report.

### CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The company has duly constituted CSR Committee, which is responsible for fulfilling the CSR objectives of the company. Policy developed and implemented by the company on corporate social responsibility initiatives is place on website of company at [www.grmrice.com](http://www.grmrice.com). The Annual Report on CSR activities is annexed herewith as **Annexure 4**.

### ENERGY CONSERVATION, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the details of activities in the nature of Energy Conservation, Research and Development, Technology Absorption and Foreign Exchange Earnings and Outgo is attached as '**Annexure 5**' which forms part of this Report.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

### APPOINTMENT OF INTERNAL AUDITOR:

Pursuant to section 138 of Companies Act, 2013 The Company has appointed CA Mohit Arya, as an Internal Auditor of the Company during the period under review. He placed the internal audit report to the Company which is self explanatory and need no comments.

### DISCLOSURE ON DEPOSITS UNDER CHAPTER V

The Company has neither accepted nor renewed any deposits during the Financial Year 2020-21 in terms of Chapter V of the Companies Act, 2013. Further, the Company is not having any Unpaid or Unclaimed Deposits at the end of the Financial Year.

### POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Board of Directors of the Company has laid down a policy on prevention of sexual harassment at the workplace. A Complaint Committee has also been formed by the Board of Directors to look into the complaints received, if any. During the year, the Company did not receive any complaint under the said policy.

### CHANGE IN CAPITAL STRUCTURE AND LISTING OF SHARES

During the year under review Company has allotted 310500 Convertible warrants to Promoters and Non Promoters Persons out of Which 250500 were converted into Equity Shares and Listing and Trading Approval was also obtained by the company as per the provisions of Law. The Company's shares are listed and actively traded on the Bombay Stock Exchange.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by company is given in the notes to the financial statements.

### RELATED PARTY TRANSACTIONS

During the year under review, the Board has adopted a policy to regulate the transactions of the Company with its related parties. As per policy, all the related party transactions required prior approval of Audit Committee and Board of Directors of the Company. Prior approval of shareholders of the Company is also required for certain related party transactions as prescribed under Companies Act, 2013 and listing Regulation . The said policy is available at the company website viz. <http://www.grmrice.com>.

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with promoters, key managerial personnel or other designated persons which may have potential conflict with interest of the company at large. **(AOC-2 Annexure 6)**

### CORPORATE GOVERNANCE

The Corporate Governance report which form an integral part of this Report, are set out as separate Annexures, together with the Certificate from the Practicing Company Secretary regarding compliance with the requirements of Corporate Governance as stipulated in Listing Obligation and Disclosure Requirements) Regulation 2015. **(Annexure -7)**

### DISCLOSURE ON VIGIL MECHANISM (WHISTLE BLOWER POLICY)

Pursuant to Regulation 22 of SEBI Listing Regulations, your Company has established a mechanism called Vigil Mechanism (Whistle Blower Policy)' for directors and employees to report to the appropriate authorities of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and provides safeguards against victimization of employees who avail the mechanism. The policy permits all the directors and employees to report their concerns directly to the Chairman of the Audit Committee of the Company.

'The Vigil Mechanism (Whistle Blower Policy)' as approved by the Board, is uploaded on the Company's website.

### MATERIAL ORDERS BY GOVERNING AUTHORITIES

There were no significant or material orders passed by any governing authority of the Company including regulators, courts or tribunals, which could affect the going concern status and the Company's operations in future.



## FINANCE

Cash and cash equivalents as at March 31, 2021 was Rs.164.69 Lakh. The company continues to focus on judicious management of its working capital, Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

## INDUSTRIAL RELATIONS

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

## DIRECTORS

In accordance with the Section 152 of the Companies Act, 2013 & Articles of Association of the Company, Mrs. Mamta Garg, Director of the Company, retire by rotation at the ensuing Annual General Meeting & being eligible offers herself for re-appointment and the Board of Directors recommends for her re-appointment.

## BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and applicable provisions of the SEBI(LODR) Regulations, 2015 the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

## CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "Code of Conduct for Board Members and Senior Management" which forms an Appendix to the Code. The Code has been posted on the Company's website [www.grmrice.com](http://www.grmrice.com).

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

## PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required by Regulation 34 read with Para B of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 {'SEBI (LODR) Regulations, 2015}, a detailed 'Management Discussion and Analysis Report' (MDA) is attached as a separate section forming part of the Annual Report. More details on operations and a view on the outlook for the current year are also given in the 'Management Discussion and Analysis Report'.

## BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report of your Company for the Financial Year 2020-21 forms part of this Annual Report as required under Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

## HEALTH, SAFETY AND ENVIRONMENT PROTECTION:

The Company has complied with all the applicable environmental law and labour laws. The Company has been complying with the relevant laws and has been taking all necessary measures to protect the environment and maximize worker protection and safety.

## ACKNOWLEDGEMENTS:

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous co-operation and assistance.

## FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-  
Atul Garg  
Managing Director & Chairperson  
DIN : 02380612

Sd/-  
Mamta Garg  
Director  
DIN : 05110727

Place : Panipat  
Date: 01.09.2021

## Annexure 1

**Form AOC-1**  
 (Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of the Companies  
 (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of  
 subsidiaries/ Associate companies/ joint ventures.**

**Part "A": Subsidiaries**

(Amount in Lakh)

Name of Subsidiary	GRM Foodkraft Private Limited		GRM International Holding Ltd		GRM Fine Foods Inc.	
	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21
Reporting period for the subsidiary concerned, if different from the holding company's reporting period						
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	Pound 93.08	Pound 100.95	\$75.39	\$73.50
Share capital (Rs.)	N.A.	10.78	142.18	142.18	5.97	5.97
Reserves & surplus	N.A.	280.71	(1,173.74)	(689.80)	(6.52)	(10.89)
Total assets	N.A.	1,324.53	1,101.42	2,411.41	75.16	7.15
Total Liabilities	N.A.	1,324.53	1,101.42	2,411.41	75.16	7.15
Investments	N.A.	Nil	5.97	5.97	Nil	Nil
Turnover	N.A.	5,792.80	2,163.69	3,452.67	71.18	-
Profit before taxation	N.A.	359.60	(441.20)	614.44	(5.05)	(4.43)
Provision for taxation	N.A.	90.53	-	-	-	-
Profit after taxation	N.A.	269.09	(441.20)	614.44	(5.05)	(4.43)
Proposed Dividend	N.A.	Nil	Nil	Nil	Nil	Nil
% of shareholding	N.A.	92.76	100.00	100.00	100.00	100.00

The following information shall be furnished:

- Names of subsidiaries which are yet to commence operations –NA
- Names of subsidiaries which have been liquidated or sold during the year - NA
- Part B of the Annexure is not applicable as there are no associate companies/joint ventures of the Company as on March 31,2021.

**FOR AND ON BEHALF OF THE BOARD**

**For Vinod Kumar & Associates**  
 Chartered Accountants  
 Firm Registration No. 002304N

**Sd/-**  
**Mamta Garg**  
 Director  
 DIN :05110727

**Sd/-**  
**Atul Garg**  
 Managing Director & Chairperson  
 DIN : 02380612

**CA. Mukesh Dadhich**  
 Partner  
 Membership No. 511741

**Sd/-**  
**Rattan Lal Mittal**  
 Chief Financial Officer

**Sd/-**  
**Balveer Singh**  
 Company Secretary  
 Delhi M. No. A59007

 27<sup>th</sup> May, 2021

## Annexure 2

**Disclosure pursuant to Section 197(12) of the Companies Act, 2013, read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.**

**A. Top ten employees in terms of remuneration drawn during the year**

Sr. No.	Name of Employee	Designation-Nature of Employment-Qualification-Experience-Date of Joining-Age -Current Salary(Rs.)-Salary in Previous Company-Relation with Director -Manager of Company
1	Vedant Garg	President Marketing-Marketing-Bsc In Business Studies-Na-28.07.2020-22-7200000-Na-Son
2	Rattan Lal Mittal	Chief Financial Officer-Accounts-Bsc(Non-Medical)-29 Years-03.01.1995-62-722400-Na-Na
3	Raj Kumar	Manager (Commercial)-Accounts-B.com-26 Years-01.07.1999-47-698400-Na-Na
4	A. K. Nijhawan	Sr. Manager(Accounts)-Accounts-B.com, MBA (Finance)-26 Years-09.06.2018-54-698400-878400-Na
5	Abhishek Singh	GM (International Marketing)-Marketing-B.tech, MBA-11 Years-01.02.2019-30-698400-Na-Na
6	Naveen Kumar	Manager(Logistics)-Exports & Logistics-B.Com., MBA-11 Years-02.07.2018-33-638400-825000-Na
7	Sanjeev Kumar Goel	Manager(Accounts)-Accounts-B.com-26 Years-01.01.1996-46-554400-Na-Na
8	Balbir Singh	Plant Foreman-Production-Diploma In Mechanical Engineering-26 Years-02.11.2016-60-520800-Na-Na
9	Amod Kumar Varma	Lab Incharge-Laboratory-BSC-21 Years-01.12.2018-51-570000-Na-Na
10	Balram Chaudhary	Warehouse Manager-Production-B.A.-21 Years-01.05.2019-58-540000-Na-Na

**B. Employed throughout the financial year and were in receipt of remuneration not less than Rupees one crore and two lacs per annum-NA**

**C. Employed for part of the financial year and were in receipt of remuneration not less than Rupees eight lacs fifty thousand per Month: NA**

Note: None of the employees was in receipt of remuneration in excess of that drawn by Managing Director.

## Other Details pertaining to remuneration

## Annexure 3

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21, ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2020-21 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP-Designation	Remuneration of Director/ KMP for Financial Year 2020-21 (H in Lacs)	% increase in remuneration in the financial year 2020-21	Ratio of remuneration of Each Director/ to median remuneration of employees
1	Mr. Hukam Chand Garg-Director	Nil	Nil	NA
2	Mr. Atul Garg-Managing Director	168	30.23	77.78
3	Mrs. Kiran Dua-Director	Nil	Nil	NA
4	Mr. Nipun Jain-Director	Nil	Nil	NA
5	Mr. Raj Kumar Garg-Director	Nil	Nil	NA
6	Mr. Vishnu Bhagwan-Director	Nil	Nil	NA
7	Mrs. Mamta Garg-Director	96	174.29	44.44
8	Mr. Gautam Gupta-Director	Nil	Nil	NA
9	Rattan Lal Mittal-CFO	7.22	Nil	3.34
10	Balveer Singh-CS	3.6	Nil	1.67

- i. The median remuneration of employees of the Company during the financial year was Rs. 2.16 lakh. p.a.
- iii. In the financial year, there was an increase in the median remuneration of employees by 0.00%.
- iii. There were 79 permanent employees on the rolls of Company as on March 31, 2021.
- iv. Average percentile increase made in the salaries of the employees other than the managerial personnel in the last financial year i.e., 2020-21 was 2.99% whereas the percentile increase in the managerial remuneration for the same financial year was 57.20%.
- vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and other employees.

## For and on behalf of the Board

Sd/-  
**Atul Garg**  
 Managing Director & Chairperson  
 DIN : 02380612

Sd/-  
**Mamta Garg**  
 Director  
 DIN : 00673276

Date: 01.09.2021  
 Place: Panipat

## Form No. MR-3

**SECRETARIAL AUDIT REPORT**  
 For the Financial Year Ended 31st March,2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members of  
**GRM OVERSEAS LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GRM Overseas Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit for the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2021, in accordance to the provisions of:

- I. The Companies Act, 2013 ("the Act") and the Rules made thereunder to the extent applicable;
- 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 and Overseas Direct Investment;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company: -
  - 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 (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable
  - e. 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;

- f. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VI. Other Laws which are applicable to the Company:

- The Employees' Provident Fund & Miscellaneous Provisions Act, 1952.
- The Employees State Insurance Act, 1948.
- The Payment of Gratuity Act, 1972.
- The Labour Laws and Law relating to Payment of Wages.
- Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.
- Miscellaneous Acts:
  - a) The Water (Prevention and Control of Pollution) Act, 1974.
  - b) The Air (Prevention and Control of Pollution) Act, 1981.
  - c) The Environment (Protection) Act, 1986.
  - d) The Factories Act, 1948.
  - e) The Industries (Development & Regulation) Act, 1951.

We have also examined compliance with the applicable clauses of the Secretarial Standard-1 and Secretarial Standard-2 formulated by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs. In terms of Regulation 31(1) of the SEBI (Listing obligation and disclosure requirements) Regulations, 2015, Shareholding Pattern is required to be filed within 21 days from the end of Each Quarter. However, the Shareholding Pattern for quarter ended on 31st December, 2020 was filed with delay of one day and company has also paid Fine and penalty in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors during the financial year under review were in accordance and compliance with law.

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, 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. During the period, all the decisions in the Board meetings were carried out unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company had declared an interim dividend of Rs. 20 per equity share of Rs. 10 each fully paid up (200% of Face Value) for FY 2020-21 amounting to 7.88 Cr.

We further report that there has been no instance of following during the audit period:

- Public/ Rights/ Debentures/ Sweat equity.
- Redemption/ Buy-Back of securities.
- Major Decision taken by the Members in pursuance to section 180 of the Companies Act, 2013.
- Merger/ Amalgamation/ Reconstruction etc.
- Foreign Technical Collaborations.

However, Company has issued 310500 Convertible Warrants on preferential basis to Promoter and Non Promoter Persons during the Period under review. Out of which 250500 Warrants were converted into Equity Shares and 60000 warrants are outstanding as on 31.03.2021.

We also report that the compliances of other applicable laws, as listed in Para (VI) above, are based on the Management Certifications.

**For Devesh Arora & Associates**  
Company Secretaries

**Sd/-**  
**CS Devesh Arora**  
**Prop.**

Mem. No.: 49034

COP: 17860

UDIN: A049034C000866708

Date: 31.08.2021

Place: New Delhi

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

## Annexure-A

## Annexure-4

To,

The Members of GRM OVERSEAS LIMITED

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

1. Maintenance of Secretarial records 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 the 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. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the 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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Devesh Arora & Associates**

Company Secretaries

Sd/-

**Devesh Arora**

Prop.

Mem. No.: 49034

COP: 17860

UDIN: A049034C000866708

Date: 31.08.2021

Place: New Delhi

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

### CSR Policy

Our aim is to be one of the most respected companies in India delivering superior and everlasting value to all our customers, associates, shareholders, employees and Society at large.

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

To pursue these objectives we will continue to:

1. Work actively in areas of eradication of hunger and poverty, provide opportunity and financial assistance for the promotion of education, provide medical aid to the needy and down trodden.
2. Collaborate with like minded bodies like Voluntary organizations, charitable trusts, governments and academic institutes in pursuit of our goals.
3. Interact regularly with stakeholders, review and publicly report our CSR initiatives

2. **Composition of CSR committee:**

As required under section 135 of the Companies Act, 2013 the company has formed a CSR committee consisting of the following members

Sr. No.	Name of Director	Designation
1	Mr. Hukam Chand Garg	Chairman
2	Mr. Atul Garg	Member
3	Mrs. Kiran Dua	Member

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

Average net profit: Rs. 30,20,14,025/-

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

The company is required to spend Rs. 60,40,280/-

5. **Details of CSR spend for the financial year :**

- a) Total Amount left unspent for financial year 2019-2020: Rs.31626/-
- b) Total amount spent for the financial year: Rs. 61,00,000/-
- c) Amount unspent for the financial year 2020-2021 if any: Rs. 0.00/-
- d) Justification for unspent out 2% of the average net profit of the last 3 (three) financial years; due to non identification of proper projects which may guide the company towards such philanthropic to serve and match the need of the society.
- e) Manner in which the amount spent during the financial year is detailed below:

Sr. Project/ No. Activities	Sector	Location	Name of Implementing Agency	Amount Outlay (Budget Project or Programme wise (Rs. Lakh)	Amount spent on the project or programme (Rs. Lakh)	Cumulative Expenditure upto reporting period (Rs. Lakh)	Amount spent: Direct or through implementing agency*
1	Promotion of Education, medical and health services	Construction of Hospital and Educational Institute	Indraprastha Global Education and Research Foundation	20.00	20.00	20.00	through implementing agency
2	Covid 19 Awareness	Health Care Sector	Nitya Foundation	20.00	20.00	20.00	through implementing agency
3	Plantation	Environment	Bihar Muzaffarpur Nitya Foundation	21.00	21.00	21.00	through implementing agency

For and on behalf of the Board

Sd/-  
Atul Garg  
Managing Director & Chairperson  
DIN : 02380612

Sd/-  
Mamta Garg  
Director  
DIN : 05110727

## ANNEXURE TO THE DIRECTORS' REPORT

Annexure-5

### INFORMATION AS PER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013, FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2021

#### (1) Conservation of Energy

Regular preventive maintenance of all Plant & Machinery is carried out to enhance productivity and efficiency of Machineries resulting in considerable power saving.

	Current Year 2020-21	Previous Year 2019-20
<b>A. Power And Fuel Consumption</b>		
a) Purchase Units Total	58,65,886	52,13,782
Amount (Rs.)	4,83,18,261	4,40,06,541
Rate/Unit (Rs.)	8.24	8.44
b) Own Generation		
Through Diesel Generator		
Units (approx.)	2,83,932	4,20,185
Cost of Fuel	59,82,964	82,25,530
Cost/Units (Rs.)	21.07	19.58
<b>B. Consumption Per Unit (M.T.) of Production</b>		
Production Unit (M.T.)	34,807	29,394
Electricity	61,49,818	56,33,967

#### (2) Technology Absorption Research And Development

	Current Year 2020-21	Previous Year 2019-20
Specific Areas in which R & D carried out by the company Benefit derived as a result of the above R & D	None	None
Future plan of action	None	None

The Company would take R & D activities to improve quality and reduce cost by increasing cost efficiency at all levels.

#### (3) FOREIGN EXCHANGE EARNING AND OUTGO

	Current Year 2020-21	Previous Year 2019-20
Foreign Exchange Earnings	6,74,56,60,219	6,75,66,52,685
Foreign Exchange Outgo	NIL	1,87,90,371

By Order of the Board

Sd/-  
Atul Garg  
Managing Director & Chairperson  
DIN: 02380612

Sd/-  
Mamta Garg  
Director  
DIN: 05110727

Date: 01.09.2021  
Place: Panipat

## Annexure-6

## 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 arms length transaction under third proviso thereto.

### 1. Details of contracts or arrangements or transactions not at Arm's length basis.

S. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	NA
2.	Nature of contracts/arrangements/transaction	NA
3.	Duration of the contracts/arrangements/transaction	NA
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
5.	Justification for entering into such contracts or arrangements or transactions'	NA
6.	Date of approval by the Board	NA
7.	Amount paid as advances, if any	NA
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

### 2. Details of material contracts or arrangements or transactions at Arm's length basis.

S. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	NA
2.	Nature of contracts/arrangements/transaction	NA
3.	Duration of the contracts/arrangements/transaction	NA
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
5.	Date of approval by the Board	NA
6.	Amount paid as advances, if any	NA

For and on behalf of the Board of Directors

Sd/-  
Atul Garg  
Managing Director & Chairperson  
DIN: 02380612

Sd/-  
Mamta Garg  
Director  
DIN: 05110727

Place: Panipat  
Date: 01.09.2021

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2020-21

### 1. CORPORATE GOVERNANCE AND COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is about commitment to values and about ethical business conduct. It is about how an organization is managed. This includes its corporate and other structure, its culture, policies and the manner in which it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial performance, future plans and material development affecting the Company, is an integral part of Corporate Governance. The Adoption of good Corporate Governance practices helps to develop a good image of the organization, keeps stakeholders satisfied and attracts best talent. The Company has professional Directors on its Board.

Your Company, believes that sound Corporate Governance is critical to enhance and retain investors' trust and recognizes the importance of transparency and integrity in dealings at all levels. Accordingly, your Company is always keen to ensure that the business is carried on with integrity, honesty and fairness. The Company's philosophy is based on accountability, ethical conduct, compliance with statutes in true spirit, interest of all stakeholders, transparency and timely disclosure. The Company is in full compliance with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

### 2. BOARD OF DIRECTORS:

#### 2.1. SIZE AND COMPOSITION OF BOARD

The present policy of GRM Overseas Limited regarding size and composition of the Board is to have an optimum combination of Executive and Non-Executive Directors along with Woman Director which clearly demarcate the functions of governance and management. As on March 31, 2021, your Company's Board has a strength of 08 (Eight) Directors including 2 (Two) Women Director. The Chairman of the Board was a Executive Director. The composition of the Board is given below:

Category	Number of Directors	% to Total Number of Directors
Executive Directors	2	25.00
Non Executive, Non Independent Director	2	25.00
Non-Executive-Independent Directors	4	50.00

As per Regulation 17(1)(b) of the SEBI Listing Regulations, where the listed entity does not have a regular Non- Executive Chairperson, at least half of the Board of Directors shall comprise of Independent Directors. The Chairperson of GRM Overseas Board was a executive director. Accordingly, at least half of the Board of GRM Overseas should comprise of Independent Directors. Further, at present there are 4 (four) independent directors on the Board of GRM Overseas Limited which is in compliance with the provisions of Composition of Board as per SEBI Listing Regulations.

As per regulation 17(1)( c) of the SEBI Listing Regulations board of Director of top 1000 listed entity shall comprise of not less than six Directors. Accordingly, Company has 8 Directors on the Board of GRM Overseas Limited which is in compliance with the provisions of Composition of Board as per SEBI Listing Regulations.

**2.2. The names and categories of the Directors on the Board and the number of directorships and committee memberships/ chairmanship held by them in other Companies as on 31st March 2021 are given below:**

Name of Director (DIN)	Category of Director	No. of Directorship in the other Company	Number of Committee position held in other Company		Directorship in other listed entity (Category of Directorship)	Details of Share held by directors in the Company
			Chairperson	Member		
Mr. Hukam Chand Garg (00673276)	Non Executive (Non Independent Director)	1	Nil	Nil	Nil	1000200
Mr. Atul Garg (02380612)	Executive Director	3	Nil	Nil	Nil	911800
Mrs. Mamta Garg (05110727)	Executive Director	1	Nil	Nil	Nil	909250
Mr. Nipun Jain (01075283)	Non Executive (Non Independent Director)	2	Nil	Nil	Nil	Nil
Mr. Vishnu Bhagwan (00605506)	Non Executive (Independent Director)	Nil	Nil	Nil	Nil	Nil
Mrs. Kiran Dua (06951055)	Non Executive (Independent Director)	Nil	Nil	Nil	Nil	3000
Mr. Raj Kumar Garg (08213680)	Non Executive (Independent Director)	Nil	Nil	Nil	Nil	Nil
Mr. Gautam Gupta (08519079)	Non Executive (Independent Director)	Nil	Nil	Nil	Nil	Nil

None of the Directors on the Board is a member of more than 10 (ten) Committees or Chairman of more than 5 (five) Committees as specified in Regulation 26 of Listing Regulations. The Directors have made necessary disclosures regarding committee positions in other Companies as at 31st March 2021.

**2.3. BOARD MEETINGS AND PROCEDURE**

**A. Board Meetings**

Company's Corporate Governance Policy requires the Board to meet at least four times in a year. The maximum gap between two board meetings should not be more than 120 (One hundred and twenty) days as prescribed under Regulation 17 of the SEBI Listing Regulations. Additional board meetings may be convened to address the specific needs of the Company.

**B. Board Procedure**

The Board Meetings are governed by a structured agenda and agenda papers are supported by comprehensive background information to enable directors to take informed decisions. The Managing Director and Company Secretary in consultation with other directors and members of Senior Management, finalize the agenda papers for the Board Meetings.

Detailed Agenda and other explanatory statements in defined agenda format are circulated well in advance before the meeting amongst the board members for facilitating meaningful, informed and focused decisions at the meetings. In case of exigencies or urgency, resolutions are passed by circulation.

In addition to the above information, the Board is also kept informed of major events/items wherever necessary. The Managing Director at the Board Meetings keeps the Board apprised of the overall performance of the Company.

Minutes of proceedings of Board Meetings are properly recorded. The draft Minutes are circulated amongst the members of Board for their comments in terms of applicable Secretarial Standards issued by the Institute of Company Secretaries of India. The final minutes of proceedings of meetings are entered in Minutes Book and signed by the Chairman of the Board within the prescribed timelines. The Company fully complies with the provisions of the Companies Act, 2013, Listing Regulations and Secretarial Standard on Meetings of the Board of Directors in this regard.

**C. LIMIT ON THE NUMBER OF DIRECTORSHIPS**

None of the Directors is a director in more than 10 public limited companies (as specified in section 165 of the Act) or acts as an Independent Director in more than 7 listed companies or 3 listed companies in case he/ she serves as whole-time director in any listed company (as specified in Regulation 17A of SEBI (LODR) Regulations). None of our Executive Directors are serving as an Independent Director in any other listed entity.

**D. NUMBER OF BOARD MEETINGS**

During the year ended March 31, 2021, Eleven Board Meetings were held on June 17, 2020; July 28, 2020; August 28, 2020; September 14, 2020; November 11, 2020; December 15, 2020; January 21, 2021; February 08, 2021; February 13, 2021; February 25, 2021; March 10, 2021.

**E. DIRECTORS' ATTENDANCE RECORD**

Name of The Director and DIN	Board Meetings Attended During The year	Whether Attended Last AGM
Mr. Hukam Chand Garg (DIN: 00673276)	11	Yes
Mrs. Mamta Garg (DIN: 05110727)	11	Yes
Mr. Atul Garg (DIN: 02380612)	11	Yes
Mr. Gautam Gupta (DIN: 08519079)	11	Yes
Mr. Vishnu Bhagwan (DIN: 00605506)	01	No
Mrs. Kiran Dua (DIN: 06951055)	11	Yes
Mr. Nipun Jain (DIN: 01075283)	11	No
Mr. Raj Kumar Garg (DIN: 08213680)	11	Yes

**F. INTER-SE RELATIONSHIP AMONGST DIRECTORS**

Name of Director	Relationship with other Directors
Mr. Hukam Chand Garg	Atul Garg, Son Mamta Garg, Daughter in Law
Mr. Atul Garg	Hukam Chand Garg, Father Mamta Garg, Wife of Brother
Mrs. Mamta Garg	Atul Garg, Brother of Husband Hukam Chan Garg, Father in Law



**G. NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY EXECUTIVE AND NON-EXECUTIVE DIRECTORS;**

Sr. No.	Name of Director	Category	Number of Share
1	Mr. Hukam Chand Garg	Non-Executive Director	1000200
2	Mr. Atul Garg	Executive Director	911800
3	Mrs. Mamta Garg	Executive Director	909250
4	Mrs. Kiran Dua	Non-Executive-Independent Director	3000

**H. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**

In compliance with the provisions of Regulation 25 of the SEBI Listing Regulations, all Independent Directors are familiarized about the company, through various programs from time to time, including the following:

- nature of the industry in which the company operates;
- business model of the company;
- roles, rights and responsibilities of Independent Directors; and
- any other relevant information.

The Company conducts familiarization program for Independent Directors at regular intervals. The details of the same are given at the following web link of the Company <http://www.gmrice.com/investor/>

**I. SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS SPECIFYING THE FOLLOWING**

- The list of core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively are as follows:

- Appropriate Educational background,- Good Communication,- Leadership skills,- Management skills,- Decision making ability,- Accounting or related financial management expertise,- Business Background

- Names of directors who have such skills / expertise / competence.

Key Skill/ Expertise/ Competencies	Name of Directors							
	Hukam Chand Garg	Atul Garg	Mamta Garg	Nipun Jain	Raj Kumar Garg	Kiran Dua	Vishnu Bhagwan	Gautam Gupta
Appropriate Educational background	✓	✓	✓	✓	✓	✓	✓	✓
Good Communication		✓	✓	✓	✓		✓	✓
Leadership skills	✓	✓	✓	✓	✓	✓	✓	
Management skills	✓	✓	✓	✓	✓	✓	✓	✓
Decision making ability	✓	✓	✓	✓	✓	✓	✓	✓
Accounting or related financial management expertise		✓	✓	✓	✓	✓	✓	✓
Business Background	✓	✓	✓		✓	✓		✓

**J. CONFIRMATION OF INDEPENDENCE OF INDEPENDENT DIRECTOR**

It is hereby confirmed that in the opinion of the board of directors of the company, the independent directors of the company fulfill the conditions specified in the securities and exchange board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and are independent of the management.

**K. DETAILED REASONS FOR THE RESIGNATION OF AN INDEPENDENT DIRECTOR WHO RESIGNS BEFORE THE EXPIRY OF HIS TENURE ALONG WITH A CONFIRMATION BY SUCH DIRECTOR THAT THERE ARE NO OTHER MATERIAL REASONS OTHER THAN THOSE PROVIDE.**

No Independent Director has resigned from the Board of Directors of the Company during the year 2020-21.

**3. COMMITTEES OF THE BOARD**
**A. AUDIT COMMITTEE**

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence and performance of the statutory auditors and the internal auditors and to meet out the requirements of Listing Regulations.

**i. Terms of Reference:**

The terms of reference of the Audit Committee covers all matters specified under Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013 which inter-alia includes the following:

**The Audit Committee has the following powers:**

- To investigate any activity within its terms of reference.
- To seek information from any employee and from the records of the Company.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

**The role of the Audit Committee includes the following:**

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of Statutory Auditors and the fixation of Audit Fees.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.

- Disclosure of any related party transactions.
  - Modified opinion(s) in draft audit report.
- 6) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
  - 7) Examination of the financial statement and the auditors' report thereon.
  - 8) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  - 9) Reviewing with the management, the performance of Statutory and Internal Auditors, adequacy of internal control systems & to ensure compliance of internal control systems.
  - 10) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
  - 11) Discussion with Internal Auditors, any significant findings and follow up thereon and scope of Internal Audit.
  - 12) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  - 13) Discussion with Statutory Auditor before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain areas of concern including observations of auditors.
  - 14) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - 15) To review the functioning of the Whistle Blower Mechanism, if any.
  - 16) Approval of Appointment of CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.
  - 17) Carrying out such other function(s) as may be specifically referred to the Committee by the Board of Directors and/or other Committee(s) of Directors of the Company.
  - 18) To review the following information:
    - The management's discussion and analysis of financial condition and results of operations;
    - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
    - All material individual transactions with related parties or others, which are not on an arm's length basis, together with management's justification for the same;
    - Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
    - Internal audit reports relating to internal control weaknesses.
  - 19) Approval or any subsequent modification of transactions of the Company with related parties.
  - 20) Scrutiny of inter-corporate loans and investments
  - 21) Valuation of undertakings or assets of the Company, wherever it is necessary.
  - 22) The appointment, removal and terms of remuneration of the Chief Internal Auditor if any shall be subject to review by the Audit Committee.
  - 23) To review and monitor management responsiveness to findings and recommendations of Internal Auditors.
  - 24) Review the Company's Compliance with employee's benefits plans.
  - 25) Oversee and review the Company policies regarding information technology and management information systems.

## ii) Composition:

At the end of closure of Financial year ended 31st March 2021 the Audit committee consists of three independent directors, Ms. Kiran Dua, Mr. Gautam Gupta and Mr. Raj Kumar Garg. Mr. Raj Kumar Garg has been designated as chairman of the committee. The committee met 4 times during the financial year ended March 31, 2021 on 28 July, 2020; 14 September, 2020; 11 November, 2020; 13 February, 2021. The attendance records of the members at the meeting were as follows:

Name of The Member	Designation	No Meetings of Attended
Mr. Raj Kumar Garg	Chairman	4
Mrs. Kiran Dua	Member	4
Mr. Gautam Gupta	Member	4

## B. NOMINATION & REMUNERATION COMMITTEE AND POLICY:

### i. Terms of reference:

- 1) It shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- 2) It shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- 3) It shall, while formulating the remuneration policy ensure that –
  - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The above terms of reference are in line with the provisions of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

### ii. Remuneration Policy

The Remuneration policy of the Company is to lay down a framework in relation to remuneration of Directors, KMP, Senior Management Personnel and other Employees and directed towards rewarding performance, based on review of achievements on periodic basis.

The remuneration paid to Directors, Key Managerial Personnel (KMP) and Senior Management is recommended by the Remuneration Committee and approved by the Board of Directors in the Board Meeting, subject to the subsequent approval by the shareholders (for Directors only) at the General Meeting and such other authorities, as the case may be.

The Non-Executive Directors will be paid with the sitting fee, if any, subject to the approval of Board of Directors/ including any sub-committee thereof, upto the limit as specified under the Companies Act, 2013 and also in Compliance with the SEBI Listing Regulations.

The Nomination and Remuneration policy is available on the website of the company at [www.grmrice.com](http://www.grmrice.com)

### iii. Composition:

- a) The appointment & remuneration committee comprises of three independent Directors as on 31st March 2021.

Name	Designation
Mr. Raj Kumar Garg	Chairman
Mr. Gautam Gupta	Member
Ms. Kiran Dua	Member

The committee met 2 times during the financial year ended March 31, 2021 on 28th July, 2020 and 28 August, 2020. The attendance record of the members at the meeting were as follows:

Name of The Member	Designation	No Meetings of Attended
Mr. Raj Kumar Garg	Chairman	2
Mrs. Kiran Dua	Member	2
Mr. Gautam Gupta	Member	2

### iv. Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

## C. STAKEHOLDER'S RELATIONSHIP COMMITTEE:

### i. Terms of Reference

The terms of reference and the ambit of powers of Stakeholders Relationship Committee are as per Regulation 20 and Part-D of Schedule II of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013, and allied rules as may be notified from time to time.

### ii. Composition:

- a) The Committee consists of three independent directors as on closure of Financial year ended 31st March 2021, Mrs. Kiran Dua, Mr. Gautam Gupta and Mr. Raj Kumar Garg and Mr. Raj Kumar Garg has been designated as chairman of the committee. The committee met Three time during the financial year ended March 31, 2021 on 20 December, 2020; 25 February, 2021; 10 March, 2021. The attendance record of the members at the meeting were as follows:

Name of The Member	Designation	No Meetings of Attended
Mr. Raj Kumar Garg	Chairman	3
Mrs. Gautam Gupta	Member	3
Mr. Kiran Dua	Member	3

\*Mr. Balveer Singh as designated as Company Secretary and Compliance officer of the Company.

### b) The Stakeholders Relationship Committee of GRM Overseas Limited is responsible for the Duties and functions which includes the following:

- To approve or deal with applications for Transfer, Transmission, Transposition and Mutation of Share Certificates including duplicate, split, sub-division or consolidation of certificates and to deal with all related matters.
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

### c) During the year 2020-21, complaints were received from shareholders and investors are as follows:

#### Investor Grievance Redressal:

Pursuant to the Regulation 13 of SEBI Listing Regulations, Company has duly filed with the recognized stock exchange(s) on a quarterly basis, within twenty one days from the end of each quarter, a statement giving the number of investor complaints pending at the beginning of the quarter, those received during the quarter, disposed off during the quarter and those remaining unresolved at the end of the quarter.

Complaints received from Investors/ shareholders are promptly attended to.

Status of complaints received, resolved and pending during the Financial Year 2020-21 is as follows:

Opening	Received	Resolved	Closing
0	0	0	0

As on March 31, 2021, no request for registration of transfer of shares/dematerialization was pending.

### d) Process of transfer of shares

All complete and valid requests for transfer/transmission of shares are given effect to within the time stipulated in the SEBI (LODR) Regulations, 2015.

## D. RISK MANAGEMENT COMMITTEE:

The Company has formed a Risk Management Committee ("RMC") as per the Regulation 21 of the SEBI (LODR) Regulations on 12th August, 2021. As on 31.03.2021, Risk Management Committee was not Applicable.

### a) Terms of Reference

- laying down risk assessment and minimization procedures and the procedures to inform Board on the same;
- framing, implementing, reviewing and monitoring the Risk Management Policy for the Company and strengthening of the risk management systems;
- monitoring and reviewing from time to time the approved risk management plan and also to review and consider any other matter that may be delegated to it by the Board from time to time;

- iv. working with head / in-charge of the respective department / function to ensure that the risk management processes are implemented in accordance with agreed risk management policy and strategy;
- v. allocating adequate resources to mitigate and manage risk and minimise their adverse impact on outcomes;
- vi. provide advice and tools to staff, management and Board on risk management issues within the organisation, including facilitating workshops in risk identification;
- vii. oversee and update organisational-wide risk profiles, with input from head / in-charge of the respective department / function;
- viii. monitor and review the functioning of cyber security of the Company;
- ix. performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee

#### b) Composition and meeting

Name of The Member	Designation	No Meetings of Attended
Mr. Raj Kumar Garg	Chairman	NA
Mr. Gautam Gupta	Member	NA
Mrs. Nidhi	Member	NA

#### E. REMUNERATION OF DIRECTORS

##### Remuneration to Executive and Non Executive Director and Criteria for making payment to Non Executive Director:

The Company does not have any pecuniary relationship with any of its Non-Executive Directors.

Mr. Hukam Chand Garg ,Non Executive Director and Mrs. Kiran Dua, Non Executive Independent Director hold share in the company which are as follows:

Sr. No.	Name of Director	Category	Number of Share
1	Mr. Hukam Chand Garg	Non executive Director	1000200
2	Mrs. Kiran Dua	Non Executive-Independent Director	3000

The Non-Executive Independent Directors are not paid any remuneration and sitting fee for attending meetings of the Board and the Committees. Criteria for Making payment to Non Executive director is placed on the website of the company on following link: <http://www.grmrice.com/wp-content/uploads/2012/06/Criteria-of-Making-Payment-to-Non-Executive-Director.pdf>

#### a) Non Executive Directors and Executive Directors

Sr. No.	Name of Director	Category	Salary including perquisites and allowances	Commission	Sitting Fee
1.	Mr. Hukam Chand Garg	NE-Non Independent Director	Nil	Nil	Nil
2.	Mr. Atul Garg	Managing Director	168.00 Lakh	Nil	Nil
3.	Mrs. Mamta Garg	Executive Director	96.00 Lakh	Nil	Nil
4.	Mr. Nipun Jain	NE-Non Independent Director	Nil	Nil	Nil
5.	Mr. Vishnu Bhagwan	NE-Independent Director	Nil	Nil	Nil
6.	Mr. Rajkumar Garg	NE-Independent Director	Nil	Nil	Nil
7.	Mrs. Kiran Dua	NE-Independent Director	Nil	Nil	Nil
8.	Mr. Gautam Gupta	NE-Independent Director	Nil	Nil	Nil

• Services of the Managing Director and Executive Director may be terminated as determined by Nomination and remuneration committee and Board. There is no separate provision for payment of severance pay.

#### F. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In accordance with provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, Company has a well-established Corporate Social Responsibility Committee, to formulate and recommend to the Board, CSR activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013, to recommend the amount of expenditure to be incurred on such activities and to monitor the Corporate Social Responsibility Policy of the company from time to time.

The Corporate Social Responsibility Committee of GRM Overseas is responsible for the functions which includes the following:

- Formulate and Recommend to the Board, a Corporate Social responsibility Policy which shall indicate the activities to be under taken by the company as specified in Schedule VII of the Companies Act, 2013.
- To recommend the amount of expenditure to be incurred on the activities referred in policy.
- Monitoring Corporate Social Responsibility Policy of the company from time to time.
- Prepare transparent monitoring mechanism for ensuring implementation of the projects, programmes, activities proposed to be undertaken by the Company.

The Duties of the Corporate Social Responsibility Committee of GRM Overseas includes the following:

- Consider and formulate the Company's value and strategy as regards to CSR.
- Develop and review the CSR policies relating to workplace quality, environmental protection, operating practices and community involvement.
- Identify CSR issues, and related risks and opportunities that are relevant to the Company's operations, and incorporate the issues or factors into the Company's existing risk management.
- Monitor and oversee the implementation of the Company's CSR policies and practices to ensure compliance with the applicable legal and regulatory requirements.
- Evaluate and enhance the Company's CSR performance and make recommendation to the Board for improvement.
- Review and endorse the Company's Annual CSR Report for Board's approval for public disclosure.
- Contribute towards better society and a Cleaner Environment.
- Develop and review the CSR policies relating to workplace quality, Environmental Protection, Operating Practices and Community Involvement.

- Identify CSR issues, and related risks and opportunities that are relevant to the Company's operations, and incorporate the issues or factors into the Company's existing Risk Management.
- Evaluate and enhance Company's CSR performance and make recommendation to the Board for improvement.
- Prepare Transparent monitoring mechanism for ensuring implementation of the projects, programs, activities proposed to be undertaken by GRM Overseas.
- Monitor Corporate Social Responsibility Policy of GRM Overseas from time to time.

The company has formulated the CSR Policy in line with Schedule VII of the Companies Act, 2013, which is available on the website of the Company at [www.grmrice.com](http://www.grmrice.com)

#### Composition of the Committee

As required under section 135 of the Companies Act, 2013 the company has formed a CSR committee consisting of the following members:

Name of Director	Designation
Mr. Hukam Chand Garg	Chairman
Mr. Atul Garg	Member
Mrs. Kiran Dua	Member

The committee met 1 time during the financial year ended March 31, 2021 on 08 February, 2021. The attendance record of the members at the meeting were as follows:

Name of Members	Designation	No Meetings of Attended
Mr. Hukam Chand Garg	Chairman	1
Mr. Atul Garg	Member	1
Mrs. Kiran Dua	Member	1

#### 4. GENERAL BODY MEETING

##### a) Details of last three Annual General Meetings are as under.

Financial Year	Date	Time	Venue
2019-2020	30-09-2020	11:00 A.M	MH One Resort Hotel Bakoli Alipur, Main G.T. Karnal Road Delhi-110036
2018-2019	30-09-2019	11:00 A.M	MH One Resort Hotel Bakoli Alipur, Main G.T. Karnal Road Delhi-110036
2017-2018	29-09-2018	11:00 A.M	MH One Resort Hotel Bakoli Alipur, Main G.T. Karnal Road Delhi-110036

##### Extra Ordinary General Meeting

One Extra Ordinary General Meeting of the members was held during FY 2020-21 on January 13, 2021. Details are as follows:

Financial Year	Date	Time	Venue
2020-21	13-01-2021	09:00 AM	Hotel Live, Opposite Pillar No. 41, Grand Trunk Road, Panipat, Haryana-132103

##### b) Special resolution:

Year	2018	2019	2020
Resolutions	<ol style="list-style-type: none"> <li>To Appoint Mr. Raj Kumar Garg as Independent Director of Company</li> <li>To Appoint Mr. Pardeep Kumar Singal as Independent Director of Company</li> <li>To Approve Payment of Remuneration of Mr. Rohit Garg, Managing Director of Company.</li> <li>To Approve Payment of Remuneration of Mr. Atul Garg, Joint Managing Director of Company.</li> <li>To approve the continuation of Mr. Hukam Chand Garg as non-executive director on the Board of the Company who as attained age of 75 Years</li> </ol>	<ol style="list-style-type: none"> <li>To Approve appointment and payment of Remuneration of Mr. Atul Garg, Managing Director of Company.</li> <li>To approve remuneration of Mrs. Mamta Garg, Executive Director of company.</li> <li>To approve the appointment Mr. Vishnu Bhagwan as non-executive Independent director on the Board of the Company who as attained age of 75 Years</li> <li>To Appoint Mrs. Kiran Dua for 2nd Term as Independent Director of Company</li> </ol>	<ol style="list-style-type: none"> <li>To approve Increase of remuneration of Mr. Atul Garg as Managing Director of the Company</li> <li>To approve Increase of remuneration of Mrs. Mamta Garg as a Executive Director of the Company</li> <li>To Approve Increase of the borrowing Limit of Company Under Section 180(1)(C) of Companies Act, 2013</li> <li>To Approve Increase of Limit of Creation of Charge on the Assets of the Company on borrowing under Section 180(1)(a) of Companies Act, 2013</li> </ol>

##### c) Postal Ballot:

For the year ended March 31, 2021 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot. However, company has approved the Postal Ballot exercise in the Meeting of Board of Director held on March 10, 2021 and resolutions were passed by the Shareholders through Postal Ballot on April 15, 2021.

##### d) Conduct the Postal Ballot Exercise

For the year ended March 31, 2021 there have been no Postal Ballot Exercise conducted.

#### e) Details of special resolution proposed to be conducted through postal ballot

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

#### f) Procedure of Postal ballot

No Resolution was passed by the Shareholders through Postal ballot

### 5. MEANS OF COMMUNICATION

The Quarterly Un-Audited (Provisional) Results and the Annual Audited Financial results of the company are sent to the stock exchanges immediately after they are approved by the Board and are also published in one vernacular news paper and one English newspaper which include The Financial Express and Jansatta. Also they are uploaded on the company's website www.grmrice.com. The results are published in accordance with the guidelines of the Stock Exchanges.

### 6. SHAREHOLDERS INFORMATION

#### a) Annual General Meeting

**Date:** September 28, 2021

**Venue:** 27th Annual General Meeting will be held on Tuesday, September 28, 2021 through Video conferencing or OAVM at 11:30 a.m.

#### b) Financial Year:

April 01 to March 31. For the financial year 2021-22, the tentative dates for declaration of Quarterly unaudited results will be by Mid of August, 2021, Mid of November, 2021, Mid of February, 2022 and Mid of May, 2022.

#### c) Dividend Payment Date:

No Final Dividend is recommended by the Board for the Approval of Members at the Ensuing Annual General Meeting.

#### d) Book Closure:

The register of members and share transfer books of the company shall remain closed from September 22, 2021 to September 28, 2021 (both days inclusive) for purpose of Annual General Meeting.

#### e) Listing in stock exchange and stock code

The names of stock exchanges at which the equity shares are listed, respective stock code and ISIN are as under:

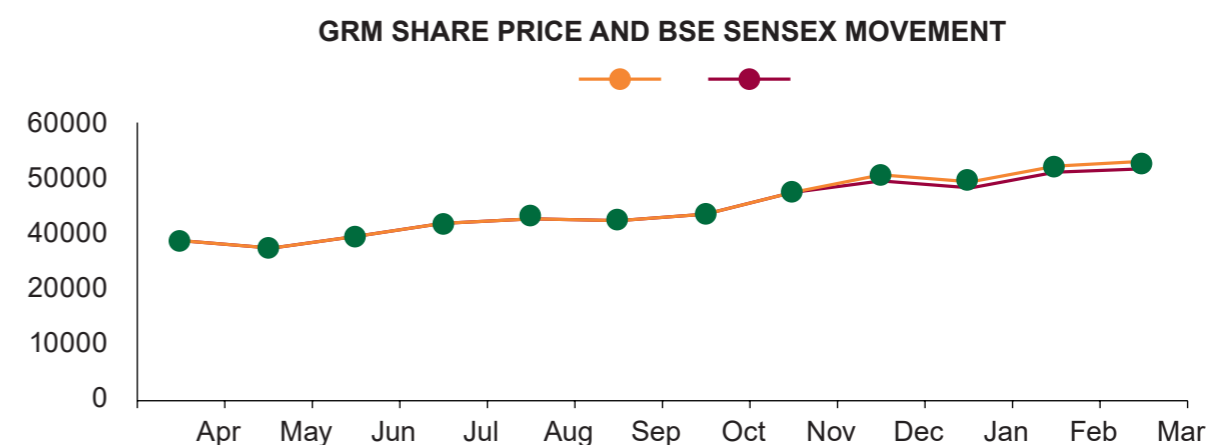
Name of the stock Exchange	Stock Code No.	ISIN
The Bombay Stock Exchange BSE Limited, P. J. Towers, Dalal Street, Mumbai 400 001	531449	INE192H01012

#### f) Market Price Data:

High/Low of Market price of Company's equity shares traded on the Bombay Stock Exchange Ltd. during the financial year ended on March 31, 2021 was as follows:

Month	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
High Price	182.4	164.15	181.5	243.4	406	365	340	374.6	560	623.9	1094.9	1615.75
Low Price	142	123.55	147.15	155	251.5	293.2	308	310.2	340	466.6	514	1003.05

#### g) Performance in comparison to broad-based indices such as BSE Sensex



#### h) Share Transfers Agents:

##### M/s MAS Services Limited

T-34 IInd Floor, Okhla Industrial Area, Phase -II, New Delhi- 110020.  
Email- Info@Masserv.com

#### i) Share Transfer System:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

**j) Distribution of shareholding as on March 31, 2021.**

Nominal Value of Shares	No. of Share Holders	% of Total	Amount	% of Total
Upto Rs. 2,500	1442	84.229	5,74,880	1.459
2501 to 5000	121	7.068	4,67,780	1.187
5001 to 10000	70	4.089	5,73,820	1.456
10001 to 20000	29	1.694	4,10,970	1.043
20001 to 30000	11	0.643	2,77,520	0.704
30001 to 40000	4	0.234	1,37,700	0.349
40001 to 50000	3	0.175	1,36,000	0.345
50001 to 100000	13	0.759	8,97,840	2.279
100001 & above	19	1.110	3,59,23,490	91.176
<b>TOTAL</b>	<b>1712</b>	<b>100.00</b>	<b>3,94,00,000</b>	<b>100.00</b>

**Share Holding Pattern:**

Sr. No.	Category	No. of Shares	% of Share holding
1	Promoters	2,821,250	71.61
2	Banks/Financial institutions	124,000	3.15
3	Central/State Govt.	88,575	2.25
4	Indian Individuals/HUF	555,966	14.11
5	Indian Corporate Bodies/Trust	145,869	3.70
6	Investor Education and protection fund	179,165	4.55
7	Non Resident Indians/ Clearing Members	25,175	0.64
<b>TOTAL</b>		<b>3,940,000</b>	<b>100.00</b>

**k) Dematerialization of shares and liquidity**

The Company's shares are compulsorily traded in dematerialized form on BSE. 3912850 Equity shares of the Company representing 99.31 percent of the Company's equity share capital are dematerialized as on March 31, 2021. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE192H01012.

**l) Outstanding GDR's/ADR's/Warrant's/Convertible instruments and their impact on equity**

The Company has not issued any GDRs/ADRs in the past and hence, as on March 31, 2021, the Company does not have any outstanding GDRs/ADRs. However, Company has issued 310500 warrants during the Financial Year 2020-21 out of Which 250500 Warrants were converted into equity shares and 60000 warrants are outstanding as on 31.03.2021.

**m) Commodity price risk or foreign exchange risk and hedging activities:**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

**n) Plant Location:**

**a) GRM OVERSEAS LIMITED,**  
Gohana Road, (Near Sugar Mill), Panipat-132 103 (Haryana)

**b) GRM OVERSEAS LIMITED,**  
Gohana Road, Village Naultha, Panipat-132103(Haryana)

**c) GRM OVERSEAS LIMITED**  
328-329, GIDC Estate, Near Mid India Gandhidham Road, Mithirohar Taluka, Gandhidham, Kutch, Gujrat

**d) Address for correspondence:**

GRM OVERSEAS LIMITED,  
128, First Floor, Shiva Market, Pitampura, Delhi-110034.  
Website: www.grmrice.com,  
Email: investor.grm@gmail.com

**o) Transfer of Unpaid/Unclaimed Dividend Amount to Investor Education and Protection Fund (IEPF)**

As per the provisions of Section 124 (5) & 124(6) of the Companies Act, 2013, the Company is required to transfer unpaid dividends remaining unclaimed and unpaid for a period of 7 years from the due date (s) to the IEPF setup by the Central Govt.

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

Further in terms of the Ministry of Corporate Affairs (MCA) Circular dated May 10, 2012, the Company has filed necessary details with the office of the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

All Shareholders, whose dividend is unclaimed pertaining to FY 2013-14 onwards, are requested to lodge their claim with RTA / Company by submitting an application supported by an indemnity on or before their respective date of transfer to IEPF as subsequently no claim will lie against the Company, once this amount is deposited with IEPF. Given below are the details when the unclaimed dividend is due for transfer to IEPF by the Company:

Financial Year	Date of Declaration	Due date of Transfer of IEPF*
2013-14	30.09.2014	30.10.2021
2017-18	29.09.2018	30.10.2025
2018-19	30.09.2019	30.10.2026
2019-20	30.09.2020	30.10.2027
2020-21	10.03.2021	15.04.2028

\*Indicative date, actual may vary

**7. Other Disclosure**

a) During the year, there were no transactions of material nature with the related parties that had potential conflict with the interest of the Company at large.

- b) There were no instances of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years. However, Company has delayed Shareholding pattern by one day during the Financial Year 2020-21 and Stock Exchange Imposed Fine of Rs. 2360 inclusive of GST in terms SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020.
- c) The Company has formulated Whistle Blower Policy and the same has been posted on website of the Company at [www.grmrice.com](http://www.grmrice.com). No employee of the Company has been denied access to the Audit Committee to make any representation
- d) Company has complied with the mandatory requirements of Regulation 17 of SEBI (LODR) Regulations, 2015.
- e) web link where policy for determining 'material' subsidiaries is disclosed: <http://www.grmrice.com/wp-content/uploads/2012/06/Policy-on-Material-Subsidiary-Final.pdf>
- f) web link where policy on dealing with related party transactions: <http://www.grmrice.com/wp-content/uploads/2012/06/Policy-on-RPT-final.pdf>
- g) Company has not hedged any commodity price risk and there are no Commodity hedging Activity.
- h) The Company has not obtained any public funding during the Financial Year ended 31st March 2021.
- i) **Details of utilization of funds raised through preferential allotment:**

During the year under review, the Company raised the funds through (i) issue of warrants convertible into equity shares on preferential basis to promoter and Non Promoter persons and. the funds raised through the respective issues were utilised for the purpose for which it was raised.

- j) A certificate from a Devesh Arora & Associates, company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is obtained and annexed in **Annexure-C**.
- k) There is no event where board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year.
- l) Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Particulars	Year Ended 31 <sup>st</sup> March, 2021 Amount in Lakhs
Audit Fees	2.5
Taxation Matters	0.95
Fees for other Services	0.18
<b>Total</b>	<b>3.63</b>

**m) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- a. number of complaints filed during the financial year: Nil
- b. number of complaints disposed of during the financial year: N.A.
- c. number of complaints pending as on end of the financial year: Nil

**8. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed.**

The Company has complied with the requirements of Corporate Governance report of sub paras (2) to (10) as per Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

**9.** Company has adopted discretionary requirements as specified in Para E to Schedule II to SEBI (LODR) Regulations, 2015 to the extent to maintenance of Chairperson's office, having separate posts of Chairperson and Chief Executive Officer, moving towards a regime of Financial Statements with unmodified opinion and reporting of Internal Auditor directly to Audit Committee.

**10. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46 OF LISTING REGULATIONS**

The Company has complied with the applicable provisions of Listing Regulations including Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46. Further, there is no non-compliance of any requirement of corporate governance report of sub paras (2) to (10) of Part C to Schedule V.

**11.** Declaration signed by the Managing Director stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management. **Annexure-A**

**12. CERTIFICATE FROM PRACTICING COMPANY SECRETARY REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

M/s. Devesh Arora & Associates, Company Secretaries has audited the conditions of the Corporate Governance and after being satisfied with the compliance of the same, a certificate on compliance of the same has been issued to the Company, which is attached to this report. **Annexure-B**

**13. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

As required by Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Certificate from Devesh Arora & Associates, Company Secretaries is attached. **Annexure-C**

**14. CEO/ CFO Certification (Compliance Certificate)**

As required by Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, The CEO and CFO certification on the Financial Statements and the cash flow statement for the year is given at the end of the report on Corporate Governance as **Annexure D**

**15.** The Company don't have any Demat suspense account/unclaimed suspense account, as the same is not required.

**16.** The Company has established a comprehensive Enterprise Risk Management (ERM) Policy that includes risk identification, risk assessment, risk mitigation and monitoring on a periodic basis. External and internal risk factors that could potentially affect performance of the Company vis-a-vis stated objectives are identified and reported in the business review meetings periodically. These are subsequently reported to the Board.

**17.** Directors' Report has a detailed section on Management Discussion and Analysis covering inter-alia a separate section on Risk Management.

**18.** Company files quarterly compliance report on Corporate Governance with Stock Exchanges pursuant to Regulation 27 of SEBI (LODR) Regulations, 2015 and copies thereof are placed before the next Board Meeting.

**19.** As required by Regulation 36(3) of SEBI (LODR) Regulations, 2015, particulars of directors seeking appointment/ re-appointment are given in the Notice convening the ensuing Annual General Meeting.



## Annexure A

**DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT**

In terms of the requirements of Listing Obligation and Disclosure Requirements 2015, this is to confirm that all the members of the Board and the Senior Management personnel have affirmed Compliance with the Code of Conduct for the year ended March 31, 2021.

**For and on behalf of the Board of Directors**

**Sd/-**  
**Atul Garg**  
**Managing Director & Chairperson**  
DIN: 02380612

**Sd/-**  
**Mamta Garg**  
**Director**  
DIN: 05110727

Place: Panipat  
Date: 01.09.2021

## Annexure-B

**PRACTICING COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE**

**To,**  
**The Members**  
M/s GRM OVERSEAS LIMITED  
128, First Floor, Shiva Market Pitampura North Delhi-110034

We have examined the compliance of conditions of Corporate Governance by GRM Overseas Limited. ("the Company"), for the financial year ended March 31, 2021, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Devesh Arora & Associates**  
**Company Secretaries**

**Sd/-**  
**CS Devesh Arora**  
**Prop.**  
Mem. No.: 49034  
COP: 17860  
UDIN - A049034C000866719

Date: 31.08.2021  
Place: New Delhi

## Annexure-C

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members of GRM OVERSEAS LIMITED

We have examined the relevant registers, records, forms, returns disclosures received from the Directors of GRM OVERSEAS LIMITED having CIN and L74899DL1995PLC064007 and having registered office at 128, 1ST Floor, Shiva Market, Pitampura, Delhi-110034 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended 31st March 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or by any other such Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the Company
1	Mr. Hukam Chand Garg	00673276	03/01/1995
2	Mr. Atul Garg	02380612	14/02/2011
3	Mrs. Kiran Dua	06951055	20/08/2014
4	Mr. Nipun Jain	01075283	14/08/2018
5	Mr. Raj Kumar Garg	08213680	29/09/2018
6	Mr. Vishnu Bhagwan	00605506	29/03/2019
7	Mrs. Mamta Garg	05110727	14/08/2019
8	Mr. Gautam Gupta	08519079	14/08/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Devesh Arora & Associates  
Company Secretaries**

Sd/-  
Devesh Arora  
Prop.  
Mem. No.: 49034  
CP No. 17860  
UDIN - A049034C000866697

Date: 31.08.2021  
Place: New Delhi

## Annexure-D

## CERTIFICATE OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER ON CORPORATE GOVERNANCE

The Board of Directors  
M/s. GRM Overseas Limited,  
128, First Floor, Shiva Market Pitampura North Delhi 110034

We, Atul Garg, Managing Director and Rattan Lal Mittal, Chief Financial Officer, responsible for finance function certify that:

- We have reviewed financial statements and the cash flow statement for the year ended on March 31, 2021 and that to the best of our knowledge and belief:
  - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing Indian Accounting Standards (Ind AS), applicable laws and regulations.
- There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended on March 31, 2021 which are fraudulent, illegal or violative of the Company's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- The Company's other certifying officers and we have disclosed, based on our recent evaluation, wherever applicable, to the Company's Auditors and through them to the Audit Committee of the Company's Board of Directors:
  - significant changes in internal control over financial reporting during the year 2020-21;
  - significant changes in accounting policies during the year 2020-21 and that the same have been disclosed in the notes to the financial statements; and

Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
Atul Garg  
Managing Director & Chairperson  
DIN: 02380612

Sd/-  
Rattan Lal Mittal  
Chief Financial Officer

Place: Panipat  
Date: 01.09.2021

## BUSINESS RESPONSIBILITY REPORT

### Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L74899DL1995PLC064007
2	Name of the Company	GRM OVERSEAS LIMITED
3	Registered Address	128, First Floor, Shiva Market Pitampura North Delhi DI 110034
4	Website	www.grmrice.com
5	E-mail	Investor.grm@gmail.com
6	Financial year reported	FY 2020-21
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Group: 106 Rice, Rice Products and Other Byproducts (Class: 1061, Sub-Class: 10612 - Rice milling)
8	List three key products/services that the Company manufactures/ provides	<b>Rice</b> 1. Himalaya River 2. Tanoush 3. 7 Express
9	Number of locations where business activities are undertaken by the Company	<b>Registered Office:</b> 128, First Floor, Shiva Market, Pitampura, Delhi-110034 <b>Corporate Office:</b> Gohana Road, Village Naultha, Panipat-132103(Haryana) <b>Plant:</b> Gohana Road, (Near Sugar Mill), Panipat-132 103 (Haryana) <b>Plant:</b> 328-329, GIDC Estate, Near Mid India Gandhidham Road, Mithirohar Taluka, Gandhidham, Kutch, Gujrat
10	Markets served by the Company Local/State/ National/International	GRM is a 3rd Largest rice Exporter and Export in over 38 countries including Middle East, UK, USA, Europe, Australia and having Strong Distributorship across India having 90235 touch point outlets.

### Section B: Financial Details of The Company

1	Paid up Capital (INR)	394 Lacs
2	Total Turnover (INR)	77808.82 Lacs
3	Total profit after taxes (INR)	3662.73 Lacs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Company has spent 61 lacs on CSR Activities during the Financial Year under review, representing 1.66% of Profit after Tax.
5	List of activities in which expenditure in 4 above has been incurred:	Please refer Board Report Section "Annual Report on Corporate Social Responsibility (CSR) Activities"

### Section C: Other Details

1	Does the Company have any Subsidiary Company/ Companies?	Company has following Subsidiary Companies: a. GRM International Holding Ltd (UK) b. GRM Fine Foods INC. (USA)(Step Down Subsidiary) c. GRM Foodkraft Private Limited (India)
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3	Do any other entity/ entities (e.g. Supplier, Distributor etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes indicate the percentage of such entities? (Less than 30%, 30 – 60% and More than 60%)?	No

### Section D: BR Information

#### 1. Details of Director/Directors responsible for BR

##### (a) Details of the Director/Director responsible for implementation of the BR policy/policies

- DIN Number: 02380612
- Name: Atul Garg
- Designation: Managing Director and Chairperson

##### (b) Details of the BR head

Sr. No.	Particular	Details
1	DIN Number	02380612
2	Name	Atul Garg
3	Designation	Managing Director and Chairperson
4	Telephone Number	011-47330330
5	E Mail ID	Atul@grmrice.com

#### 2. Principle-wise (as per NVGs) BR Policy/policies:

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility.

These briefly are as follows:

Principles	Description	Company's Policy
Principle 1	Businesses should conduct and govern themselves with ethics, transparency and accountability.	Code of Conduct, Whistle Blower Policy
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability through their life cycle.	Quality Policy
Principle 3	Businesses should promote the well-being of all employees	HR Policy
Principle 4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	CSR Policy and Code of Conduct
Principle 5	Businesses should respect and promote human rights.	CSR Policy, Vigil Mechanism and HR policy
Principle 6	Businesses should respect, protect and make efforts to restore the environment	CSR Policy
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.	Code of Conduct
Principle 8	Businesses should support inclusive growth and equitable development	CSR Policy
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.	Code of Conduct and Quality Policy

**(a) Details of compliance (Reply in Y/N)**

Sr. No.	Questions	P1	P2	P2	P3	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for....	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
2	Has the policy being formulated in consultation with the relevant stakeholders?	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Most of the policies are aligned to various standards like: ISO 9001 (Quality management system), ISO 14001 (Environment Management System), ISO 45001 (Occupational Health & Safety Management System)										
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
6	Indicate the link for the policy to be viewed online?	The Policies are available on the Company's website <a href="http://www.grmrice.com">www.grmrice.com</a>										

Sr. No.	Questions	P1	P2	P2	P3	P3	P4	P5	P6	P7	P8	P9
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
8	Does the company have in-house structure to implement the policy/ policies.	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO

The Policies are evaluated internally from time to time and updated whenever required.

**(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

Sr. No.	Questions	P1	P2	P2	P3	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
3	The company does not have financial or manpower resources available for the task	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
4	It is planned to be done within next 6 months	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5	It is planned to be done within the next 1 year	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
6	Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

### 3. Governance related to BR

**(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

The BR Performance of the company is assessed on a need basis and in accordance with statutory requirements.

**(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Business Responsibility is forming part of Directors' Report in Annual Report 2020-21 for the first time and is available on Company's website [www.grmrice.com](http://www.grmrice.com) under the link Investors.

### SECTION E: PRINCIPLE-WISE PERFORMANCE

**Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.**

**1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?**

Yes, the Company has policies to address ethics, bribery and corruption related matters. The Company encourages its business partners to adopt and follow equivalent policies.

**2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

Our Company has not received any complaint with respect to ethics, bribery and corruption during the Financial Year 2020-21.

**Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.**

**1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

The Company's Products are packed in materials that use safe inks.

The Company has also attempted minimizing the use of hard to recycle plastics in its Himalaya River range of products.

Also, the company has chosen to minimize the use of single use plastics. As a result, the Company has brought jar packaging in its Tanoush range to reduce the use of single use plastics.

**2. For each product, provide the following details:**

**(i) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

The Company has continued to use treated water during the production of rice.

**(ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Using rainwater harvesting, the Company has been able to reduce its dependency on other sources of water.

**3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?**

The Company is Exclusively deal with processing of rice and Procurement of rice is made Majorly from Farmers and Certified Grower Groups. The Company chooses its suppliers through strictly laid out procedures.

**4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors.**

GRM being agriculture company works with local farmers. GRM aims to procure paddy from small, micro and medium producers that surround its premises. Throughout the year, GRM educates the farmers about the development in agriculture which allows them to grow superior quality of paddy that meets GRM's expectations.

**5. Does the Company have mechanism to recycle products and waste? If yes, what is the percentage of recycling products and waste?**

GRM tries to recycle and reuse a major part of its waste. It continues to reuse jute bags instead of plastic bags for the store of rice and paddy. Being a biodegradable material, jute allows GRM to not depend on non-biodegradable forms of packing.

**Principle 3: Businesses should promote the wellbeing of all Employees**

**1. Please indicate the total number of employees**

Total Number of Employee are 430 (Direct/Indirect).

**2. Please indicate the total number of employees hired on temporary/ contractual/casual basis**

351

**3. Please indicate the number of permanent women employees.**

NIL

**4. Please indicate the number of permanent employees with disability.**

NIL

**5. Do you have an employee association that is recognized by Management?**

No

**6. What percentage of the permanent employees are a member of this recognized employee association?**

NA

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year**

NIL

**8. What percentage of the under mentioned Employees were given safety and skill up-gradation training in the last year?**

Approximately 90%. Various programs are conducted for safety and skill upgradation. Various programs and audits are conducted for getting the various quality certificates and licenses like ISO 22000, ISO 9000, HAACP (Hazard Analysis and Critical Control Point), BRC Certificate for global standards specifying safety, quality and operational criteria, USFDA Certificate, NPPO (National Plant Protection Organisation), FSSAI Certificate (Food Safety & Standards Authority of India).

**Principle 4: Businesses should respect the interests of, and be responsive to the needs of all Stakeholders, especially those who are disadvantage vulnerable, and marginalized**

**1. Has the Company mapped its Internal and External Stakeholders?**

**Internal Stakeholders:**

- a) Management
- b) Employees
- c) Farmers
- d) Investors/Shareholders

**External Stakeholders:**

- a) Suppliers
- b) Vendors
- c) Partners
- d) Customers
- e) Retailers
- f) Distributors
- g) Local Communities
- h) Government Authority/Regulators

**2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized Stakeholders?**

YES

**3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized Stakeholders? If so, provide details thereof. Also, if Yes, whether any environmental compliance report is filed?**

Yes, Company always take initiative to help differently abled person, Improving access to safe water, sanitation and hygiene, Empowering woman and promoting gender equality, Organizing Training and development session for our people and periodically rewarding employees based on their performance.

**Principle 5: Businesses should respect and promote Human Right**

**1. Does the policy of the Company on Human Rights cover only the Company or extend to the Group/ Joint Ventures/Suppliers/ Contractors/NGOs/Others?**

Policy of Company for Human Right cover to the Company and Group and Joint ventures and Company also encourages its suppliers contractor and others associated with the Company adopt the policy for Human right.

**2. How many Stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?**

Our Company has not received any complaint with respect to ethics, bribery and corruption during the Financial Year 2020-21.

**Principle 6: Business should respect, protect, and make efforts to restore the Environment**

**1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs/others?**

Policy of Company cover to the Company and Group and Joint ventures and Company also encourages its suppliers contractor and others associated with the Company adopt the policy for Human right.

**2. Does the Company have strategies/initiatives to address Global Environmental Issues such as Climate Change, Global Warming, etc? Y/N. If yes, please give hyperlink for webpage etc.?**

Yes, Company is actively engage in the initiatives to address Global Environmental and set up Rain Water Harvesting at its plants and factories. We work with farmers to Promote Sustainable rice cultivation and we are Member of NPPO (National Plant Protection Organisation). Further details can be viewed on the hyperlink <http://www.grmrice.com/csr>.

**3. Does the Company identify and assess potential Environmental Risks?**

Yes, GRM has identified and assessed potential Environmental Risks in relation to its operations which are as follows:

- 1) Climate change risks;
- 2) Water availability risks;
- 3) Agricultural risks;
- 4) And risk pertaining to Raw Material

**4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof. Also, if Yes, whether any Environmental Compliance Report is filed?**

No, Company has no Specific project related to clean development mechanism but company continuously make efforts for environment protection and awareness clean environment. Company is also member of NPPO (National Plant Protection Organisation).

**5. Has the Company undertaken any other initiatives on – Clean Technology, Energy Efficiency, Renewable Energy, etc. Y/N. If yes, please give hyperlink for web page etc.?**

Yes, Company has installed pollution free DG Sets at all the plants to keep the environment neat and clean and

to have protection from global warming. Moreover we have installed ETP (Effluent Treatment Plant) at various plants designed for treating the industrial waste water for its reuse or safe disposal to the environment.

**6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes, the Company adheres to the permissible limits of emissions and wastes.

**7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

NIL

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

**1. Is the Company a member of any Trade and Chamber or Association? If Yes, Name only those major ones that the business deals with:**

No

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)?**

No

**Principle 8: Businesses should support inclusive growth and equitable development**

**1. Does the Company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof?**

Yes, Company spends every year in Social causes through its Corporate Social Responsibility Committee. CSR Committee undertake to take various steps for Inclusive growth and equitable development. Various training programmes are conducted for procurement of quality licences and certificates, skill development programmes and we also make arrangement for staff for outside training for skill development and quality control programmes. Details of CSR Initiative taken by company are Given in Annexure-4 of Board Report.

**2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/ any other organization?**

GRM has CSR Committee which is responsible for initiation of any project or programme. Committee finalise the Project and it is undertaken through External NGO and Company as well.

**3. Have you done any impact assessment of the initiative?**

Yes, the Company assessed the impact of CSR Projects and Programs undertaken at its CSR Committee Meetings

**4. What is the Company's direct contribution to Community Development Projects- Amount in INR and the details of the projects undertaken?**

The Company has Spent 61 lacs during the year 2020-21 as part of its CSR initiative. Details of CSR Initiative are provided in Annexure-4 of Board Report.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the Community?**

Yes, GRM frequently monitor its CSR Initiative made through external agencies and also take utilization certificate to ensure successful implementation of its projects.

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**

**1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?**

No customer complaints/consumer cases are pending as on the end of financial year.

**2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A./Remarks(additional information)?**

Yes, Product Safety is very important for GRM. So, product information details are always displayed on the label over and above what is being mandated as per local laws.

**3. Is there any case filed by any Stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so?**

NIL

**4. Did the Company carry out any consumer survey/ consumer satisfaction trends?**

No

## INDEPENDENT AUDITORS' REPORT

### To the Members of GRM OVERSEAS LIMITED

#### Report on the Audit of the Standalone Ind AS Financial Statements

##### Opinion

We have audited the Standalone Ind AS Financial Statements of **GRM Overseas Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 31st March 2021, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 Standalone Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

##### Information Other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Standalone Ind AS Financial Statements and our auditors' report thereon.

Our opinion on the Standalone Ind AS 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 Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS 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 other information, we are required to report that fact. We have nothing to report in this regard.

##### Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS Financial Statements, management and 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

##### Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Standalone Ind AS Financial Statements 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 Standalone Ind AS 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 auditors' 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 Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.

- (e) On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 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 with reference to financial statements 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 Auditors' 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 which would impact its financial position in its Standalone Ind AS Financial Statements;
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
  - iv. The disclosures in the Standalone Ind AS Financial Statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these Standalone Ind AS Financial Statements since they do not pertain to the financial year ended 31st March 2021

3. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For Vinod Kumar & Associates**  
Chartered Accountants  
FRN-002304N

**Sd/-**  
**Mukesh Dadhich**  
Partner

M.No. 511741

UDIN: 21511741AAAAHH9501

Date: 27th May, 2021

Place: Delhi

### Annexure A to the Independent Auditors' Report

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the Standalone Ind AS Financial Statements for the year ended 31st March 2021, we report the following:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 

(b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on physical verification as confirmed by the management. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- ii. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships and other parties, mentioned in the register maintained under section 189 of the Companies Act, 2013. Since, the company has not granted any loans, provisions of clause (iii) (a) to (iii) (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made, securities and guarantees given.
- v. The Company has not accepted any deposit from the public. Thus, paragraph 3(v) of the Order is not applicable.
- vi. The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income tax, sales tax, duty of excise, service tax, Goods and Service Tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, service tax, Goods and Service Tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations and records of the company, there are no material dues of provident fund, employee state insurance, income tax, sales tax, wealth tax, service tax, Goods and Services Tax, duty of customs, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute.

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have any outstanding loans or borrowings from financial institutions or government and there are no dues to debenture holders during the year.
- ix. In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion, the term loans were applied for the purposes for which the loans were obtained.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records, the Company has made a preferential allotment of 3,10,500 Convertible warrants during the year in compliance with the requirement of Section 42 of the Act. Out of 3,10,500 Convertible Warrants, 2,50,500 warrants have been converted into equity shares of the company. The amount raised have been used for the purpose for which funds raised.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Vinod Kumar & Associates**  
**Chartered Accountants**  
 FRN-002304N

**Sd/-**  
**Mukesh Dadhich**  
**Partner**  
 M.No. 511741  
 UDIN: 21511741AAAAHH9501

Date: 27th May, 2021  
 Place: Delhi

**Annexure B  
to the Independent Auditors' Report**

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements'  
section of our report 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 with reference to Standalone Ind AS Financial Statements of GRM Overseas Limited ("the Company") as of 31st March 2021 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Ind AS Financial Statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 with reference to Standalone Ind AS Financial Statements 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 control system with reference to Standalone Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Ind AS Financial Statements, 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 Standalone Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Standalone Ind AS Financial Statements.

**Meaning of Internal Financial Controls with reference to Standalone Ind AS Financial Statements**

A company's internal financial control with reference to Standalone Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone Ind AS Financial Statements 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 Standalone Ind AS 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 Standalone Ind AS Financial Statements.

**Inherent Limitations of Internal Financial Controls with reference to Standalone Ind AS Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Standalone Ind AS Financial Statements, 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 with reference to Standalone Ind AS Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Ind AS Financial Statements 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 with reference to Standalone Ind AS Financial Statements and such internal financial controls with reference to Standalone Ind AS Financial Statements were operating effectively as at 31st March 2021, based on the internal control with reference to Standalone Ind AS Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For Vinod Kumar & Associates  
Chartered Accountants  
FRN-002304N**

**Sd/-  
Mukesh Dadhich  
Partner**

M.No. 511741

UDIN: 21511741AAAAHH9501

Date: 27th May, 2021

Place: Delhi

**Standalone Balance Sheet as at 31st March, 2021**

(Amount ₹ in Lakh)

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	3,505.52	3,733.48
(b) Intangible Assets	3	0.40	0.81
<b>(c) Financial assets</b>			
i. Investments	4	152.18	142.18
ii. Other financial assets	5	1.45	6.16
(d) Other non-current asset	6	171.34	68.39
<b>Total non-current assets</b>		<b>3,830.89</b>	<b>3,951.02</b>
<b>Current assets</b>			
(a) Inventories	7	9,072.82	5,400.17
<b>(b) Financial assets</b>			
i. Investments	8	10.61	-
ii. Trade receivables	9	27,547.62	27,306.73
iii. Cash and cash equivalents	10	164.69	136.27
iv. Other bank balances	11	52.26	27.78
v. Other financial asset	12	10.10	29.88
(c) Current Tax Asset (Net)	13	100.47	-
(d) Other current assets	14	842.36	352.93
<b>Total current assets</b>		<b>37,800.93</b>	<b>33,253.76</b>
<b>TOTAL ASSETS</b>		<b>41,631.82</b>	<b>37,204.78</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	15	394.00	368.95
(b) Other equity	16	13,546.43	9,803.22
<b>Total equity</b>		<b>13,940.43</b>	<b>10,172.17</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>(a) Financial liabilities</b>			
i. Borrowings	17	1.26	12.22
(b) Provisions	18	23.13	25.56
(c) Deferred tax liability (net)	19	172.69	168.82
<b>Total non current liabilities</b>		<b>197.08</b>	<b>206.60</b>
<b>Current liabilities</b>			
<b>(a) Financial liabilities</b>			
i. Borrowings	20	18,736.87	20,967.26
ii. Trade payable	21		
1. Dues of micro enterprises and small enterprises		823.81	215.82
2. Dues of creditor other than micro enterprises and small enterprises		2,960.71	3,208.73
iii. Other financial liabilities	22	4,580.12	2,097.40
(b) Other current liabilities	23	381.51	171.76
(c) Provisions	18	11.30	2.91
(d) Current tax liabilities (net)	24	-	162.13
<b>Total current liabilities</b>		<b>27,494.31</b>	<b>26,826.01</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>41,631.82</b>	<b>37,204.78</b>

Corporate Information and significant accounting policies 1 &amp; 2

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the financial statements.

This is the Standalone Financial Statements referred to in our report of even date.

**For Vinod Kumar & Associates**  
**Chartered Accountants**  
 Firm Registration No. 002304N

**Sd/-**  
**CA. Mukesh Dadhich**  
**Partner**  
 Membership No. 511741  
 Delhi  
 27<sup>th</sup> May, 2021

**FOR AND ON BEHALF OF THE BOARD**

**Sd/-**  
**Mamta Garg**  
**Director**  
 DIN :05110727

**Sd/-**  
**Rattan Lal Mittal**  
**Chief Financial Officer**

**Sd/-**  
**Atul Garg**  
**Managing Director & Chairperson**  
 DIN : 02380612

**Sd/-**  
**Balveer Singh**  
**Company Secretary**  
 M. No. A59007

**Standalone Statement of profit and loss for the year ended 31st March, 2021**

(Amount ₹ in Lakh)

Particulars	Notes	Year ended 31st March 2021	Year ended 31st March 2020
<b>Income</b>			
Revenue from operation	25	77,808.42	76,651.82
Other income	26	541.46	1,281.65
<b>TOTAL INCOME</b>		<b>78,349.88</b>	<b>77,933.47</b>
<b>Expenses</b>			
Cost of material consumed	27	60,530.30	51,846.51
Changes in inventories of finished goods	28	(1,575.64)	8,028.70
Employee benefit expenses	29	533.77	381.60
Finance costs	30	1,164.20	1,447.80
Depreciation and amortisation expense	31	281.21	291.23
Other expenses	32	12,500.67	11,186.72
<b>TOTAL EXPENSES</b>		<b>73,434.51</b>	<b>73,182.56</b>
<b>PROFIT BEFORE TAX</b>		<b>4,915.37</b>	<b>4,750.91</b>
<b>Tax expense:</b>			
- Current tax	33	1,249.53	1,197.61
- Earlier year	33	(0.56)	(6.59)
- Deferred tax charge/(credit)	19	3.67	(56.34)
<b>TOTAL TAX EXPENSE</b>		<b>1,252.64</b>	<b>1,134.68</b>
<b>PROFIT FOR THE YEAR</b>		<b>3,662.73</b>	<b>3,616.23</b>
OTHER COMPREHENSIVE INCOME (OCI)			
(A) (i) <b>Items that will not be reclassified subsequently to profit or loss</b>			
(a) Remeasurement of defined benefit (assets)/liability		<b>2.30</b>	<b>1.49</b>
(b) Unrealised Gain on Current Investment		<b>0.61</b>	<b>-</b>
(ii) Income tax on items that will not be reclassified subsequently to profit or loss		<b>(0.20)</b>	<b>(0.38)</b>
<b>TOTAL OTHER COMPREHENSIVE INCOME/ (LOSSES)</b>		<b>2.70</b>	<b>1.11</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>3,665.44</b>	<b>3,617.34</b>
<b>Earning per equity share of face value of ₹ 10 each</b>	34		
Basic		98.32	98.01
Diluted		98.32	98.01

Corporate Information and significant accounting policies 1 &amp; 2

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the Standalone financial statements.

This is the Standalone Financial Statements referred to in our report of even date.

**For Vinod Kumar & Associates**  
**Chartered Accountants**  
 Firm Registration No. 002304N

**Sd/-**  
**CA. Mukesh Dadhich**  
**Partner**  
 Membership No. 511741  
 Delhi  
 27<sup>th</sup> May, 2021

**FOR AND ON BEHALF OF THE BOARD**

**Sd/-**  
**Mamta Garg**  
**Director**  
 DIN :05110727  
  
**Sd/-**  
**Rattan Lal Mittal**  
**Chief Financial Officer**

**Sd/-**  
**Atul Garg**  
**Managing Director & Chairperson**  
 DIN : 02380612  
  
**Sd/-**  
**Balveer Singh**  
**Company Secretary**  
 M. No. A59007

**Standalone Statement of Cash Flow for the year ended 31st March 2021**

(Amount ₹ in Lakh)

Sr. No. Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>A) Cash flow from operating activities</b>		
Profit before taxation	4,915.37	4,750.92
<b>Adjustment for:</b>		
Depreciation and amortisation	281.21	291.23
Finance cost	1,164.20	1,447.80
Interest received	(5.63)	(1.78)
(profit) / Loss on sale of Tangible Assets (Net)	(2.24)	-
<b>Operating profit/(loss) before working capital changes</b>	<b>6,352.91</b>	<b>6,488.17</b>
<b>Adjustment for:</b>		
Increase/ (Decrease) in trade payables and other liabilities	3,060.70	(219.99)
Decrease/ (Increase) in inventories	(3,672.65)	10,580.46
Decrease/ (Increase) in trade receivables and other assets	(940.36)	340.87
<b>Cash Generated from operations</b>	<b>4,800.60</b>	<b>17,189.51</b>
Taxes paid (net)	(1,411.12)	(1,071.18)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>3,389.48</b>	<b>16,118.33</b>
<b>B) Cash from investing activities</b>		
Purchase of property, plant and equipment	(68.10)	(953.81)
Decrease in Capital Work in Progress	-	309.23
Sale of property, plant and equipment	17.50	-
Investments in Securities	(20.00)	-
(Investments) / Realisation in Bank Deposits	6.65	(3.52)
Interest Received	5.63	1.78
<b>Net cash used in investing activities (B)</b>	<b>(58.32)</b>	<b>(646.32)</b>
<b>C) Cash flow from financing activities</b>		
Proceeds from long-term borrowings	(10.95)	(35.08)
Proceeds from Share Capital	25.05	-
Proceeds from Share Warrants	60.75	-
Proceeds from Securities Premium	989.48	-
Proceeds from short-term borrowings	(2,230.39)	(13,750.32)
Finance cost paid	(1,164.20)	(1,447.80)
Dividend and DDT Paid	(972.48)	(222.41)
<b>Net cash flow from financing activities (C)</b>	<b>(3,302.74)</b>	<b>(15,455.61)</b>
<b>D) Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>28.42</b>	<b>16.40</b>
<b>E) Cash and cash equivalents as at the beginning of the year</b>	<b>136.27</b>	<b>119.87</b>
<b>F) Cash and cash equivalents as at the end of the year</b>	<b>164.69</b>	<b>136.27</b>
<b>Component of cash and cash equivalents</b>		
Balance with banks	152.48	125.57
Cash in hand	12.21	10.70
<b>Total</b>	<b>164.69</b>	<b>136.27</b>

The Standalone cash flow statement has been prepared in accordance with 'Indirect method' as set out in the Ind AS 7 on 'Cash Flow Statements'.

As per our report of even date

**For Vinod Kumar & Associates**  
Chartered Accountants  
Firm Registration No. 002304N

Sd/-  
**CA. Mukesh Dadhich**  
Partner  
Membership No. 511741  
Delhi  
27<sup>th</sup> May, 2021

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**Mamta Garg**  
Director  
DIN :05110727

Sd/-  
**Rattan Lal Mittal**  
Chief Financial Officer

Sd/-  
**Atul Garg**  
Managing Director & Chairperson  
DIN : 02380612

Sd/-  
**Balveer Singh**  
Company Secretary  
M. No. A59007

**Statement of changes in Equity for the year ended 31st March, 2021**
**a) Equity Share Capital**

Balance at the beginning of the reporting period i.e 1st April, 2019	Changes in equity share capital during the year 2019-20	Balance at the end of the reporting period 31st March, 2020	Changes in equity share capital during the year 2020-21	Balance at the end of the reporting period 31st March, 2021
368.95	-	368.95	25.05	394.00

**b) Other equity**

Particulars	Reserve & Surplus					Other Comprehensive Income			Money received against share warrants**	Total
	Securities premium	Investment Allowance Reserve	Forfeiture Share Capital Reserve	Forfeiture Share Premium Reserve	General Reserve	Retained Earning	Remeasurement of Defined Benefit Plan	Unrealised Gain on Current Investment		
<b>Balance as at the 1st April, 2019</b>	68.95	0.16	59.08	59.08	194.85	544.57	5481.58	-	-	<b>6,408.27</b>
Profit for the year	-	-	-	-	-	3616.23	-	-	-	3,616.23
Other Comprehensive Income for the year*	-	-	-	-	-	1.11	-	-	-	1.11
<b>Total</b>	<b>68.95</b>	<b>0.16</b>	<b>59.08</b>	<b>59.08</b>	<b>194.85</b>	<b>544.57</b>	<b>9,097.81</b>	<b>1.11</b>	<b>-</b>	<b>10,025.61</b>
Less: Dividend paid during the year	-	-	-	-	-	-	184.47	-	-	184.47
Less: Dividend distribution tax on dividend	-	-	-	-	-	-	37.92	-	-	37.92
<b>Balance as at 31st March, 2020</b>	<b>68.95</b>	<b>0.16</b>	<b>59.08</b>	<b>59.08</b>	<b>59.08</b>	<b>544.57</b>	<b>8,875.42</b>	<b>1.11</b>	<b>-</b>	<b>9,803.22</b>
<b>Balance as at 1st April, 2020</b>	<b>68.95</b>	<b>0.16</b>	<b>59.08</b>	<b>59.08</b>	<b>194.85</b>	<b>544.57</b>	<b>8,875.42</b>	<b>1.11</b>	<b>-</b>	<b>9,803.22</b>
<b>Profit for the year</b>	-	-	-	-	-	-	3,662.73	-	-	3,662.73
Opening OCI reserve on remeasurement of employee benefit obligation	-	-	-	-	-	1.11	(1.11)	-	-	-
Actuarial gain on account of remeasurement of employee benefit plan	-	-	-	-	-	2.10	-	-	-	2.10
Issue of Share warrants	-	-	-	-	-	-	-	-	1057.28	1057.28
Conversion of Share Warrant	989.48	-	-	-	-	-	-	-	(1014.53)	(25.06)
Other Comprehensive Income for the year	-	-	-	-	-	-	-	0.61	-	0.61
<b>Total</b>	<b>1,058.43</b>	<b>0.16</b>	<b>59.08</b>	<b>59.08</b>	<b>194.85</b>	<b>544.57</b>	<b>12,541.36</b>	<b>-</b>	<b>0.61</b>	<b>60.75 14,518.88</b>
Less: Dividend paid during the year	-	-	-	-	-	-	972.48	-	-	972.48
<b>Balance as at 31st March, 2021</b>	<b>1,058.43</b>	<b>0.16</b>	<b>59.08</b>	<b>59.08</b>	<b>194.85</b>	<b>544.57</b>	<b>11,568.89</b>	<b>-</b>	<b>0.61</b>	<b>60.75 13,546.43</b>

\*Amount of other comprehensive income for the year are represented net of tax.

\*\*Issue of Share warrants: After receiving in principal approval from stock exchange, the Company has offered and allotted 310500 "convertible share warrant" at the price of Rs. 405/- each (at the face value of Rs.10 each and Security premium of Rs. 395/- per convertible warrant) for the purpose" to meet the company's capital expenditure, to enhance long term resources and thereby strengthening of the financial structure of the company and for meeting working capital requirement and for other general corporate purposes and purpose permitted by applicable laws".

Out of 3,10,500 Convertible Warrants, 2,50,500 warrants has been converted into equity shares of the company upon exercise of conversion option by the warrant's holders. Balance 60,000 warrant will be converted within 180 days from the date of allotment of warrant."

This is the Standalone Financial Statements referred to in our report of even date.

**For Vinod Kumar & Associates  
Chartered Accountants**

Firm Registration No. 002304N

Sd/-  
**CA. Mukesh Dadhich**  
Partner

Membership No. 511741  
Delhi  
27<sup>th</sup> May, 2021

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**Mamta Garg**  
Director  
DIN :05110727

Sd/-  
**Rattan Lal Mittal**  
Chief Financial Officer

Sd/-  
**Atul Garg**  
Managing Director & Chairperson  
DIN : 02380612

Sd/-  
**Balveer Singh**  
Company Secretary  
M. No. A59007

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### Note No. 1

#### CORPORATE INFORMATION

GRM OVERSEAS LIMITED (the 'Company') was incorporated in India as a limited company under the Companies Act, 1956 vide certificate of incorporation no. 55-64007 dt.03 January, 1995. The Company got Certificate of Commencement of Business on 10 January, 1995 and is engaged primarily in the business of milling, processing and marketing of branded and non-branded basmati rice in the domestic and overseas market. The company is listed on Bombay Stock Exchange in India.

### Note No. 2

#### SIGNIFICANT ACCOUNTING POLICIES

##### 1. Basis of Accounting and Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

##### 2. Functional and Presentation Currency

The Company's Standalone financial statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest lakh (₹00,000), except when otherwise indicated.

##### 3. Basis of preparation and presentation

The standalone financial statements have been prepared on the historical cost basis except for certain financial assets & liabilities and defined benefit plans which have been measured at fair value amount. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle which has been taken as 12 months. Company's standalone financial statements are presented in Indian Rupees, which is also its functional currency.

##### 4. Use of estimates and judgements

The preparation of standalone financial statements in conformity with the recognition and measurement principles of IND AS requires the management to make estimates and assumptions that affect the balances of assets and liabilities, disclosures of contingent liabilities as at the date of the standalone financial statements and the reported amounts of income and expenses for the periods presented. The Company has a policy to review these estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

##### • Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of scrap, which is valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes 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.

##### • Contingencies /Provisions

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, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

##### 5. Recent Indian Accounting Standards (Ind As)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2021.

##### 6. Summary of Significant Accounting Policies

###### A. Property, plant and equipment (IND AS 16)

Freehold land is carried at historical cost. All other items of Property, plant and equipment are stated at cost, net of trade discount, rebates and recoverable taxes less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bring the assets to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Depreciation on property, plant and equipment provided using straight line method. Depreciation is calculated based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Gains or losses arising from de-recognition of fixed Assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

###### B. Intangible assets (IND AS 38)

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use. Subsequent costs are included in the asset's carrying amount or recognised as



a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Intangible assets are amortized using straight line method based on management estimate of useful life of the assets.

### C. Leases (IND AS 116)

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

### D. Cash and cash equivalents

The cash & cash Equivalent comprise of cash on hand, cash at banks and Short Term Deposits. The Company considers all short term highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usages.

### E. Borrowing Cost (IND AS 23)

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

### F. Impairment of property, plant and equipment and intangible assets (IND AS 36)

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

### G. Employee Benefits Expense (IND AS 119)

#### Short Term Employee Benefits obligation

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services. These benefits include compensated absences and performance incentives.

#### Other long-term Employee Benefit obligations

The liabilities for earned leave which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured on the basis of independent actuarial valuation certificate as the present value of the expected future payments to be made in respect of service provided by the employees upto the end of the reporting period.

#### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

#### Defined Benefit Plans

The Company pays gratuity to the eligible employees in accordance with the payment of Gratuity act, 1972. The liability recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligations are calculated at the end of the reporting period by actuaries using the projected unit credit method. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

### H. Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

- **Current tax:** Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

- **Deferred tax:** Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred Tax Assets are recognized to the extent it is probable that the taxable profit will be available against which the deductible temporary differences, and carry forward of unused tax losses can be utilized. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

#### I. Foreign Exchange Transaction and translation (IND AS 21)

Items included in the standalone financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

#### J. Revenue recognition (IND AS 115)

Revenue is recognised when control of the products being sold has transferred to the customer and when there are no longer any unfulfilled obligations to the customer. This is generally on delivery to the customer but depending on individual customer terms, this can be at the time of dispatch, delivery or upon formal customer acceptance, goods under physical possession of customer. This is considered the appropriate point where the performance obligations in our contracts are satisfied as Company no longer have control over the inventory. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and Indirect Taxes. No element of financing is present in the pricing arrangement. Settlement terms range from cash-on-delivery to credit terms ranging upto 180 days.

#### K. Dividend Income is recorded when the right to receive payment is established.

#### L. Interest income is recognised using the effective interest method.

#### M. Financial Instruments

##### Financial Assets

**- Initial Recognition & Measurement** - At initial recognition, the Company measures financial assets at its fair value plus, in the case of a financial assets not at fair value through profit or loss, transaction cost that are directly attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss are expensed off in the statement of profit or loss. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognised in profit or loss when the assets is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**- Investment** - The Company account for its investments in subsidiaries, associates and joint venture at cost and all other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in Other Comprehensive Income.

**- Impairment of financial assets** - The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables Company applies simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

##### Financial liabilities

##### - Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

##### - Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Derecognition of financial instruments** -The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### N. Earning per Share

Basic Earning per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year. The Company did not have any potentially dilutive securities in any of the years presented.

#### O. Costs and expenses are recognised when incurred and have been classified according to their nature.

## Notes to standalone financial statements for the year ended 31st March, 2021

## 3. Property, Plant &amp; Equipment and Intangible Assets

(Amount ₹ in Lakh)

Particulars	Property, plant and equipment										Intangible		Total assets	
	Own Assets					Right-of-Use Assets					Land (Leasehold)*	Software		
	Land (Freehold)	Factory Buildings	Office Building	Computers	Furniture and fittings	Office equipments	Plant and machinery	Vehicle equipments						
<b>Gross Block</b>														
Balance as at 1st April 2019	228.16	1013.06	115.50	7.29	145.89	565.32	22.75	2524.22	329.40	1.30	4952.90			
Additions	0.00	588.18	0.00	1.18	4.58	17.37	11.86	330.64	0.00	0.00	953.81			
Disposals	0.00	0.00	0.00	0.00	-	-	-	-	-	-	0.00			
<b>Balance as at 31st March 2020</b>	<b>228.16</b>	<b>1601.24</b>	<b>115.50</b>	<b>8.47</b>	<b>150.47</b>	<b>582.69</b>	<b>34.61</b>	<b>2854.86</b>	<b>329.40</b>	<b>1.30</b>	<b>5906.71</b>			
Balance as at 1 April 2020	228.16	1,601.24	115.50	8.47	150.47	582.69	34.61	2,854.86	329.40	1.30	5,906.71			
Additions during the year	-	-	-	1.73	12.73	7.78	1.42	44.44	-	-	68.10			
Disposals during the year	-	-	-	-	35.13	68.34	1.98	-	-	-	105.45			
<b>Balance as at 31st March 2021</b>	<b>228.16</b>	<b>1,601.24</b>	<b>115.50</b>	<b>10.20</b>	<b>128.07</b>	<b>522.13</b>	<b>34.05</b>	<b>2,899.30</b>	<b>329.40</b>	<b>1.30</b>	<b>5,869.35</b>			
<b>Accumulated depreciation</b>														
Balance as at 1st April 2019	-	150.49	0.03	3.58	70.28	178.69	12.15	1,465.93	-	0.05	1,881.19			
Depreciation/Amortisation during the year	-	36.51	1.83	1.84	19.47	68.25	5.59	153.11	4.19	0.44	281.23			
Deductions during the year	-	-	-	-	-	-	-	-	0	0	-			
<b>Balance as at 31st March 2020</b>	<b>-</b>	<b>187.00</b>	<b>1.86</b>	<b>5.42</b>	<b>89.75</b>	<b>246.94</b>	<b>17.74</b>	<b>1,619.04</b>	<b>4.19</b>	<b>0.49</b>	<b>2,172.42</b>			
Balance as at 1st April 2020	-	187.00	1.86	5.42	89.75	246.94	17.74	1,619.04	4.19	0.49	2,172.42			
Depreciation/Amortisation during the year	-	50.71	1.83	1.94	8.09	59.63	4.05	150.89	3.66	0.41	281.21			
Deductions during the year	-	-	-	-	(35.13)	(53.08)	(1.98)	-	-	-	(90.19)			
<b>Balance as at 31st March 2021</b>	<b>-</b>	<b>237.71</b>	<b>3.69</b>	<b>7.36</b>	<b>62.71</b>	<b>253.49</b>	<b>19.81</b>	<b>1,769.93</b>	<b>7.85</b>	<b>0.90</b>	<b>2,363.44</b>			
<b>Net Block</b>														
Balance as at 1st April 2019	228.16	862.57	115.47	3.71	75.61	386.63	10.60	1,058.28	329.40	1.25	3,071.70			
Balance as at 31st March 2020/1st April 2020	228.16	1,414.24	113.64	3.05	60.72	335.75	16.87	1,235.82	325.21	0.81	3,734.29			
Balance as at 31st March 2021	228.16	1,363.53	111.81	2.85	65.36	268.64	14.24	1,129.36	321.55	0.40	3,505.92			

\*Right-of-Use (Land) Includes Land at Gandhidham, Gujarat taken on operating lease. This asset has been taken on lease in FY 2018-19 and had been re-classified in Right-of-Use Asset as per Ind-As116 during the year 2019-20.

## Notes to standalone financial statements for the year ended 31st March, 2021

	(Amount ₹ in Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
<b>4 Investments (non-current)</b>		
Investment Measured at Cost		
In Equity share of Subsidiary Companies		
Unquoted fully paid up		
1,70,000 Equity shares fully paid up @ 1 GBP(1 GBP =Rs.83.64 /-) in GRM International Holdings Limited	142.18	142.18
1,00,000 Equity shares fully paid up @ ₹10/- in GRM Foodkraft Private Limited	10.00	-
<b>Total</b>	<b>152.18</b>	<b>142.18</b>

	(Amount ₹ in Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
<b>5 Other financial assets (non-current )</b>		
Bank deposit with more than 12 months maturity*#	1.45	6.16
<b>Total</b>	<b>1.45</b>	<b>6.16</b>

\*The deposit are restricted as they are held as margin money deposit against guarantees given by the company  
#Includes interest accrued but not due

	(Amount ₹ in Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
<b>6 Other non-current asset</b>		
Unsecured- considered good unless otherwise stated		
Capital Advances	112.95	10.00
Security deposit	58.39	58.39
<b>Total</b>	<b>171.34</b>	<b>68.39</b>

	(Amount ₹ in Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
<b>7 Inventories*<sup>A</sup></b>		
Raw Materials and components	5,315.85	3218.84
Finished goods	3,756.97	2181.33
<b>Total</b>	<b>9,072.82</b>	<b>5,400.17</b>

\*Inventories have been hypothecated with SBI and Union bank of India against working capital Loans, refer note 20 for details.

<sup>A</sup>Finished Goods includes stock in transit Rs. 380.61 Lakhs (PY Rs. Nil).

	(Amount ₹ in Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
<b>8 Investments (current)</b>		
Investments Measured At Fair Value Through Other Comprehensive Income (FVTOCI)		
In Mutual Fund -Union Hybrid Equity Fund -Quoted	10.61	-
<b>Total</b>	<b>10.61</b>	<b>-</b>

(Amount ₹ in Lakh)

9 Trade receivables	(Amount ₹ in Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured, Considered Good</b>		
Trade Receivables *	27547.62	27306.73
<b>Total</b>	<b>27547.62</b>	<b>27306.73</b>

\*Trade receivables includes dues from related parties have been hypothecated with State Bank of India & Union Bank of India against working capital loan (refer note 40).

(Amount ₹ in Lakh)

10 Cash and cash equivalents	(Amount ₹ in Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
Balances with Banks		
- on current accounts	152.48	125.57
Cash/ cheques in hand	12.21	10.70
<b>Total</b>	<b>164.69</b>	<b>136.27</b>

(Amount ₹ in Lakh)

11 Other bank balances	(Amount ₹ in Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
Term deposit with maturity for more than 3 months but less than 12 months		
- Fixed deposits	14.87	16.81
Unclaimed Dividend Account	37.39	10.97
<b>Total</b>	<b>52.26</b>	<b>27.78</b>

(Amount ₹ in Lakh)

12 Other financial asset (current)	(Amount ₹ in Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
Advance Receivable	-	29.01
Other Receivable	10.10	0.87
<b>Total</b>	<b>10.10</b>	<b>29.88</b>

(Amount ₹ in Lakh)

13 Current Tax Asset	(Amount ₹ in Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
Current Tax Asset (Net)	100.47	-
<b>Total</b>	<b>100.47</b>	<b>-</b>

(Amount ₹ in Lakh)

14 Other current assets	(Amount ₹ in Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
<b>Considered good</b>		
Advances to suppliers	26.45	-
Prepaid expenses	123.91	61.68
Balance with statutory / government authorities	686.67	285.54
Other advance	5.33	5.71
<b>Total</b>	<b>842.36</b>	<b>352.93</b>

(Amount ₹ in Lakh)

15 Share capital	(Amount ₹ in Lakh)			
	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised share capital</b>				
Equity shares of Rs.10 each	7,000,000	700.00	7,000,000	700.00
<b>Total</b>	<b>7,000,000</b>	<b>700.00</b>	<b>7,000,000</b>	<b>700.00</b>
<b>Issued, subscribed and fully paid-up</b>				
Equity shares of Rs.10 each fully paid	3,940,000	394.00	3,689,500	368.95
<b>Total</b>	<b>3,940,000</b>	<b>394.00</b>	<b>3,689,500</b>	<b>368.95</b>

a) Reconciliation of the number of shares outstanding is set out below:

(Amount ₹ in Lakh)

Particulars	(Amount ₹ in Lakh)			
	As at 31st March, 2021		As at 31st March, 2020	
<b>Equity Shares</b>				
Shares at the beginning of the year	3,689,500	368.95	3,689,500	368.95
Add: issued during the year	250,500	25.05	-	-
<b>Total</b>	<b>3,940,000</b>	<b>394.00</b>	<b>3,689,500</b>	<b>368.95</b>

b) Terms/rights attached to equity shares

The Company has only one class of equity shares, having a par value of ₹10 per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of Equity shareholders holding more than 5% shares

(Amount ₹ in Lakh)

Particulars	(Amount ₹ in Lakh)			
	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	% of shares held	No. of Shares	% of shares held
<b>Equity shares of Rs.10 each, fully paid up held by</b>				
Hukam Chand Garg	1,000,200	25.39%	1,000,200	27.11%
Mamta Garg	909,250	23.08%	858,000	23.26%
Atul Garg	911,800	23.14%	858,000	23.26%

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>16 Other Equity</b>		
<b>Reserve &amp; Surplus</b>		
Securities Premium	1,058.43	68.95
Other Reserves:		
Investment Allowance Reserve	0.16	0.16
Forfeiture Share Capital Reserve	59.08	59.08
Forfeiture Share Premium Reserve	59.08	59.08
Revaluation Reserve	194.85	194.85
General Reserve	544.57	544.57
	<b>1,916.18</b>	<b>926.71</b>
<b>Retained Earning</b>		
Balance as at the beginning of the year	8,875.42	5,481.58
Profit for the year	3,662.73	3,616.23
Opening OCI reserve on remeasurement of employee benefit obligation	1.11	
Actuarial gain on account of remeasurement of employee benefit plan	2.10	
Less: Dividend paid during the year	972.48	184.47
Less: Dividend Distribution Tax on Dividend	-	37.92
<b>Balance as at the end of the year</b>	<b>11,568.88</b>	<b>8,875.42</b>
<b>Other comprehensive Income</b>		
Remeasurement of Defined Benefit Plan		
Balance as at the beginning of the year	1.11	-
Other comprehensive income / (losses)		1.11
Opening OCI reserve on remeasurement of employee benefit obligation	(1.11)	
<b>Balance as at the end of the year</b>	<b>-</b>	<b>1.11</b>
Unrealised Gain on Current Investment		
Balance as at the beginning of the year	-	
Other comprehensive income / (losses)	0.61	-
<b>Balance as at the end of the year</b>	<b>0.61</b>	<b>-</b>
<b>Income tax on items that will not be reclassified subsequently to profit or loss</b>		
Balance as at the beginning of the year	(0.38)	-
Other comprehensive income / (losses)	(0.20)	(0.38)
<b>Balance as at the end of the year</b>	<b>(0.58)</b>	<b>(0.38)</b>
<b>Money Received against Share Warrants*</b>		
Issue of Share warrants	1,075.28	-
Conversion of Share Warrant	(1,014.53)	-
Balance as at the end of the year	60.75	-
<b>Total</b>	<b>13,546.43</b>	<b>9,803.22</b>

**Nature and purpose of reserves:**

**Investment Allowance Reserve** - This reserve created as per Income Tax Act, 1961.

**Securities Premium** - Securities Premium Reserve represents premium received on issue of shares at a premium. The reserves can be utilised in accordance with section 52 of Companies Act, 2013.

**Forfeiture Share Capital Reserve** - This represents amount forfeited from a member who fails to pay any call, or installment of call.

**Forfeiture Share Premium Reserve** - This represents premium amount forfeited from a member who fails to pay any call, or installment of call.

**Revaluation Reserve** - Revaluation reserve represents increase in fair value of an item of property, plant and equipment less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

**General Reserve:** The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, item included in the general reserve will not be reclassified subsequently to statement of profit and loss. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

**\*Issue of Share warrants:** After receiving in principal approval from stock exchange, the Company has offered and allotted 310500 "convertible share warrant" at the price of Rs. 405/- each (at the face value of Rs.10 each and Security premium of Rs. 395/- per convertible warrant) for the purpose "to meet the company's capital expenditure, to enhance long term resources and thereby strengthening of the financial structure of the company and for meeting working capital requirement and for other general corporate purposes and purpose permitted by applicable laws".

Out of 3,10,500 Convertible Warrants, 2,50,500 warrants has been converted into equity shares of the company upon exercise of conversion option by the warrant's holders. Balance 60,000 warrant will be converted within 180 days from the date of allotment of warrant."

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>17 Long Term Borrowings</b>		
<b>Secured Loan</b>		
Term Loan from bank*	1.26	12.22
<b>Total</b>	<b>1.26</b>	<b>12.22</b>

\* Term Loan from bank includes -

Sr. No.	Particular	No. of EMI To be paid	Rate of Interest	Installment Amount (in Lakhs)	Security
1	Car Loan (Balance as on 31.03.21 is Rs. 15.70 Lakhs)	13	9.22%	1.27	Hypothecation of Motor Car

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>18 Provision</b>		
<b>Provision for employee benefits</b>		
Gratuity payable	34.43	28.46
	<b>34.43</b>	<b>28.46</b>
<b>Includes -</b>		
Current	11.30	2.91
Non Current	23.13	25.56
	<b>34.43</b>	<b>28.46</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>19 Deferred Tax Liabilities (Net)</b>		
<b>The movement on the deferred tax account is as follows:</b>		
At the beginning of the year	168.82	224.78
Charge/(credit) to statement of Profit and Loss	3.67	(56.34)
Charge to Other Comprehensive Income	0.20	0.38
<b>At the end of the year</b>	<b>172.69</b>	<b>168.82</b>

Particular	Recognised in			Recognised in			As at 31st March, 2021
	As at 1 April 2019	Statement of profit and loss	Recognised in OCI	As at 31st March, 2020	Statement of profit and loss	Recognised in OCI	
<b>Deferred tax liability (Net)</b>							
<b>Deferred tax liability:</b>							
Impact of difference between tax depreciation and depreciation charged for the financial reporting	232.81	(56.13)	-	176.68	5.89	-	182.57
Remeasurment of defined benefit liability(Asset)	-	-	0.38	0.38	-	0.20	0.58
<b>Total deferred tax liability (A)</b>	<b>232.81</b>	<b>(56.13)</b>	<b>0.38</b>	<b>177.06</b>	<b>5.89</b>	<b>0.20</b>	<b>183.15</b>
<b>Deferred tax assets:</b>							
Disallowance under the Income Tax Act, 1961	8.03	0.21	-	8.24	2.22	-	10.46
<b>Total deferred tax assets (B)</b>	<b>8.03</b>	<b>0.21</b>	<b>-</b>	<b>8.24</b>	<b>2.22</b>	<b>0.20</b>	<b>10.46</b>
<b>Deferred Tax Liability (Net) (A - B)</b>	<b>224.78</b>	<b>(56.34)</b>	<b>0.38</b>	<b>168.82</b>	<b>3.67</b>	<b>0.20</b>	<b>172.69</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>20 Borrowings (current)</b>		
<b>Loans repayable on demand (secured):</b>		
Working capital limit from bank*	11160.57	12549.39
<b>Other Short Borrowing (Unsecured)</b>		
Other Short Term Borrowing	2.80	0.31
<b>Loans repayable on demand (unsecured):</b>		
<b>Loan from related party</b>		
Inter-corporate loans^	3017.93	5544.48
Loans from related parties^	4555.57	2873.08
<b>Total</b>	<b>18,736.87</b>	<b>20,967.26</b>

\*Working capital limit from banks are secured by hypothecation of stocks of raw materials, work-in process, finished goods, stores, consumable stores and book debts etc; such credits from banks are also secured by charge on all the present and future asset of the Company and further guaranteed by Promoter Directors. The working capital limit are repayable on demand and carries net interest @ 5% to 7% per annum.

^Loans from corporates and related parties carries interest @ 8% per annum and Interest is payable on quarterly basis. Also refer note 40 for related parties details.

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>21 Trade payables</b>		
Dues of Micro enterprises and Small enterprises	823.81	215.82
Dues of creditors other than Micro enterprises and Small enterprises	2,960.71	3,208.73
<b>Total</b>	<b>3,784.52</b>	<b>3,424.55</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>22 Other current financial liabilities</b>		
Current maturities of long term debt	14.44	35.08
Interest accrued but not due	-	36.77
Creditors for capital goods	-	8.91
Unclaimed dividend	37.69	11.02
Book Overdrafts	1378.10	20.11
Business Promotion Expenses Payable	3121.21	1985.51
Other payables	28.68	-
<b>Total</b>	<b>4,580.12</b>	<b>2,097.40</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>23 Other current liabilities</b>		
Advance from customer	26.06	20.00
Statutory dues payable	42.36	89.19
<b>Other Payables:</b>		
Electricity Expenses	43.40	40.00
Statutory audit Fee	2.78	2.70
Employees Benefits payable	22.19	16.90
Others	244.72	2.97
<b>Total</b>	<b>381.51</b>	<b>171.76</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>24 Current tax liabilities (net)</b>		
Provision for taxation (Netted off towards advance taxes)	-	162.13
<b>Total</b>	<b>-</b>	<b>162.13</b>

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>25 Revenue from operations</b>		
<b>Sale of Goods</b>		
Rice-Exports	67,456.60	67,566.53
Rice-Domestic	9,435.43	8,338.81
Other operating revenue	916.39	746.48
<b>Total</b>	<b>77,808.42</b>	<b>76,651.82</b>

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>26 Other income</b>		
Export incentive	35.82	31.50
Interest Income	5.63	1.78
Rental Income	0.80	0.00
Profit on sale of fixed assets	2.24	0.00
Foreign Currency exchange Fluctuations	482.03	1209.63
Other Income	14.95	38.74
<b>Total</b>	<b>541.46</b>	<b>1281.65</b>

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>27 Cost of materials consumed</b>		
Opening Stock of Raw Material	3,218.84	5770.58
Add: Purchases	62627.31	49294.77
<b>Total</b>	<b>65,846.15</b>	<b>55,065.35</b>
Deduct: Closing Stock of Raw Material	5,315.85	3218.84
<b>Total</b>	<b>60,530.30</b>	<b>51,846.51</b>

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>28 Changes in inventory of finished goods</b>		
<b>Finished Goods</b>		
Opening Stock	2,181.33	10210.03
Deduct: Closing Stock	3,756.97	2181.33
	(1,575.64)	8028.70
<b>Total</b>	<b>(1,575.64)</b>	<b>8028.70</b>

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>29 Employee benefit expenses</b>		
Salary, Wages And Bonus	517.62	367.74
Contribution to provident and other funds	7.89	6.87
Gratuity	8.26	6.99
<b>Total</b>	<b>533.77</b>	<b>381.60</b>

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>29.1 Reconciliation of opening and closing balance of defined benefit obligation</b>		
	<b>Gratuity</b>	<b>Gratuity</b>
Obligation at beginning of year	28.47	22.97
Current service cost	6.27	5.38
Interest cost	1.99	1.61
Actuarial (gain) / loss	(2.30)	(1.49)
Obligation at year end	34.43	28.47

As per IND AS-19 "Employee Benefits", the disclosures as defined in Indian Accounting Standard are given below:

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>29.2 Expenses recognised during the year</b>		
<b>In Income Statement</b>	<b>Gratuity</b>	<b>Gratuity</b>
Current Service Cost	6.27	5.38
Interest Cost	1.99	1.61
<b>Net Cost</b>	<b>8.26</b>	<b>6.99</b>
<b>In Other Comprehensive Income</b>		
Actuarial (Gain) / Loss	(2.30)	(1.49)
<b>Net (Income) / Expense for the period recognised in OCI</b>	<b>(2.30)</b>	<b>(1.49)</b>

(Amount ₹ in Lakh)

29.3 The defined benefit obligations shall mature as follows:	Year ended 31st March, 2021	Year ended 31st March, 2020
Year 1	11.30	2.91
Year 2	0.49	6.93
Year 3	0.58	0.42
Year 4	0.60	0.47
Year 5	1.20	0.48
Next 6 years	20.25	17.26

(Amount ₹ in Lakh)

29.4 Actuarial Assumption	Year ended 31st March, 2021	Year ended 31st March, 2020
	Gratuity	Gratuity
Discount rate (per annum)	7.00% p.a.	7.00% p.a.
Salary growth rate (per annum)	5.00% p.a.	5.00% p.a.
Withdrawal rate (per annum)	5.00% p.a.	5.00% p.a.
Mortality	IALM 2012-14	IALM 2012-14

**29.5 Sensitivity Analysis:** Significant actuarial assumptions for the determination of the defined are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Period	As on: 31-03-2021
Defined Benefit Obligation (Base)	34.43 Lakh @ Salary Increase Rate : 5%, and discount rate :7%.
Liability with x% increase in Discount Rate	32.25 Lakh ; x=1.00% [Change (6)% ]
Liability with x% decrease in Discount Rate	36.93 Lakh; x=1.00% [Change 7% ]
Liability with x% increase in Salary Growth Rate	36.96 Lakh; x=1.00% [Change 7% ]
Liability with x% decrease in Salary Growth Rate	32.20 Lakh;x=1.00% [Change (6)% ]
Liability with x% increase in Withdrawal Rate	34.53 Lakh; x=1.00% [Change 0% ]
Liability with x% decrease in Withdrawal Rate	34.27 Lakh; ; x=1.00% [Change 0% ]

(Amount ₹ in Lakh)

30 Finance costs	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest On Term Loan	2.78	6.47
Interest On Working Capital Loan	216.71	667.41
Interest On Unsecured Loans	694.32	673.71
Interest - Others	24.47	9.65
Other Borrowing Costs	225.93	90.56
<b>Total</b>	<b>1,164.20</b>	<b>1,447.80</b>

(Amount ₹ in Lakh)

31 Depreciation and amortisation	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation on Property, plant and equipment	280.80	290.79
Amortisation of intangible assets	0.41	0.44
<b>Total</b>	<b>281.21</b>	<b>291.23</b>

(Amount ₹ in Lakh)

32 Other expenses	Year ended 31st March, 2021	Year ended 31st March, 2020
Power and Fuel	543.01	522.32
Repairs		
- Repairs to Building	14.00	27.65
- Repairs to Machinery	200.87	91.03
- Repairs Others	7.77	75.95
Rent	19.80	20.93
Business Promotion Expenses	976.17	1,638.13
Rates and Taxes	109.02	62.57
Insurance	183.26	161.74
Freight, Transport and Delivery	183.90	454.23
Shipping & Forwarding	3,900.93	2,618.83
Packing Expenses	2,581.00	1,917.31
Rebate & Discounts	2,996.73	2,773.77
Payment to auditor	3.00	3.00
Professional Charges	30.05	69.87
Charity and Donation	75.51	42.35
Contractor Charges	579.86	416.56
Other Expenses	95.79	290.48
<b>Total</b>	<b>12,500.67</b>	<b>11,186.72</b>

**Payment to auditor**

(Amount ₹ in Lakh)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>As auditor:</b>		
Audit Fee	2.50	2.50
Taxation Matters	0.95	0.50
Fees for other services	0.18	0.02
<b>Total</b>	<b>3.63</b>	<b>3.02</b>



(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>33 TAXATION</b>		
<b>Income tax recognised in Statement of Profit and Loss</b>		
a Current tax	1,249.53	1,197.61
b Adjustment for earlier years	(0.56)	(6.59)
c Deferred tax	3.67	(56.34)
Total income tax expenses recognised in the current year	1,252.64	1,134.67
Provision for current tax for the year includes tax adjustment related to earlier years amounting to Rs. (55549) (previous year Rs.-659251.00)		
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before tax	4,915.37	4,750.91
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	1,237.10	1,195.71
<b>Tax effect of:</b>		
Non-deductible expenses	16.05	6.02
<b>Total</b>	<b>1,253.15</b>	<b>1,201.73</b>
Tax adjustment related to earlier years	(0.56)	-6.59251
<b>Current Tax Provision - (A)</b>	<b>1,252.59</b>	<b>1,195.14</b>
One time deferred tax adjustment due to availment of Tax benefit under section 115BAA	-	(60.47)
Incremental Deferred Tax Liability on account of Tangible and Intangible Assets	(0.33)	
Incremental Deferred Tax Asset on account of Financial Assets and Other Items	0.38	-
<b>Deferred tax Provision (B)</b>	<b>0.05</b>	<b>(60.47)</b>
Tax Expenses recognised in Statement of Profit and Loss (A+B)	1,252.64	1,134.67
<b>Effective Tax Rate</b>	<b>25.48%</b>	<b>23.88%</b>

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>34 Earnings per share</b>		
i. Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	3,662.73	3,616.23
ii. Weighted average number of equity shares used as denominator for calculation Basis EPS (₹)	3,725,188	3,689,500
iii. Weighted average number of equity shares used as denominator for calculation Diluted EPS	3,725,188	3,689,500
iv. <b>Basic earnings per share (Rs.)</b>	<b>98.32</b>	<b>98.01</b>
<b>Diluted earnings per share (Rs)</b>	<b>98.32</b>	<b>98.01</b>
v. Nominal value per share (Rs.)	10	10

**35 The Micro, Small and Medium Enterprises Development (MSME) Act, 2006:**

The information regarding Micro, Small and Medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company:

(Amount ₹ in Lakh)

Sr. No. Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
i) Principal amount remaining unpaid at the end of the accounting year	51.19	-
ii) Interest due on above	0.87	-
The amount of interest paid by the buyer along with amount of payment made to the suppliers beyond the appointed date	-	-
The amount of interest due but not paid.	<b>0.87</b>	-

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>36 Fair value measurement hierarchy</b>		
	Carrying Amount	Carrying Amount
<b>Financial Assets at amortised Cost</b>		
Trade Receivables	27,547.62	27,306.73
Other financial asset	11.55	29.88
Cash & Cash Equivalent	164.69	136.27
Other Bank Balance	52.26	27.78
Investments	152.18	142.18
<b>Financial Assets at fair value through OCI</b>		
Investments	10.61	-
<b>Financial Liabilities at amortised cost</b>		
Borrowings	18,752.57	21,014.56
Trade payables	4,022.63	3,426.44
Other financial liabilities	4,580.12	2,097.40

**Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

**A) Credit risk**
**a) Credit risk management**

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

**Assets under credit risk –**

Description	(Amount ₹ in Lakh)	
	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>A: Low</b>		
Investments	162.79	142.18
Other Financial Assets	11.55	36.04
Cash and cash equivalents	164.69	136.27
Other bank balances	52.26	27.78
Trade receivables	27,547.62	27,306.73

**Cash and cash equivalents and other bank balances**

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

**Trade receivables**

The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become past due one year.

**Other financial assets measured at amortised cost**

Other financial assets measured at amortised cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

**b) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the company operates.

**Maturities of financial liabilities**

The tables below analyze the Company's financial liabilities into relevant maturity of the Company based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Amount ₹ in Lakh)

31-Mar-21	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	18,751.31	1.26	-	18,752.57
Trade payable	3,784.52	-	-	3,784.52
Other financial liabilities	4,580.12	-	-	4,580.12
<b>Total</b>	<b>27,115.95</b>	<b>1.26</b>	<b>-</b>	<b>27,117.22</b>

(Amount ₹ in Lakh)

31-Mar-20	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	21,002.34	12.22	-	21,014.56
Trade payable	3,424.55	-	-	3,424.55
Other financial liabilities	2,097.40	-	-	2,097.40
<b>Total</b>	<b>26,524.29</b>	<b>12.22</b>	<b>-</b>	<b>26,536.51</b>

**C) Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

**a) Foreign currency risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company.

**(i) Exposure to currency risk**

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows.

(Amount ₹ in Lakh)

Particulars	In foreign currency		In Indian rupees	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Financial assets</b>				
Trade receivables				
USD	113.34	127.78	8,330.77	9,633.72
GBP	27.58	12.87	2,784.59	1,208.44
EURO	175.91	-	15,146.04	-
<b>Total financial assets</b>	<b>316.83</b>	<b>140.65</b>	<b>26,261.39</b>	<b>10,842.15</b>
Other financial liabilities				
USD	32.96	19.92	2,459.96	1,501.62
<b>Total financial liabilities</b>	<b>32.96</b>	<b>19.92</b>	<b>2,459.96</b>	<b>1,501.62</b>

**(ii) Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of USD, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. Although the

derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur. Accordingly, no sensitivity analysis in respect of such loans is given. The Company's exposure to foreign currency changes for all other currencies is not material.

(Amount ₹ in Lakh)

Currency	Change in rate	Effect on profit before tax	
		31-03-2021	31-03-2020
USD	Appreciation in INR by 5%	293.54	406.60
GBP	Appreciation in INR by 5%	139.23	60.42
EURO	Appreciation in INR by 5%	757.30	-
USD	Depreciation in INR by 5%	(293.54)	(406.60)
GBP	Depreciation in INR by 5%	(139.23)	(60.42)
EURO	Depreciation in INR by 5%	(757.30)	-

A positive number represents decrease in profits while a negative number represents increase in profits.

#### b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any non current obligations with floating rate of interest. The Company has floating rate of interest in respect of current borrowings.

#### Interest rate Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonable possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before taxes is affected through the impact on floating rate borrowings, as follows:

(Amount ₹ in Lakh)

Particulars	Inc/(Dec) in basis points	Effect on profit before taxes
31/03/2021		
Short Term Borrowings	50.00	(93.68)
Short Term Borrowings	(50.00)	93.68
31/03/2020		
Short Term Borrowings	50.00	(104.84)
Short Term Borrowings	(50.00)	104.84

- The Positive amount represents increase in profits while a negative amount represents decrease in profits.

- The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

#### 37. Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern.
- to provide an adequate return to shareholders.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet. Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company's adjusted net debt to equity ratio as at year end were as follows:

(Amount ₹ in Lakh)

Particulars	31-03-2021	31-03-2020
Total borrowings	18,752.57	21,014.56
Less : cash and cash equivalents	164.69	136.27
Net debt	18,587.88	20,878.28
Total equity	13,940.43	10,172.17
<b>Adjusted net debt to adjusted equity ratio</b>	<b>1.33</b>	<b>2.05</b>

#### 38 Events after the reporting period

**38.1** Dividends paid during the year ended March 31, 2021 include an amount of Rs. 5.00 per equity share towards final dividend for the year ended March 31, 2020 which resulted in a cash outflow of Rs. 184.47 lakhs. The company also paid an interim dividend of Rs. 20.00 per share during FY 2020-21 which resulted in cash outflow of Rs. 788.00 lakhs. Dividend declared by the Company is based on the profit available for distribution. This interim dividend is proposed to be considered as final dividend subject to the approval of shareholders in the ensuing annual general meeting.

**38.2** Board of Directors of the company at their meeting held on 27.05.2021 has approved and recommended issue of (2:1) two Bonus Share for every one equity share held as on the record date to be determined by the Board which is subject to the approval of shareholders at their meeting.

### 39 Approval of Financial Statements

The financial statements have been approved by the board of directors on 27th May, 2021.

### 40. Related Party Disclosures:

The list of related parties as identified by the management is as under:

<b>Subsidiary</b>	GRM International Holdings Ltd. GRM Foodkraft Private Limited
<b>Fellow Subsidiary</b>	GRM Fine Food Inc.
<b>Key Managerial Personnel</b>	Mr. Atul Garg Mr. Hukam Chand Garg Smt.. Mamta Garg Mr. Rattan Lal Mittal Mr. Balveer Singh
<b>Enterprises over which KMP Exercise significant influence</b>	M/s Eros Agro & Farms Pvt. Ltd.* M/s Rohit Buildtech Pvt. Ltd. Hukum Chand Garg HUF
<b>Person related to KMP's</b>	Mrs. Jugpati devi Mr. Vedant Garg

\*As per NCLT order CAA-128/PB/2019 dated 03rd June,2020, M/s Alfa technobuild Pvt. Ltd., M/s HA Buildtech Pvt. Ltd., M/s Paras Infraprojects Pvt. Ltd., M/s Prestige Infraprojects Pvt. Ltd., M/s Samarth Technobuild Pvt. Ltd. and M/s Shine Technobuild Pvt. Ltd. have been amalgamated with M/s EROS AGRO & FARMS PVT. LTD effective from 01st April, 2019.

Following transactions were carried out with related parties in the ordinary course of business for the Year ended 31st March 2021:

Nature of transaction	Subsidiary / Fellow Subsidiary		Enterprises over which KMP Exercise significant influence		Key Managerial personnel		Relative of Key Managerial personnel	
	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
Sale of Finished Goods (export)	2,556.74	1,171.43						
Sale of Finished Goods (Domestic)	4,859.79							
Sale of Packing Material (Domestic)	0.13							
Rent Received	0.80							
Rent paid			5.40	5.40	7.20	7.20	7.20	6.75
Investment in Equity Shares	10.00							
Unsecured Loans								
- Amount received			200.75	306.94	3,876.85	1,915.39	-	-
- Amount repaid			3,173.36	223.89	2,442.62	1,254.36	-	-
- Interest accrued			446.06	462.25	248.25	211.46	-	-
Remuneration#					274.82	173.87	48.77	-
Balance (Payable)/ Receivable as at year end	3,726.30	2,292.89	(3,017.93)	(5,544.48)	(4,555.57)	(2,873.08)		

#Remuneration paid to KMP's and relatives of KMP does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

**41. Disclosure relating to Corporate Social Responsibility (CSR) Expenditure**

(Amount ₹ in Lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>(i) Gross amount required to be spent by the Company during the year</b>	60.72	34.41
	<b>60.72</b>	<b>34.41</b>
<b>(ii) Amount spent during the year ending on March 31, 2021:</b>		
1. Construction / acquisition of any asset		
– Construction of Medical Institute's Building through Indraprastha Global Education and Research Foundation	20.00	-
2. On purposes other than (1) above		
– Promoting Covid 19 awareness and plantation through Nitya Foundation	41.00	-
<b>(iii) Amount spent during the year ending on March 31, 2020:</b>		
1. Construction / acquisition of any asset		
2. On purposes other than (1) above		
– Promoting Health Care through All India Society For Health Aid Education And Research (Asha) Regd.	-	35.00

**42.** The spread of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. There is no significant impact of COVID-19 on the Company's operations and revenue during the period as the company business comes under essential category. The Company has taken into account the possible impact of COVID-19 in preparation of the audited standalone financial statements. The company has carried out an assessment of recoverable value of its assets based on internal and external information, certain assumptions, cumulative knowledge and understanding of the business, upto the date of approval of these audited standalone financial Statement and current indicators of future economic conditions:

A. Going Concern: Based on the available cash flows.

B. The recoverability of Receivables: Considering past experience and communication with the customers.

C. Investment in the Subsidiaries, inventories and carrying value of property, plant and machinery – expects to recover the carrying amount of these assets as at the date of balance sheet.

**43.** The Company has exercised the option permitted under Section 115BAA of the Income Tax Act, 1961 ("the act") as introduced by the Taxation Law (Amendment) Ordinance, 2019 in quarter ended September 30, 2019. Accordingly, the company has recognised provision for income tax and deferred tax for the financial year ended 31st March, 2021 and 31st March 2020 using the applicable new tax rate.

**44.** The previous year figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.

**45.** The Company is predominantly engaged in the single business segment of food sector.

As per our report of even date

**For Vinod Kumar & Associates**  
Chartered Accountants  
Firm Registration No. 002304N

Sd/-  
**CA. Mukesh Dadhich**  
Partner  
Membership No. 511741  
Delhi  
27<sup>th</sup> May, 2021

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**Mamta Garg**  
Director  
DIN :05110727

Sd/-  
**Rattan Lal Mittal**  
Chief Financial Officer

Sd/-  
**Atul Garg**  
Managing Director & Chairperson  
DIN : 02380612

Sd/-  
**Balveer Singh**  
Company Secretary  
M. No. A59007

## INDEPENDENT AUDITORS' REPORT

### To the Members of GRM OVERSEAS LIMITED

### Report on the Audit of the Consolidated Ind AS Financial Statements

#### Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of **GRM Overseas Limited** (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprise the consolidated Balance sheet as at 31st March, 2021, and the consolidated Statement of Profit and Loss (including other comprehensive income), consolidated statement of Changes in Equity and consolidated Statement of Cash Flow for the year then ended, and notes to the Consolidated Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013, as amended ("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 consolidated state of affairs of the Group as at 31st March, 2021, their consolidated profit other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group 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 consolidated Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 Consolidated Ind AS Financial Statements.

#### Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements for the financial year ended 31st March, 2021. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

#### Information other than the Financial Statements and Auditor's Report thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual report, but does not include the Consolidated Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS 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 Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Ind AS 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 other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management & those charged with Governance for the Consolidated Ind as Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective management and Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the management and Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS Financial Statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management and Board of Directors, either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the entities included in the Group are responsible for overseeing the financial reporting process of each entity.

#### Auditor's Responsibilities for the Audit of The Consolidated Ind As Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS 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 Consolidated Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Ind AS 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 Act, we are also responsible for expressing our opinion on the internal financial control with reference to the Consolidated Financial Statements and operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by managements and Board of Directors of the Holding Company.
- Conclude on the appropriateness of managements and Board of Directors of the Holding Company use of the going concern basis of accounting in preparation of Consolidated Financial Statement and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 Consolidated Ind AS 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Ind AS Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements for the financial year ended 31st

March, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matter

- (a) We did not audit the financial statement of two subsidiaries included in the Consolidated Ind AS Financial Statement, whose financial statements reflects total assets of ₹ 2418.56 lakh as at 31st March 2021, total revenues of ₹ 3553.47 lakh, total net profit after tax of ₹ 610.01lakh, total comprehensive income of ₹ 479.57 lakh, and cash flows net of ₹ 45.87 lakh for the year ended on that date, as considered in the Consolidated Ind AS Financial Statement. These financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit reports of such other auditors, and the procedures performed by us as stated in auditor's responsibility para above.
- (b) Further, both subsidiaries, are located outside India, whose financial Statements have been prepared in accordance with accounting principles generally accepted in India, and which have been audited by other auditor under standard of auditing applicable in India. Our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries located outside India and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based on the report of other auditor and audited by us.

Our opinion above on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### Report on other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'Other Matter' paragraph we report, to the extent applicable, that:
  - (a) We / the other auditors whose report we have relied upon, 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 of the aforesaid Consolidated Ind AS Financial Statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements;
  - (d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors of the Holding Company as

**Annexure 1**

on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and on the basis of written representation received by the management from Directors of its subsidiary which are incorporated in India as on 31st March 2021, none of the directors of the Group's companies incorporated in India is disqualified as on 31st March, 2021 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 with reference to these Consolidated Ind AS Financial Statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;

2. 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

- a. The Group does not have any pending litigations which would impact its financial position in its Consolidated Ind AS Financial Statements;
- b. The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company; and
- d. The disclosures in the Consolidated Ind AS Financial Statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these Consolidated Ind AS Financial Statements since they do not pertain to the financial year ended 31st March 2021.

3. With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable during the current year by the Holding Company and its subsidiary which are incorporated in India to its directors in accordance with the provisions of Section 197 of the Act read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For Vinod Kumar & Associates**  
Chartered Accountants  
FRN-002304N

**Sd/-**  
**Mukesh Dadhich**  
Partner  
M.No. 511741  
UDIN: 21511741AAAAHI2873

Date: 27th May, 2021  
Place: Delhi

**To the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of GRM OVERSEAS LIMITED for the year ended 31st March 2021.**

**REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

**(Referred to in paragraph 1(f) under "Reports on Other Legal and Regulatory Requirements" section of our report of even date)**

In conjunction with our audit of the Consolidated Ind AS Financial Statements of GRM Overseas Limited (herein referred to as "the Holding Company") as of and for the year ended 31st March, 2021, we have audited the internal financial controls with reference to the Consolidated Financial Statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary company, as of that date.

**Management's Responsibility for Internal Financial Controls**

The Respective Company's management and the Board of Directors are responsible for establishing & maintaining internal financial controls with reference to consolidated Financial Statements based on the criteria established by the respective company considering the essential components of internal control stated in 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 the 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 (herein referred to as "the Act").

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Ind AS Financial Statements 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. 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 with reference to Consolidated Ind AS Financial Statements 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 with reference to these Consolidated Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Ind AS Financial Statements included obtaining and understanding of internal financial controls with reference to Consolidated Financial Statements, 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 consolidated Ind AS 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 with reference to Consolidated Ind AS Financial Statements.



### Meaning of Internal Financial Controls with Reference to Consolidated Ind As Financial Statements

A company's internal financial control over financial reporting with reference to these Consolidated Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting with reference to Consolidated Ind AS Financial Statements 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 consolidated Ind AS 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 consolidated Ind AS financial statements.

### Inherent Limitations of Internal Financial Controls with Reference to these Consolidated Ind As Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Ind AS Financial Statements, 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 with reference to these Consolidated Ind AS Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Consolidated Ind AS Financial Statements 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 Holding Company and such companies incorporated in India which are its subsidiary company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated Ind AS financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**For Vinod Kumar & Associates**  
**Chartered Accountants**  
FRN-002304N

**Sd/-**  
**Mukesh Dadhich**  
**Partner**

M.No. 511741  
UDIN: 21511741AAAAHI2873

Date: 27th May, 2021

Place: Delhi

**Consolidated Balance Sheet as at 31st March, 2021**

(Amount ₹ in Lakh)

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	3,542.38	3,734.07
(b) Intangible Assets	3	58.32	66.32
<b>(c) Financial assets</b>			
i. Other financial assets	4	1.45	6.16
(d) Other non-current asset	5	171.34	68.39
<b>Total non-current assets</b>		<b>3,773.49</b>	<b>3,874.94</b>
<b>Current assets</b>			
(a) Inventories	6	10,925.44	5,593.31
<b>(b) Financial assets</b>			
i. Investments	7	10.61	
ii. Trade receivables	8	25,256.30	25,704.44
iii. Cash and cash equivalents	9	472.01	334.53
iv. Other bank balances	10	52.26	27.78
v. Other financial asset	11	10.10	29.88
(c) Current Tax Asset (Net)	12	100.47	-
(d) Other current assets	13	889.75	375.44
<b>Total current assets</b>		<b>37,716.94</b>	<b>32,065.38</b>
<b>TOTAL ASSETS</b>		<b>41,490.43</b>	<b>35,940.32</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	14	394.00	368.95
(b) Other equity	15	13,106.95	8,622.97
(c) Non Controlling Interest		20.26	-
<b>Total equity</b>		<b>13,521.21</b>	<b>8,991.92</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>(a) Financial liabilities</b>			
i. Borrowings	16	1.26	12.22
(b) Provisions	17	23.13	25.56
(c) Deferred tax liability (net)	18	172.68	168.82
<b>Total non current liabilities</b>		<b>197.07</b>	<b>206.60</b>
<b>Current liabilities</b>			
<b>(a) Financial liabilities</b>			
i. Borrowings	20	18,736.87	20,967.26
ii. Trade payable	21		
1. Dues of micro enterprises and small enterprises		1,753.45	215.82
2. Dues of creditor other than micro enterprises and small enterprises		2,265.22	3,121.25
iii. Other financial liabilities	21	4,586.69	2,097.40
(b) Other current liabilities	22	402.18	175.04
(c) Provisions	17	11.30	2.91
(d) Current tax liabilities (net)	23	16.44	162.13
<b>Total current liabilities</b>		<b>27,772.15</b>	<b>26,741.81</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>41,490.43</b>	<b>35,940.32</b>

Corporate Information and significant accounting policies 1 &amp; 2

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the consolidated financial statements.

As per our Report of even date

**For Vinod Kumar & Associates**
**Chartered Accountants**

Firm Registration No. 002304N

**Sd/-**
**CA. Mukesh Dadhich**
**Partner**

Membership No. 511741

Delhi

 27<sup>th</sup> May, 2021

**FOR AND ON BEHALF OF THE BOARD**
**Sd/-**
**Mamta Garg**
**Director**

DIN :05110727

**Sd/-**
**Rattan Lal Mittal**
**Chief Financial Officer**
**Sd/-**
**Atul Garg**
**Managing Director & Chairperson**

DIN : 02380612

**Sd/-**
**Balveer Singh**
**Company Secretary**

M. No. A59007

**Consolidated Statement of profit and loss for the year ended 31st March, 2021.**

(Amount ₹ in Lakh)

Particulars	Notes	Year ended 31st March 2021	Year ended 31st March 2020
<b>Income</b>			
Revenue from operation	24	79,937.35	77,715.26
Other income	25	644.59	1,281.90
<b>TOTAL INCOME</b>		<b>80,581.94</b>	<b>78,997.16</b>
<b>Expenses</b>			
Cost of material consumed	26	62,915.20	52,498.87
Changes in inventories of finished goods	27	(3,233.46)	8,593.44
Employee benefit expenses	28	560.56	381.60
Finance costs	29	1,170.62	1,449.09
Depreciation and amortisation expense	30	282.54	291.64
Other expenses	31	13,001.51	11,477.88
<b>TOTAL EXPENSES</b>	(i)	<b>74,696.97</b>	<b>74,692.52</b>
<b>PROFIT BEFORE TAX</b>		<b>5,884.96</b>	<b>4,304.66</b>
<b>Tax expense:</b>			
- Current tax	32	1,340.05	1,197.61
- Earlier year	32	(0.56)	(6.59)
- Deferred tax charge/(credit)	18	3.66	(56.34)
<b>TOTAL TAX EXPENSE</b>		<b>1,343.15</b>	<b>1,134.68</b>
<b>PROFIT FOR THE YEAR</b>		<b>4,541.82</b>	<b>3,169.98</b>
<b>OTHER COMPREHENSIVE INCOME (OCI)</b>			
(A) (i) <b>Items that will not be reclassified subsequently to profit or loss</b>			
(a) Remeasurement of defined employee benefit plans		2.30	1.49
(b) Unrealised Gain on Current Investment		0.61	-
(c) Foreign Currency Translation Reserve		(130.44)	(33.14)
(ii) <b>Income tax on items that will not be reclassified subsequently to profit or loss</b>		(0.20)	(0.38)
<b>TOTAL OTHER COMPREHENSIVE INCOME/ (LOSSES)</b>		<b>(127.73)</b>	<b>(32.03)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>4,414.09</b>	<b>3,137.95</b>
Profit or loss attributable to Owner		<b>4,522.34</b>	<b>3,169.98</b>
Profit or loss attributable to Non Controlling Interest		<b>19.48</b>	-
Other Comprehensive Income attributable to Owner		<b>(127.73)</b>	<b>(32.03)</b>
Other Comprehensive Income attributable to Non Controlling Interest		-	-
Total Comprehensive Income attributable to Owner		4,394.61	3,137.95
Total Comprehensive Income attributable to Non Controlling Interest		19.48	-
<b>Earning per equity share of face value of ₹ 10 each</b>	33		
Basic & Diluted (₹)		121.92	85.92

Corporate Information and significant accounting policies 1 &amp; 2

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the consolidated financial statements.

As per our Report of even date

**For Vinod Kumar & Associates**  
**Chartered Accountants**  
 Firm Registration No. 002304N

**Sd/-**  
**CA. Mukesh Dadhich**  
**Partner**  
 Membership No. 511741  
 Delhi  
 27<sup>th</sup> May, 2021

**FOR AND ON BEHALF OF THE BOARD**

<b>Sd/-</b> <b>Mamta Garg</b> <b>Director</b> DIN :05110727	<b>Sd/-</b> <b>Atul Garg</b> <b>Managing Director &amp; Chairperson</b> DIN : 02380612
<b>Sd/-</b> <b>Rattan Lal Mittal</b> <b>Chief Financial Officer</b>	<b>Sd/-</b> <b>Balveer Singh</b> <b>Company Secretary</b> M. No. A59007

**Consolidated Statement of Cash Flow for the year ended 31st March 2021**

(Amount ₹ in Lakh)

Sr. No. Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>A) Cash flow from operating activities</b>		
Profit before taxation	5,884.96	4,304.66
Adjustment for:		
Depreciation and amortisation	290.13	291.64
Foreign currency translation adjustment	(128.14)	(33.14)
Interest Received	(5.63)	(1.78)
Finance cost	1,170.62	1,449.09
(profit) / Loss on sale of Tangible Assets (Net)	(2.24)	
<b>Operating profit/(loss) before working capital changes</b>	<b>7,209.70</b>	<b>6,010.47</b>
Increase/ (Decrease) in trade payables and other liabilities	3,403.98	(2,487.09)
Decrease/ (Increase) in inventories	(5,332.13)	11,145.18
Decrease/ (Increase) in trade receivables and other assets	(276.26)	2,611.49
<b>Cash Generated from operations</b>	<b>5,005.30</b>	<b>17,280.05</b>
Taxes paid (net)	1,485.17	(1,071.16)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>3,520.14</b>	<b>16,208.89</b>
<b>B) Cash from investing activities</b>		
Purchase of property, plant and equipment	(105.69)	(1,019.35)
Decrease in Capital Work in Progress	-	309.23
Sale of property, plant and equipment	17.50	-
Investments in mutual funds	(10.00)	
Investments / Realisation in Bank Deposits	6.65	(3.53)
Interest Received	5.63	1.78
<b>Net cash used in investing activities (B)</b>	<b>(85.91)</b>	<b>(711.87)</b>
<b>C) Cash flow from financing activities</b>		
Proceeds from Share Capital	25.83	-
Proceeds from Share Warrants	60.75	-
Proceeds from long-term borrowings	(10.96)	(35.08)
Proceeds from short-term borrowings	(2,230.39)	(13,750.32)
Finance cost paid	(1,170.62)	(1,449.09)
Proceeds from Securities Premium	1,001.10	-
Dividend and DDT Paid	(972.48)	(222.41)
<b>Net cash flow from financing activities (C)</b>	<b>(3,296.77)</b>	<b>(15,456.89)</b>
<b>D) Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>137.46</b>	<b>40.12</b>
<b>E) Cash and cash equivalents as at the beginning of the year</b>	<b>334.53</b>	<b>294.41</b>
<b>F) Cash and cash equivalents as at the end of the year</b>	<b>472.01</b>	<b>334.53</b>
<b>Component of cash and cash equivalents</b>		
Balance with banks	456.89	321.87
Cash in hand	15.12	12.66
<b>Total</b>	<b>472.01</b>	<b>334.53</b>

The consolidated statement of cash flow has been prepared in accordance with 'Indirect method' as set out in the Ind AS 7 on 'Cash Flow Statements'.

As per our report of even date

**For Vinod Kumar & Associates**  
Chartered Accountants  
Firm Registration No. 002304N

Sd/-  
**CA. Mukesh Dadhich**  
Partner  
Membership No. 511741  
Delhi  
27<sup>th</sup> May, 2021

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**Mamta Garg**  
Director  
DIN :05110727

Sd/-  
**Atul Garg**  
Managing Director & Chairperson  
DIN : 02380612

Sd/-  
**Rattan Lal Mittal**  
Chief Financial Officer

Sd/-  
**Balveer Singh**  
Company Secretary  
M. No. A59007

**Consolidated Statement of changes in Equity for the year ended 31st March, 2021**
**a) Equity Share Capital**

	Changes in equity share capital during the year 2019-20	Balance at the end of the reporting period 31st March, 2020	Changes in equity share capital during the year 2020-21	(Amount ₹ in Lakh)
Balance at the beginning of the reporting period i.e 1st April, 2019	-	368.95	25.05	394.00

**b) Other equity**

Particulars	Reserve & Surplus			Other Comprehensive Income				Total				
	Securities premium	Investment Allowance Reserve	Forfeiture Share Capital Reserve	Other Reserves	Retained Earnings	Foreign Currency Translation Reserve	Remeasurement of Defined Benefit Plan Investment		Unrealised Gain on Current Investment	Money received against share warrants**		
<b>Balance as at the 1st April, 2019</b>	68.95	0.16	59.08	59.08	194.85	544.57	4781.93	(1.23)	-	-	5707.40	
Profit for the year	-	-	-	-	-	-	3169.98	-	-	-	3169.98	
Other Comprehensive Income for the year*	-	-	-	-	-	-	(33.14)	1.11	-	-	1.11	
<b>Total</b>	<b>68.95</b>	<b>0.16</b>	<b>59.08</b>	<b>59.08</b>	<b>194.85</b>	<b>544.57</b>	<b>7951.91</b>	<b>(34.37)</b>	<b>1.11</b>	<b>-</b>	<b>8878.49</b>	
Less : Appropriations	-	-	-	-	-	-	184.47	-	-	-	184.47	
Dividend for the year	-	-	-	-	-	-	37.92	-	-	-	37.92	
<b>Dividend distribution tax on dividend</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37.92</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37.92</b>	
<b>Balance as at 1st April, 2020</b>	<b>68.95</b>	<b>0.16</b>	<b>59.08</b>	<b>59.08</b>	<b>194.85</b>	<b>544.57</b>	<b>7729.52</b>	<b>(34.37)</b>	<b>1.11</b>	<b>0.00</b>	<b>8622.96</b>	
Profit for the year	-	-	-	-	-	-	4522.34	-	-	-	4522.34	
Issue of Share Capital	11.62	-	-	-	-	-	-	-	-	-	11.62	
Opening OCI reserve on remeasurement of employee benefit obligation	-	-	-	-	-	-	1.11	-	(1.11)	-	-	
Actuarial gain on account of remeasurement of employee benefit plan	-	-	-	-	-	-	2.10	-	-	-	2.10	
Issue of Share warrants	-	-	-	-	-	-	-	-	-	1,075.28	1,075.28	
Conversion of Share Warrants	989.48	-	-	-	-	-	-	-	-	(1,014.53)	(25.05)	
Other Comprehensive Income for the year*	-	-	-	-	-	-	(130.44)	-	0.61	-	(129.84)	
<b>Total</b>	<b>1070.05</b>	<b>0.16</b>	<b>59.08</b>	<b>59.08</b>	<b>194.85</b>	<b>544.57</b>	<b>12255.07</b>	<b>(164.81)</b>	<b>0.00</b>	<b>0.61</b>	<b>60.75</b>	<b>14079.41</b>
<b>Less : Appropriations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>972.48</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Dividend for the year	-	-	-	-	-	-	972.48	-	-	-	972.48	
Dividend distribution tax on dividend	-	-	-	-	-	-	-	-	-	-	0.00	
<b>Balance as at 31st March, 2021</b>	<b>1070.05</b>	<b>0.16</b>	<b>59.08</b>	<b>59.08</b>	<b>194.85</b>	<b>544.57</b>	<b>11282.60</b>	<b>(164.81)</b>	<b>0.00</b>	<b>0.61</b>	<b>60.75</b>	<b>13106.95</b>

\*Amount of other comprehensive income for the year are represented net of tax.

\*\*Issue of Share warrants : After receiving in principal approval from stock exchange, the holding company has offered and allotted 310500 "" convertible share warrant"" at the price of Rs. 405/- each (at the face value of Rs.10 each and Security premium of Rs. 395/- per convertible warrant) for the purpose to meet the holding company's capital expenditure, to enhance long term resources and thereby strengthening of the financial structure of the company and for meeting working capital requirement and for other general corporate purposes and purpose permitted by applicable laws.

Out of 3,10,500 Convertible Warrants, 2,50,500 warrants has been converted into equity shares of the company upon exercise of conversion option by the warrant's holders. Balance 60,000 warrant will be converted within 180 days from the date of allotment of warrant.

This is the Standalone Financial Statements referred to in our report of even date.

As per our Report of even date

**For Vinod Kumar & Associates**  
**Chartered Accountants**  
 Firm Registration No. 002304N

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**CA. Mukesh Dadhich**  
**Partner**  
 Membership No. 511741  
 Delhi  
 27<sup>th</sup> May, 2021

Sd/-  
**Mamta Garg**  
**Director**  
 DIN :05110727

Sd/-  
**Atul Garg**  
**Managing Director & Chairperson**  
 DIN : 02380612

Sd/-  
**Rattan Lal Mittal**  
**Chief Financial Officer**

Sd/-  
**Balveer Singh**  
**Company Secretary**  
 M. No. A59007

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### Note No. 1

#### CORPORATE INFORMATION

GRM OVERSEAS LIMITED (the 'Holding Company') was incorporated in India as a limited company under the Companies Act, 1956 vide certificate of incorporation no. 55-64007 dt.03 January, 1995. The Company got Certificate of Commencement of Business on 10 January, 1995 and is engaged primarily in the business of milling, processing and marketing of branded and non-branded basmati rice in the domestic and overseas market. The company is listed on Bombay Stock Exchange in India.

The Holding Company and its subsidiaries (jointly referred as the "group") considered in consolidated financial statements are:

Sr. No.	Name of the Company Subsidiary Company	Country of Incorporation	Extent of Holding as on	
			31st March, 2021	31st March, 2020
1	GRM International Holdings Limited	United Kingdom	100%	100%
2	GRM Fine Foods Inc. (Stepdown subsidiary)	United States	100%	100%
3	GRM Foodkraft Pvt Ltd	India	92.76%	0%

### Note No. 2

#### SIGNIFICANT ACCOUNTING POLICIES

##### 1. Basis of Accounting and Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

##### 2. Functional and Presentation Currency

The Company's Consolidated Financial Statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest lakh (₹00,000), except when otherwise indicated.

##### 3. Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial assets & liabilities and defined benefit plans which have been measured at fair value amount. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle which has been taken as 12 months. Company's consolidated financial statements are presented in Indian Rupees, which is also its functional currency.

The Group's Consolidate Financial Statements are presented in Indian Rupees (₹), which is also its

functional currency and all values are rounded to the nearest lakh (₹00,000), except when otherwise indicated.

##### 4. Basis of Consolidation

The consolidated financial statements (CFS) include the financial statements of GRM OVERSEAS LIMITED (the "holding Company") and its subsidiaries (collectively, the Group) accounted for under equity method.

The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Holding Company's separate financial statements unless stated otherwise.

##### The consolidated financial statements have been prepared on the following basis:

The financial statements of the Holding Company and its subsidiary are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

Eliminate the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The difference between the parent's investments in the subsidiary companies over the parent's portion of equity of the subsidiaries on the date of investment is recognized in the consolidated financial statements as goodwill or capital reserve.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve (FCTR).

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Non-Controlling Interest's share of profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.

Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Holding Company's shareholders.

Goodwill arising on consolidation is stated at cost less impairment losses, where applicable. On disposal of a subsidiary, attributable amount of goodwill is included in the determination of the profit or loss recognized in the Statement of Profit and Loss.

##### 5. Use of estimates and judgements

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of IND AS requires the management to make estimates and assumptions that affect the balances of assets and liabilities, disclosures of contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expenses for the periods presented. The Company has a policy to review these estimates and underlying assumptions on an ongoing basis. Revisions to

accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

- **Inventories**

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any, except in case of scrap, which is valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes 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.

- **Contingencies /Provisions**

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, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

## 6. RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2021.

## 7. Summary of Significant Accounting Policies

### A. Property, plant and equipment (IND AS 16)

Freehold land is carried at historical cost. All other items of Property, plant and equipment are stated at cost, net of trade discount, rebates and recoverable taxes less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bring the assets to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Depreciation on property, plant and equipment provided using straight line method. Depreciation is calculated based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Gains or losses arising from de-recognition of fixed Assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### B. Intangible assets (IND AS 38)

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates

less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Intangible assets are amortized using straight line method based on management estimate of useful life of the assets.

### C. Leases (IND AS 116)

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

### D. Cash and cash equivalents

The cash & cash Equivalent comprise of cash on hand, cash at banks and Short Term Deposits. The Company considers all short term highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usages.

### E. Borrowing Cost (IND AS 23)

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

### F. Impairment of property, plant and equipment and intangible assets (IND AS 36)

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

## G. Employee Benefits Expense (IND AS 19)

### Short Term Employee Benefits obligation

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services. These benefits include compensated absences and performance incentives.

### Other long-term Employee Benefit obligations

The liabilities for earned leave which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured on the basis of independent actuarial valuation certificate as the present value of the expected future payments to be made in respect of service provided by the employees upto the end of the reporting period.

### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

### Defined Benefit Plans

The Company pays gratuity to the eligible employees in accordance with the payment of Gratuity act, 1972. The liability recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligations are calculated at the end of the reporting period by actuaries using the projected unit credit method. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

## H. Tax Expenses (IND AS 12)

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

**- Current tax:** Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

**- Deferred tax:** Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred Tax Assets are recognized to the extent it is probable that the taxable profit will be available against which the deductible temporary differences, and carry forward of unused tax losses can be utilized. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

## I. Foreign Exchange Transaction and translation (IND AS 21)

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

## J. Revenue recognition (IND AS 115)

Revenue is recognised when control of the products being sold has transferred to the customer and when there are no longer any unfulfilled obligations to the customer. This is generally on delivery to the customer but depending on individual customer terms, this can be at the time of dispatch, delivery or upon formal customer acceptance, goods under physical possession of customer. This is considered the appropriate point where the performance obligations in our contracts are satisfied as Company no longer have control over the inventory. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and Indirect Taxes. No element of financing is present in the pricing arrangement. Settlement terms range from cash-on-delivery to credit terms ranging upto 180 days.

## K. Dividend Income is recorded when the right to receive payment is established.

## L. Interest income is recognised using the effective interest method.

## M. Financial Instruments

### Financial Assets

**- Initial Recognition & Measurement** - At initial recognition, the Company measures financial assets at its fair value plus, in the case of a financial assets not at fair value through profit or loss, transaction cost that are directly attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss are expensed off in the statement of profit or loss. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognised in profit or loss when the assets is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.



- **Investment** - The Company account for its investments in subsidiaries, associates and joint venture at cost and all other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in Other Comprehensive Income.

- **Impairment of financial assets** - The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables Company applies simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities

#### - Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

#### - Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments -The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### N. Earning per Share (IND AS 33)

Basic Earning per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year. The Company did not have any potentially dilutive securities in any of the years presented.

O. Costs and expenses are recognised when incurred and have been classified according to their nature.

### Notes to Consolidated financial statements for the year ended 31st March, 2021

#### 3. Property, Plant & Equipment and Intangible Assets

(Amount ₹ in Lakh)

Particulars	Property, plant and equipment							Right-of-Use Assets		Intangible	Total assets	
	Land (Freehold)	Factory Buildings	Office Building	Computers	Furniture and fittings	Vehicle equipments	Office machinery	Plant and	Land (Leasehold)*			Software
<b>Gross Block</b>												
Balance as at 1st April 2019	228.16	1013.06	115.50	7.29	147.57	565.32	22.75	2524.21	329.40	1.30	4954.57	
Additions	-	588.18	-	1.18	4.58	17.37	11.86	330.64	-	65.51	1019.32	
Disposals	-	-	-	-	-	-	-	-	-	-	-	
<b>Balance as at 31st March 2020</b>	<b>228.16</b>	<b>1601.24</b>	<b>115.50</b>	<b>8.47</b>	<b>152.15</b>	<b>582.69</b>	<b>34.61</b>	<b>2854.85</b>	<b>329.40</b>	<b>66.81</b>	<b>5973.89</b>	
Balance as at 1 April 2020	228.16	1601.24	115.50	8.47	152.15	582.69	34.61	2854.85	329.40	66.81	5973.89	
Additions during the year	-	-	-	1.73	12.73	7.78	3.09	80.37	-	-	105.70	
<b>Balance as at 31st March 2021</b>	<b>228.16</b>	<b>1,601.24</b>	<b>115.50</b>	<b>10.20</b>	<b>129.75</b>	<b>522.13</b>	<b>35.72</b>	<b>2,935.23</b>	<b>329.40</b>	<b>66.81</b>	<b>5,974.14</b>	
<b>Accumulated depreciation</b>												
Balance as at 1st April 2019	-	150.49	0.03	3.58	70.98	178.69	12.15	1465.93	-	0.05	1881.88	
Depreciation/Amortisation during the year	-	36.50	1.83	1.84	19.87	68.25	5.59	153.11	4.19	0.44	291.62	
Deductions during the year	-	-	-	-	-	-	-	-	-	-	-	
<b>Balance as at 31st March 2020</b>	<b>-</b>	<b>186.99</b>	<b>1.86</b>	<b>5.42</b>	<b>90.85</b>	<b>246.94</b>	<b>17.73</b>	<b>1619.04</b>	<b>4.19</b>	<b>0.49</b>	<b>2173.50</b>	
Balance as at 1st April 2020	-	186.99	1.86	5.42	90.85	246.94	17.73	1,619.04	4.19	0.49	2,173.50	
Depreciation/Amortisation during the year	-	50.71	1.83	1.94	8.54	59.63	4.05	151.78	3.66	8.00	290.13	
Deductions during the year	-	-	-	-	(35.13)	(53.08)	(1.98)	-	-	-	(90.19)	
<b>Balance as at 31st March 2021</b>	<b>-</b>	<b>237.70</b>	<b>3.69</b>	<b>7.36</b>	<b>64.26</b>	<b>253.49</b>	<b>19.81</b>	<b>1,770.82</b>	<b>7.85</b>	<b>8.49</b>	<b>2,373.44</b>	
<b>Net Block</b>												
Balance as at 1st April 2019	228.16	862.57	115.47	3.71	76.59	386.63	10.60	1,058.28	329.40	1.25	3,072.69	
Balance as at 31st March 2020/1st April 2020	228.16	1,414.25	113.64	3.05	61.30	335.75	16.88	1,235.81	325.21	66.32	3,800.38	
Balance as at 31st March 2021	228.16	1,363.54	111.81	2.85	65.49	268.64	15.91	1,164.41	321.55	58.32	3,600.70	

\*Right-of-Use (Land) Includes Land at Gandhidham, Gujarat taken on operating lease. This asset has been taken on lease in FY 2018-19 and had been re-classified in Right-of-Use Asset as per Ind-As116 during the year 2019-20.

**Notes to consolidated financial statements for the year ended 31st March, 2021**

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>4 Other financial assets (non-current)</b>		
Bank deposit with more than 12 months maturity*#	1.45	6.16
<b>Total</b>	<b>1.45</b>	<b>6.16</b>

\*The deposit are restricted as they are held as margin money deposit against guarantees given by the company

#Includes interest accrued but not due

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>5 Other non-current asset</b>		
Unsecured- considered good unless otherwise stated		
Capital Advances	112.95	10.00
Security deposit	58.39	58.39
<b>Total</b>	<b>171.34</b>	<b>68.39</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>6 Inventories*</b>		
Raw Materials and components	5,315.85	3,218.85
Finished goods^	5,135.70	2,374.46
Stock in trade	473.89	-
<b>Total</b>	<b>10,925.44</b>	<b>5,593.31</b>

\*Inventories have been hypothecated with banks against working capital loans, refer note 19 for details.

^Finished Goods includes stock -in- transit of Rs. 672.51 lakhs (PY Rs. Nil).

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>7 Investments (current)</b>		
Investments Measured at Fair Value Through Other Comprehensive Income (FVTOCI)		
In Mutual Fund -Union Hybrid Equity Fund -Quoted	10.61	-
<b>Total</b>	<b>10.61</b>	<b>-</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>8 Trade receivables*</b>		
Unsecured, Considered Good	25,256.30	25,704.44
<b>Total</b>	<b>25,256.30</b>	<b>25,704.44</b>

\*Trade receivables includes dues from related parties have been hypothecated with State Bank of India &amp; Union Bank of India against working capital loans (refer note 39)

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>9 Cash and cash equivalents</b>		
Balances with Banks		
- on current accounts	456.92	321.87
Cash/ cheques in hand	15.09	12.66
<b>Total</b>	<b>472.01</b>	<b>334.53</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>10 Other bank balances</b>		
Term deposit with maturity for more than 3 months but less than 12 months		
- Fixed deposits	14.87	16.81
Unclaimed Dividend Account	37.39	10.97
<b>Total</b>	<b>52.26</b>	<b>27.78</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>11 Other financial asset (current)</b>		
Advance Recoverable	-	29.01
other Receivable	10.10	0.87
<b>Total</b>	<b>10.10</b>	<b>29.88</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>12 Current Tax Asset</b>		
Current Tax Asset (Net)	100.47	-
<b>Total</b>	<b>100.47</b>	<b>-</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>13 Other current assets</b>		
<b>Considered good</b>		
Advances to suppliers	26.48	-
Prepaid expenses	141.30	61.68
Balance with statutory / government authorities	713.61	306.30
Other advance	8.36	7.46
<b>Total</b>	<b>889.75</b>	<b>375.44</b>

(Amount ₹ in Lakh)

14 Share capital	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised share capital</b>				
Equity shares of Rs.10 each	7,000,000	700.00	7,000,000	700.00
<b>Total</b>	<b>7,000,000</b>	<b>700.00</b>	<b>7,000,000</b>	<b>700.00</b>
<b>Issued, subscribed and fully paid-up</b>				
Equity shares of Rs.10 each fully paid	3,940,000	394.00	3,689,500	368.95
<b>Total</b>	<b>3,940,000</b>	<b>394.00</b>	<b>3,689,500</b>	<b>368.95</b>

**a) Reconciliation of the number of shares outstanding is set out below:**

(Amount ₹ in Lakh)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Shares</b>				
Shares at the beginning of the year	3,689,500	368.95	3,689,500	368.95
Add: issued during the year	250,500	25.05	-	-
<b>Total</b>	<b>3,940,000</b>	<b>394.00</b>	<b>3,689,500</b>	<b>368.95</b>

**b) Terms/rights attached to equity shares**

The Holding Company has only one class of equity shares, having a par value of ₹10 per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

**c) Details of Equity shareholders holding more than 5% shares**

(Amount ₹ in Lakh)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	% of shares held	No. of Shares	% of shares held
<b>Equity shares of Rs.10 each, fully paid up held by</b>				
Hukam Chand Garg	1,000,200	25.39%	1,000,200	27.11%
Mamta Garg	909,250	23.08%	858,000	23.26%
Atul Garg	911,800	23.14%	858,000	23.26%

(Amount ₹ in Lakh)

15 Other Equity	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
<b>Reserve &amp; Surplus</b>				
Securities Premium		1,070.05		68.95
Other Reserve:				
Investment Allowance Reserve		0.16		0.16
Forfeiture Share Capital Reserve		59.08		59.08
Forfeiture Share Premium Reserve		59.08		59.08
Revaluation Reserve		194.85		194.85
General Reserve		544.57		544.57
		<b>1,927.81</b>		<b>926.71</b>
<b>Retained Earning</b>				
Balance as at the beginning of the year		7,729.52		4,781.93
Profit for the year		4,522.34		3,169.98
Opening OCI reserve on remeasurement of employee benefit obligation		1.11		-
Actuarial gain on account of remeasurement of employee benefit plan		2.10		-
Less : Appropriations:				
Dividend for the year		972.48		184.47
Dividend Distribution Tax on Dividend		-		37.92
<b>Balance as at the end of the year</b>		<b>11,282.60</b>		<b>7,729.52</b>
<b>Other comprehensive Income</b>				
Remeasurement of Defined Benefit Plan				
Balance as at the beginning of the year		1.11		
Other comprehensive income / (losses)				1.11
Opening OCI reserve on remeasurement of employee benefit obligation		(1.11)		
<b>Balance as at the end of the year</b>		<b>-</b>		<b>1.11</b>
Unrealised Gain on Current Investment				
Balance as at the beginning of the year		-		-
Other comprehensive income / (losses)		0.61		-
<b>Balance as at the end of the year</b>		<b>0.61</b>		<b>-</b>
Foreign Currency Translation Reserve				
Balance as at the beginning of the year		(34.37)		(1.23)
Other comprehensive income / (losses)		(130.44)		(33.14)
<b>Balance as at the end of the year</b>		<b>(164.81)</b>		<b>(34.37)</b>
<b>Money Received against Share Warrants</b>				
Issue of Share warrants*		1,075.28		-
Conversion of Share Warrant		(1,014.53)		-
Balance as at the end of the year		60.75		-
<b>Total</b>		<b>13,106.95</b>		<b>8,622.97</b>

**Nature and purpose of reserves:**

**Investment Allowance Reserve** - This reserve created as per Income Tax Act, 1961.

**Securities Premium** - Securities Premium Reserve represents premium received on issue of shares at a premium. The reserves can be utilised in accordance with section 52 of Companies Act, 2013

**Forfeiture Share Capital Reserve** - This represents amount forfeited from a member who fails to pay any call, or installment of call.

**Forfeiture Share Premium Reserve** - This represents premium amount forfeited from a member who fails to pay any call, or installment of call.

**Revaluation Reserve** - Revaluation reserve represents increase in fair value of an item of property, plant and equipment less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

**General Reserve:** The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, item included in the general reserve will not be reclassified subsequently to statement of profit and loss. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

**Foreign currency translation Reserve:** Foreign currency translation reserve arise as a result of translating the financial statement items from the functional currency into the presentational currency using the exchange rate at the reporting date.

**\*Issue of Share warrants:** After receiving in principal approval from stock exchange, the holding Company has offered and allotted 310500 "convertible share warrant" at the price of Rs. 405/- each (at the face value of Rs.10 each and Security premium of Rs. 395/- per convertible warrant) for the purpose to meet the company's capital expenditure, to enhance long term resources and thereby strengthening of the financial structure of the company and for meeting working capital requirement and for other general corporate purposes and purpose permitted by applicable laws.

Out of 3,10,500 Convertible Warrants, 2,50,500 warrants has been converted into equity shares of the company upon exercise of conversion option by the warrant's holders. Balance 60,000 warrant will be converted within 180 days from the date of allotment of warrant.

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>16 Long Term Borrowings</b>		
<b>Secured Loan</b>		
Term Loan from bank*	1.26	12.22
<b>Total</b>	<b>1.26</b>	<b>12.22</b>

\*Term Loan from bank includes-

(i) 15,70,248/- which carries interest @ 9.22% per annum. This loan is repayable in 13 equated monthly installments of 1,27,387/- each including interest from the date of loan. The loan is secured against hypothecation of Motor Car.

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>17 Provision</b>		
<b>Provision for employee benefits</b>		
Gratuity payable	34.43	28.46
<b>Includes-</b>	<b>34.43</b>	<b>28.46</b>
Current	11.30	2.91
Non Current	23.13	25.56
<b>Total</b>	<b>34.43</b>	<b>28.46</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>18 Deferred Tax Liabilities (Net)</b>		
<b>The movment on the deferred tax account is as follows:</b>		
At the beginning of the year	168.82	224.78
Charge/(credit) to statement of Profit and Loss	3.66	(56.34)
Charge to Other Comprehensive Income	0.20	0.38
<b>At the end of the year</b>	<b>172.68</b>	<b>168.82</b>

Particular	As at 1 April 2019	Provided during the year	As at 1 April 2020	Provided during the year	As at 1 April 2021
<b>Deferred tax liability (Net)</b>					
<b>Deferred tax liability:</b>					
Imapct of difference between tax depreciation and depreciation charged for the financial reporting	232.81	(56.13)	176.68	5.89	182.57
(i) Remeasorment of Defined benefit liability (Assets)	-	0.38	0.38	0.20	0.58
<b>Total deferred tax liability (A)</b>	<b>232.81</b>	<b>(55.75)</b>	<b>177.05</b>	<b>6.10</b>	<b>183.15</b>
<b>Deferred tax asets:</b>					
Disallowance under the Income Tax Act, 1961	8.03	0.21	8.24	2.24	10.47
<b>Total deferred tax assets (B)</b>	<b>8.03</b>	<b>0.21</b>	<b>8.24</b>	<b>2.24</b>	<b>10.47</b>
<b>Deferred Tax Liability (Net) (A - B)</b>	<b>224.78</b>	<b>(55.96)</b>	<b>168.82</b>	<b>3.86</b>	<b>172.68</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>19 Borrowings (current)</b>		
<b>Loans repayable on demand (secured):</b>		
Working capital limit from bank*	11,160.57	12,549.39
<b>Other Short Term Borrowing(Unsecured)</b>		
Other Short Term Borrowing	2.80	0.31
<b>Loans repayable on demand (unsecured):</b>		
<b>Loan from related party</b>		
Inter-corporate loans <sup>^</sup>	3,017.93	5,544.48
Loans from related parties <sup>^</sup>	4,555.57	2,873.08
<b>Total</b>	<b>18,736.87</b>	<b>20,967.26</b>

\*Working capital limit from banks are secured by hypothecation of stocks of raw materials, work in process, finished goods, stores, consumable stores and book debts etc; such credits from banks are also secured by charge on all the present and future asset of the Holding Company and further guaranteed by Promoter Directors. The working capital limit are repayable on demand and carries net interest @ 5% to 7% per annum.

<sup>^</sup> Loans from corporates and related parties carries interest @ 8% per annum and Interest is payable on yearly basis. Also refer note 39 for related parties details.

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>20 Trade payables</b>		
Dues of Micro enterprises and Small enterprises	1,753.45	215.82
Dues of creditors other than Micro enterprises and Small enterprises	2,265.22	3,121.25
<b>Total</b>	<b>4,018.67</b>	<b>3,337.07</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>21 Other current financial liabilities</b>		
Current maturities of long term debt	14.44	35.08
Creditors for capital goods	-	8.91
Unclaimed dividend	37.69	11.02
Book Overdrafts	1,378.10	20.11
Interest accrued but not due	-	36.77
Business Promotion Expenses Payable	3121.21	1985.51
Other payables	35.25	-
<b>Total</b>	<b>4,586.69</b>	<b>2,097.40</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>22 Other current liabilities</b>		
Advance from customer	28.46	20.00
Statutory dues payable	45.15	89.19
<b>Other Payables:</b>		11.02
Electricity Expenses	43.40	40.00
Statutory audit Fee	3.24	6.89
Employees Benefits payable	22.79	16.90
Others	259.15	2.06
<b>Total</b>	<b>402.18</b>	<b>175.04</b>

(Amount ₹ in Lakh)

	As at 31st March, 2021	As at 31st March, 2020
<b>23 Income tax liabilities (net)</b>		
Provision for taxation (Netted off towards advance taxes)	16.44	162.13
<b>Total</b>	<b>16.44</b>	<b>162.13</b>

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>24 Revenue from operations</b>		
<b>Sale of Goods</b>		
Rice - Export	65,199.98	68,629.97
Rice - Domestic	13,866.03	8,338.81
Other operating revenue	871.35	746.48
<b>Total</b>	<b>79,937.35</b>	<b>77,715.26</b>

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>25 Other income</b>		
<b>Sale of Goods</b>		
Export incentive	35.82	31.50
Interest income	5.63	1.78
Profit on sale of fixed assets	2.24	-
Foreign Currency exchange Fluctuations	579.51	1,209.63
Other Income	21.39	38.99
<b>Total</b>	<b>644.59</b>	<b>1,281.90</b>

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>26 Other income</b>		
Opening Stock of Raw Material	3,218.84	5,770.58
Add : Purchases	65,012.22	49,947.14
<b>Total</b>	<b>68,231.05</b>	<b>55,717.72</b>
Deduct : Closing Stock of Raw Material	5,315.85	3,218.85
<b>Total</b>	<b>62,915.20</b>	<b>52,498.87</b>

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>27 Changes in inventory of finished goods &amp; Traded Goods</b>		
<b>Finished Goods</b>		
Opening Stock	2,376.13	10,967.90
Deduct : Closing Stock	5,609.59	2,374.46
<b>Total</b>	<b>(3,233.46)</b>	<b>8,593.44</b>

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>28 Changes in inventory of finished goods &amp; Traded Goods</b>		
Salaries, wages and bonus	544.41	367.74
Contribution to provident and other funds	7.89	6.87
Gratuity	8.26	6.99
<b>Total</b>	<b>560.56</b>	<b>381.60</b>

(Amount ₹ in Lakh)

<b>Reconciliation of opening and closing balance of defined benefit obligation</b>	Year ended 31st March, 2021	Year ended 31st March, 2020
	Gratuity	Gratuity
Obligation at beginning of year	28.47	22.97
Current service cost	6.27	5.38
Interest cost	1.99	1.61
Actuarial (gain) / loss	(2.30)	(1.49)
Obligation at year end	34.43	28.47

As per IND AS-19 "Employee Benefits", the disclosures as defined in Indian Accounting Standard are given below:

(Amount ₹ in Lakh)

<b>28.2 Expenses recognised during the year</b>	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>In Income Statement</b>	Gratuity	Gratuity
Current Service Cost	6.27	5.38
Interest Cost	1.99	1.61
<b>Net Cost</b>	<b>8.26</b>	<b>6.99</b>
<b>In Other Comprehensive Income</b>		
Actuarial (Gain) / Loss	(2.30)	(1.49)
<b>Net (Income) / Expense for the period recognised in OCI</b>	<b>(2.30)</b>	<b>(1.49)</b>

(Amount ₹ in Lakh)

<b>The defined benefit obligations shall mature after year</b>	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>28.3 ended March 31, 2020 as follows:</b>		
01 Apr 2020 to 31 Mar 2021	11.30	2.91
01 Apr 2021 to 31 Mar 2022	0.49	6.93
01 Apr 2022 to 31 Mar 2023	0.58	0.42
01 Apr 2023 to 31 Mar 2024	0.60	0.47
01 Apr 2024 to 31 Mar 2025	1.20	0.48
01 Apr 2025 Onwards	20.25	17.26

(Amount ₹ in Lakh)

<b>28.4 Actuarial assumptions</b>	Year ended 31st March, 2021	Year ended 31st March, 2020
	Gratuity	Gratuity
Discount rate (per annum)	7.00% p.a.	7.00% p.a.
Salary growth rate (per annum)	5% p.a.	5% p.a.
Withdrawal rate (per annum)	5.00% p.a.	5.00% p.a.
Mortality	IALM 2012-14	IALM 2012-14

**28.5 Sensitivity Analysis:** Significant actuarial assumptions for the determination of the defined are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

<b>Period</b>	<b>As on: 31-03-2021</b>
Defined Benefit Obligation (Base)	34.43 Lakh @ Salary Increase Rate : 5%, and discount rate :7%.
Liability with x% increase in Discount Rate	32.25 Lakh ; x=1.00% [Change (6)% ]
Liability with x% decrease in Discount Rate	36.93 Lakh; x=1.00% [Change 7% ]
Liability with x% increase in Salary Growth Rate	36.96 Lakh; x=1.00% [Change 7% ]
Liability with x% decrease in Salary Growth Rate	32.20 Lakh;x=1.00% [Change (6)% ]
Liability with x% increase in Withdrawal Rate	34.53 Lakh; x=1.00% [Change 0% ]
Liability with x% decrease in Withdrawal Rate	34.27 Lakh; ; x=1.00% [Change 0% ]

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>29 Finance costs</b>		
Interest On Term Loan	2.78	6.47
Interest On Working Capital Loan	216.71	667.41
Interest On Unsecured Loans	694.32	673.71
Interest - Others	24.47	9.65
Other borrowing cost	232.35	91.84
<b>Total</b>	<b>1,170.62</b>	<b>1,449.09</b>

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>30 Depreciation and amortisation</b>		
Depreciation on Property, plant and equipment	282.13	291.21
Amortisation of intangible assets	0.41	0.43
<b>Total</b>	<b>282.54</b>	<b>291.64</b>

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>31 Other expenses</b>		
Power and Fuel	543.01	522.32
Repairs to		
- Building	14.00	27.65
- Machinery	200.87	91.03
- Others	7.85	75.95
Rent	20.76	26.47
Business Promotion Expenses	1,030.80	1,638.13
Rates and Taxes	109.49	62.57
Insurance	193.47	169.80
Freight, Transport and Delivery	286.26	526.87
Shipping & Forwarding	3,900.93	2,618.83
Packing Expenses	2,581.00	1,917.31
Rebate & Discounts	3,008.20	2,773.77
Printing & Stationery	47.17	2.61
Advertisement	164.01	81.77
Payment to auditor (Refer details below)	8.84	7.06
Professional Charges	34.23	110.82
Vehicles Running Expenses	12.68	6.95
Charity and Donation	75.51	44.31
Contractor Charges	590.08	416.56
Foreign Currency exchange Fluctuations	-	68.36
Other Expenses	172.33	288.72
<b>Total</b>	<b>13,001.51</b>	<b>11,477.88</b>

**Payment to auditor**

(Amount ₹ in Lakh)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>As auditor:</b>		
Audit Fee	8.24	6.56
Tax Audit Fee	0.60	0.50
Fees for other services*	0.43	0.27
<b>Total</b>	<b>9.27</b>	<b>7.33</b>

\*Fees for other services includes certification fees and fees for transfer pricing report paid to auditors

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>32 TAXATION</b>		
<b>Income tax recognised in Statement of Profit and Loss</b>		
a Current tax	1,340.05	1,197.61
b Adjustment for earlier years	3.66	(56.34)
Total income tax expenses recognised in the current year	<b>1,343.15</b>	1,134.68
<b>The income tax expenses for the year can be reconciled to the accounting profit as follows:</b>		
Profit before tax	5,884.96	4,304.66
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	1,481.13	1,083.40
<b>Tax effect of:</b>		
Expenses disallowed	16.05	6.02
<b>Total</b>	<b>1,497.18</b>	<b>1,089.42</b>
Tax adjustment related to earlier years	(0.56)	(6.59)
<b>Current Tax Provision - (A)</b>	<b>1,496.62</b>	<b>1,082.82</b>
One time deferred tax adjustment due to availment of tax benefit under section 115BAA		(60.47)
Incremental Deferred Tax Liability on account of Tangible and Intangible Assets	(0.48)	
Incremental Deferred Tax Asset on account of Financial Assets and Other Items	0.54	
Current Year Losses /(Profits) of foreign subsidiaries for which no deferred tax asset was recognised	(153.53)	112.31
<b>Deferred tax Provision (B)</b>	<b>(153.47)</b>	<b>51.84</b>
<b>Tax Expenses recognised in Statement of Profit and Loss (A+B)</b>	<b>1,343.15</b>	<b>1,134.67</b>
Effective Tax Rate	22.82%	26.36%

(Amount ₹ in Lakh)

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>33 Earnings per share</b>		
i. Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	4,541.82	3,169.98
ii. Weighted average number of equity shares used as denominator for calculating EPS (₹)	3,725,188	3,689,500
iii. <b>Basic and diluted earnings per share (₹)</b>	121.92	85.92
iv. <b>Nominal value per share (₹)</b>	<b>10.00</b>	<b>10.00</b>

### 34 The Micro, Small and Medium Enterprises Development (MSME) Act, 2006:

The information regarding Micro, Small and Medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company:

(Amount ₹ in Lakh)

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
a)	i) Principal amount remaining unpaid at the end of the accounting year	51.19	-
	ii) Interest due on above	0.87	-
b)	The amount of interest paid by the buyer along with amount of payment made to the suppliers beyond the appointed date	-	-
c)	The amount of interest due but not paid	0.87	-

(Amount ₹ in Lakh)

35 Fair value measurement hierarchy	Year ended 31st March, 2021	Year ended 31st March, 2020
	Carrying Amount	Carrying Amount
<b>Financial Assets at amortised Cost</b>		
Trade Receivables	25,256.30	25,704.44
Other financial asset	11.55	29.88
Cash & Cash Equivalent	472.01	334.53
Other Bank Balance	52.26	27.78
<b>Financial Assets at fair value through OCI</b>		
Investments	10.61	-
<b>Financial Liabilities at amortised cost</b>		
Borrowings	18,752.57	21,014.56
Trade payables	4,036.49	3,338.25
Other financial liabilities	4,586.69	2,097.40

#### Financial risk management

The Group has exposure to the following risks arising from financial instruments:

##### A) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities. The carrying amount of financial assets represents the maximum credit exposure.

- trade receivables
- other current financial Assets

##### a) Credit risk management

The Group assesses and manages credit risk based on internal credit rating system, continuously monitoring

defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- A: Low
- B: Medium
- C: High

Assets under credit risk –

(Amount ₹ in Lakh)

Description	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>A: Low</b>		
Investments	10.61	-
Other Financial Assets	11.55	36.04
Cash and cash equivalents	472.01	334.53
Other bank balances	52.26	27.78
Trade receivables	25,256.30	25,704.44

#### Cash and cash equivalents and other bank balances

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

#### Trade receivables

The Group closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Group assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become past due one year.

#### Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

#### b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the group operates.



### Maturities of financial liabilities

The tables below analyze the Group's financial liabilities into relevant maturity of the Company based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Amount ₹ in Lakh)

31-Mar-21	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	18,751.31	1.26	-	18,752.57
Trade payable	4,018.67	-	-	4,018.67
Other financial liabilities	4,586.69	-	-	4,586.69
<b>Total</b>	<b>27,356.67</b>	<b>1.26</b>	<b>-</b>	<b>27,357.93</b>

(Amount ₹ in Lakh)

31-Mar-20	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	21,002.34	12.22	-	21,014.86
Trade payable	3,337.07	-	-	3,337.07
Other financial liabilities	2,097.40	-	-	2,097.40
<b>Total</b>	<b>26,436.81</b>	<b>12.22</b>	<b>-</b>	<b>26,449.63</b>

### C) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

#### a) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Group.

#### (i) Exposure to currency risk

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows.  
(Amount ₹ in Lakh)

Particulars	In foreign currency		In Indian rupees	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Financial assets</b>				
Trade receivables				
EURO	175.91	-	15146.04	-
USD	113.17	116.18	8318.69	8759.83
<b>Total financial assets</b>	<b>289.08</b>	<b>116.18</b>	<b>23464.73</b>	<b>8759.83</b>
<b>Other financial liabilities</b>				
USD	32.96	19.92	2,459.96	1,501.62
<b>Total financial liabilities</b>	<b>32.96</b>	<b>19.92</b>	<b>2,459.96</b>	<b>1,501.62</b>

#### (ii) Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of USD, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. Although the derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur. Accordingly, no sensitivity analysis in respect of such loans is given. The Group's exposure to foreign currency changes for all other currencies is not material.

(Amount ₹ in Lakh)

Currency	Change in rate	Effect on profit before tax	
		31-03-2021	31-03-2020
USD	Appreciation in INR by 5%	292.94	362.91
EURO	Appreciation in INR by 5%	757.30	-
USD	Depreciation in INR by 5%	(292.94)	(362.91)
EURO	Depreciation in INR by 5%	(757.30)	-

A positive number represents decrease in profits while a negative number represents increase in profits.

#### b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group does not have any non current obligations with floating rate of interest. The Group has floating rate of interest in respect of current borrowings.

#### Interest rate Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonable possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before taxes is affected through the impact on floating rate borrowings, as follows:

(Amount ₹ in Lakh)

Particulars	Inc/(Dec) in basis points	Effect on profit before taxes
31/03/2021		
Short Term	50.00	(93.68)
Short Term	(50.00)	93.68
31/03/2020		
Short Term	50.00	(104.84)
Short Term	(50.00)	104.84

- The Positive amount represents increase in profits while a negative amount represents decrease in profits.
- The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

### 36 Capital management

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern.
- to provide an adequate return to shareholders.

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet. Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. The Group's adjusted net debt to equity ratio as at year end were as follows:

Particulars	(Amount ₹ in Lakh)	
	31-03-2021	31-03-2020
Total borrowings	18,752.57	21,014.56
Less : cash and cash equivalents	472.01	334.53
Net debt	18,280.58	20,680.03
Total equity	13,521.21	8,991.92
<b>Adjusted net debt to adjusted equity ratio</b>	<b>1.35</b>	<b>2.30</b>

### 37 Events after the reporting period

**37.1** Dividends paid during the year ended March 31, 2021 include an amount of Rs. 5.00 per equity share towards final dividend for the year ended March 31, 2020 which resulted in a cash outflow of Rs. 184.47 lakhs. The holding company also paid an interim dividend of Rs. 20 .00 per share during FY 2020-21 which resulted in cash outflow of Rs. 788.00 lakhs. Dividend declared by the Company is based on the profit available for distribution. This interim dividend is proposed to be considered as final dividend subject to the approval of shareholders in the ensuing annual general meeting.

**37.2** Board of Directors of the Holding company at their meeting held on 27.05.2021 has approved and recommended issue of (2:1) two Bonus Share for every one equity share held as on the record date to be determined by the Board which is subject to the approval of shareholders at their meeting.

### 38 Approval of Financial Statements

The financial statements were approved by the board of directors on 27th May, 2021

### 39. Related Party Disclosures:

The list of related parties as identified by the management is as under:

<b>Key Managerial Personnel</b>	Mr. Atul Garg Mr. Hukam Chand Garg Mrs. Mamta Garg Mr. Rattan Lal Mittal Mr. Balveer Singh
<b>Enterprises over which KMP Exercise significant influence</b>	M/s Eros Agro & Farms Pvt. Ltd.* M/s Rohit Buildtech Pvt. Ltd. Hukum Chand Garg HUF
<b>Person related to KMP's</b>	Mrs. Jugpati devi Mr. Vedant Garg

\*As per NCLT order CAA-128/PB/2019 dated 03rd June,2020, M/s Alfa technobuild Pvt. Ltd., M/s HA Buildtech Pvt. Ltd., M/s Paras Infraprojects Pvt. Ltd., M/s Prestige Infraprojects Pvt. Ltd., M/s Samarth Technobuild Pvt. Ltd. and M/s Shine Technobuild Pvt. Ltd. have been amalgamated with M/s EROS AGRO & FARMS PVT. LTD effective from 01st April, 2019.

Following transactions were carried out with related parties in the ordinary course of business for the Year ended 31st March 2021:

Nature of transaction	(Amount ₹ in Lakh)					
	Enterprises over which KMP Exercise significant influence			Key Managerial personnel		Relative of Key Managerial personnel
	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
<b>Unsecured Loans</b>						
- Amount received	200.75	306.94	3,876.85	1,915.39	-	-
- Amount repaid	3,173.36	223.89	2,442.62	1,254.36	-	-
- Interest accrued	446.06	462.25	248.25	211.46	-	-
<b>Rent paid</b>	<b>5.40</b>	<b>5.40</b>	<b>7.20</b>	<b>7.20</b>	<b>7.20</b>	<b>6.75</b>
<b>Remuneration*</b>			<b>274.82</b>	<b>173.87</b>	<b>48.77</b>	
<b>Balance (Payable) as at year end</b>	<b>(3,017.93)</b>	<b>(5,544.48)</b>	<b>(4,555.57)</b>	<b>(2,873.08)</b>	<b>-</b>	<b>-</b>

\*Remuneration paid to KMP's and relative of KMP does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

**40. Disclosure relating to Corporate Social Responsibility (CSR) Expenditure**

(Amount ₹ in Lakh)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>(i) Gross amount required to be spent by the Company during the year</b>	60.72	34.41
	<b>60.72</b>	<b>34.41</b>
<b>(ii) Amount spent during the year ending on March 31, 2021:</b>		
1. Construction / acquisition of any asset		
– Construction of Medical Institute's Building through Indraprastha Global Education and Research Foundation	20.00	-
2. On purposes other than (1) above		
– Promoting Covid 19 awareness and plantation through Nitya Foundation	41.00	-
<b>(iii) Amount spent during the year ending on March 31, 2020:</b>		
1. Construction / acquisition of any asset	-	-
2. On purposes other than (1) above		
– Promoting Health Care through All India Society For Health Aid Education And Research (Asha) Regd.	-	35.00

**41. Interest in other entities**
**Disclosure As Per Ind As 112 “disclosure of Interest In other Entities”**
**a) Enterprises Consolidated As Subsidiary In Accordance With Ind-As 110 –Consolidated Financial Statements**

The group's subsidiaries as at march, 2021 are set out as below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by group. The country of incorporation or registrarion is also their principal place of business and effective ownership is set out below:

(Amount ₹ in Lakh)

Sr. No.	Name of Entity	Country of Incorporation	Principal Activities	Effective Ownership(%)		Non Controlling Interest(%)	
				2021	2020	2021	2020
<b>Subsidiary of GRM Overseas Limited</b>							
1.	GRM International Holdings Limited	U.K.	Distribution of Rice	100.00%	100.00%	-	-
2.	GRM Foodkraft Private Limited	India	Distribution of Rice	92.76%	N.A.	7.24%	N.A.
<b>Subsidiary of GRM International Holdings Limited (Stepdown subsidiary)</b>							
1.	GRM Fine Foods Inc.	U.S.	Distribution of Rice	100.00%	100.00%	-	-

**NON CONTROLLING INTEREST**

Set out below is summarised financial information for subsidiary that has non-controlling interest. The amounts disclosed for each subsidiary are before inter-company eliminations.

**Summarised Balance Sheet**

(Amount ₹ in Lakh)

Particulars	GRM International Holdings Limited		GRM Foodkraft Private Limited*	GRM Fine Foods Inc.	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
Current assets	2,347.38	1,029.35	1287.8	7.15	75.16
Current liabilities	2,959.03	2,132.99	1033.04	12.07	75.71
<b>Net current assets/ (liabilities)</b>	<b>(611.65)</b>	<b>(1,103.64)</b>	<b>254.76</b>	<b>(4.92)</b>	<b>(0.55)</b>
Non-Current assets	64.03	72.07	36.72	-	-
Non-Current liabilities	-	-	0	-	-
<b>Net non-current assets/ (liabilities)</b>	<b>64.03</b>	<b>72.07</b>	<b>36.72</b>	<b>-</b>	<b>-</b>
Net Assets	<b>(547.62)</b>	<b>(1,031.57)</b>	291.48	<b>(4.92)</b>	<b>(0.55)</b>
Accumulated NCI	-	-	<b>20.26</b>		

\*The Company “GRM Foodkraft Private Limited” is incorporated on 07-07-2020 (the financial year 2020-21). So, the comparative figure is not being shown in the Summarised Balance Sheet.

**Summarised statement of profit and loss for the year ended**

(Amount ₹ in Lakh)

Particulars	GRM International Holdings Limited		GRM Foodkraft Private Limited*	GRM Fine Foods Inc.	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
Total income	3,553.47	2,163.94	5795.93	-	71.18
Profit/(loss) for the year	614.44	(441.20)	269.08	(4.43)	(5.05)
Other comprehensive income/ (expense)	(130.50)	(31.67)	-	0.06	(1.47)
<b>Total comprehensive income/ (expense)</b>	<b>483.94</b>	<b>(472.87)</b>	<b>269.08</b>	<b>(4.37)</b>	<b>(6.52)</b>
Profit/(loss) allocated to NCI	-	-	<b>19.48</b>	-	-

\*The Company “GRM Foodkraft Private Limited” is incorporated on 07-07-2020 (the financial year 2020-21). So, the comparative figure is not being shown in the Summarised statement of profit and loss for the year ended.

**Summarised cash flows for the year ended**

(Amount ₹ in Lakh)

Particulars	GRM International Holdings Limited		GRM Foodkraft Private Limited*		GRM Fine Foods Inc.
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
Cash flows from/(used in) operating Activities	178.66	132.14	78.43	4.08	(1.40)
Cash flows from/(used in) investing activities	-	(79.67)	(37.60)	-	-
Cash flows from/(used in) financing activities	(1.99)	(1.03)	22.40	(4.43)	5.71
Net increase/ (decrease) in cash and cash equivalents	176.67	51.44	63.23	(0.35)	4.31

\*The Company "GRM Foodkraft Private Limited" is incorporated on 07-07-2020 (the financial year 2020-21). So, the comparative figure is not being shown in the Summarised cash flows for the year ended.

**42. Additional information, as required under schedule III of Companies Act, 2013 of entities consolidated as Subsidiary:**

Sr. No.	Name of Entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit or Loss	Amount	As a % of Consolidated OCI	Amount	As a % of Total Comprehensive Income	Amount
<b>Parent</b>									
1.	GRM Overseas Limited	103.10%	13,940.42	80.64%	3,662.73	-2.12%	2.70	83.04%	3,665.43
<b>Subsidiaries</b>									
1.	GRM International Holdings Limited	-4.05%	(547.62)	13.53%	614.44	102.17%	(130.50)	10.96%	483.94
2.	GRM Fine Foods INC	-0.04%	(4.93)	-0.10%	(4.43)	-0.04%	0.06	-0.10%	(4.37)
3.	GRM Foodkraft Pvt Ltd	2.16%	291.48	5.92%	269.08	0.00%	-	6.10%	269.08
<b>Adjustment on consolidation</b>		-1.17%	(158.15)	0.00%	(0.00)	-0.01%	0	0.00%	0.01
<b>Total</b>		<b>100%</b>	<b>13,521.21</b>	<b>100%</b>	<b>4,541.82</b>	<b>100%</b>	<b>(128)</b>	<b>100%</b>	<b>4,414.09</b>

43. The spread of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. There is no significant impact of COVID-19 on the group's operations and revenue during the period as the group business comes under essential category. The group has taken into account the possible impact of COVID-19 in preparation of the audited consolidated financial results. The group has carried out an assessment of recoverable value of its assets based on internal and external information, certain assumptions, cumulative knowledge and understanding of the business, upto the date of approval of these audited consolidated financial results and current indicators of future economic conditions:

A. Going Concern: Based on the available cash flows.

B. The recoverability of Receivables: Considering past experience and communication with the customers.

C. Investment in the Subsidiaries, inventories and carrying value of property, plant and machinery – expects to recover the carrying amount of these assets as at the date of balance sheet.

44. The Holding Company has exercised the option permitted under Section 115BAA of the Income Tax Act, 1961 ("the act") as introduced by the Taxation Law (Amendment) Ordinance, 2019 in quarter ended September 30, 2019. Accordingly, the company has recognised provision for income tax and deferred tax for the financial year ended 31st March, 2021 using the applicable new tax rate.

45. The previous year figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.

46. The Group is predominantly engaged in the single business segment of food sector.

As per our report of even date

**For Vinod Kumar & Associates**  
Chartered Accountants  
Firm Registration No. 002304N

Sd/-  
**CA. Mukesh Dadhich**  
Partner  
Membership No. 511741  
Delhi  
27<sup>th</sup> May, 2021

Sd/-  
**Mamta Garg**  
Director  
DIN : 05110727

Sd/-  
**Rattan Lal Mittal**  
Chief Financial Officer

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**Atul Garg**  
Managing Director & Chairperson  
DIN : 02380612

Sd/-  
**Balveer Singh**  
Company Secretary  
M. No. A59007

**GRM OVERSEAS LIMITED**  
CIN : L71899DL1995PLC064007  
Regd. Office : 128, First Floor, Shiva Market, Pitampura, Delhi - 110034.  
Website: [www.grmrice.com](http://www.grmrice.com)  
Email: [Investor.grm@gmail.com](mailto:Investor.grm@gmail.com)  
Phone : 011-47330330

## NOTICE

Notice is hereby given that the Twenty Seventh Annual General Meeting of GRM Overseas Limited will be held on Tuesday, September 28, 2021 at 11.30 AM IST through video conferencing ("VC"), to transact the following businesses.

### ORDINARY BUSINESS:

#### 1. Adoption of Financial Statements of the Company:

To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and Auditors thereon

#### 2. To Confirm the Payment of Interim Dividend

To confirm the payment of interim dividend during financial year 2020-21.

#### 3. Re-appointment of Retiring Director:

To consider appointment of a Director in place of Mrs. Mamta Garg (DIN: 05110727) who retires by rotation and being eligible, offers herself for re-appointment."

#### 4. To Re-appoint Auditors and to fix their remuneration and in this regard, to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made there under (hereinafter referred to as 'Act') (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Vinod Kumar & Associates, Chartered Accountants (Firm Registration No. 002304N), who have confirmed their eligibility for the re-appointment pursuant to Section 141 of the Act, as Statutory Auditors of the Company, be and are hereby appointed as the Statutory Auditors of the Company for a period of Two Years, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 29th Annual General Meeting, and on such remuneration as may be fixed by the Board of Directors.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

### SPECIAL BUSINESS:

#### 5. To Approve appointment of Mrs. Nidhi (DIN: 09270573) as a Non-executive Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules,

2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Board of directors in their meeting appointed Mrs. Nidhi (DIN: 09270573), as an additional independent director (Independent Non-Executive Director) w.e.f. 12 August 2021 in terms of section 161 of the Companies Act, 2013, and whose term of office expires at the 27th Annual General Meeting and who has submitted a declaration that she meets the criteria for independence as provided in the Act and Listing Regulations, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying her intention to propose as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for a term of five consecutive years with effect from 12th August, 2021 to 11th August, 2026 on terms and conditions as set out in Explanatory Statement and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorized severally to take all such steps as may be necessary, proper and expedient to give complete effect to this resolution."

**6. To Approve appointment of Mr. Jai Kishan Garg (DIN-00596709) as a Non executive Independent Director**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Jai Kishan Garg (DIN-00596709) whose appointment as an Independent Director is recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a period of five years, with effect from 28th September, 2021 to 27th September, 2026 on terms and conditions as set out in Explanatory Statement and whose office shall not be liable to retire by rotation.

**RESOLVE THAT** pursuant to clause 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Para 3(d)(ii) of SEBI (LODR) (Amendment) Regulations, 2018, approval of the Members of the Company be and is here by granted for holding of office of non-executive director by Mr. Jai Kishan Garg (DIN : 00596709) who has attained the age of 75 (Seventy Five) years.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorized severally to take all such steps as may be necessary, proper and expedient to give complete effect to this resolution."

**7. To approve appointment and Remuneration of Mr. Vedant Garg, (Relative of Director) under Section 188 of Companies Act, 2013 related party's appointment to any office or place of profit in the company.**

To consider and, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** in pursuance with the provision of Section 188(1) of the Companies act, 2013, read with companies (Meeting if Board and Its Power) Rules, 2014 and any other applicable provision, including any statutory modification thereto for the time being in force, consent of Members be and are hereby accorded,

to appointment of Mr. Vedant Garg son of Mrs. Mamta Garg, Director of Company, holding an office or place of profit, as Chief Financial Officer of the Company w.e.f 29th September, 2021, at a remuneration of an amount 8,00,000/- Per Month.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorized severally to take all such steps as may be necessary, proper and expedient to give complete effect to this resolution".

**By Order of the Board of Directors**

**Sd/-  
Atul Garg  
Chairman & Managing Director  
DIN: 02380612**

Place: Panipat  
Date: 01.09.2021

**NOTES:**

1. In view of COVID-19 pandemic, social distancing norms and restrictions on movement of persons at several places in the country and pursuant to General Circular Nos. 14/2020, 17/2020, 20/ 2020 and 02/2021 dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021, respectively issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as 'MCA Circulars') and Circular Nos. SEBI/HO/CFD/ CMD1/CIR/ P/2020/79 and SEBI/HO/CFD/ CMD2/ CIR/P/2021/11 dated May 12, 2020 and January 15, 2021, respectively issued by the Securities and Exchange Board of India (collectively referred to as 'SEBI Circulars'), holding of the Annual General Meeting ('AGM') through VC/OAVM, without the physical presence of the Members, is permitted. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/ OAVM which does not require physical presence of members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") with respect to the Special Business under Item Nos.05 as set out in the Notice is annexed hereto.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. In terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act, will not be available for the AGM and, hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
4. The Board of Directors has appointed Mr. Devesh Arora, Practicing Company Secretary (M. NO. 49034, CP No. 17860) as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
5. Corporate/Institutional members (i.e. other than individuals, HUF, NRI, etc) are required to send scanned copy of its Board or governing body resolution/authorization etc., authorizing its representative to attend AGM through VC/ OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization be sent to the Scrutinizer by email through its registered email address to [daa.office1@gmail.com](mailto:daa.office1@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Members can login and join the AGM 15 minutes prior to the scheduled time to start the AGM and the window for joining shall be kept open till the expiry of 15 minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members, on first-come-first-served basis. However, the participation of large members (members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Auditors can attend the AGM without restriction of first-come-first served basis. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. 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 the aforesaid MCA and SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
10. For ease of conduct, members who would like to ask questions/express their views on the items of the business to be transacted at the meeting can send in their questions/ comments in advance mentioning their name, demat account number/ folio number, email id, mobile number at [Investor.grm@gmail.com](mailto:Investor.grm@gmail.com). The same will be replied by the Company suitably. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
11. The Registers of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 22, 2021 to Tuesday, September 28, 2021 (both days inclusive) for the purpose of annual closure of books.
12. In compliance with the aforesaid MCA and SEBI Circulars, the Notice of the AGM along with the Annual Report 2020- 21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice calling AGM along with the explanatory statement and Annual Report 2020-21 are available on the website of the Company at [www.grmrice.com](http://www.grmrice.com) and on the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of National Securities Depository Limited (NSDL) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com) (the Authorised agency for providing voting through electronic means and AGM through VC/OAVM). Company's web-link on the above will also be provided in advertisement being published in Financial Express (English edition) and Jansatta (Hindi edition).
13. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company Secretary or Mas Services Limited, Company's Registrar and Share Transfer Agents ("RTA") (Tel. No. 011 26387281/82/83) for assistance in this regard.
14. Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants ("DP") in case the shares are held by them in electronic form and with the Company/RTA in case the shares are held by them in physical form.
15. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in electronic form and to the Company/RTA if the shares are held by them in physical form.

16. For receiving all future correspondence (including Annual Report) from the Company electronically –

In case you have not registered your email ID with the Company/ Depository, please follow below instructions to register your email ID for obtaining Annual Report for FY 2020-2021 and login details for e-voting.

<b>Physical Holding</b>	Send a signed request letter to Registrar and Transfer Agents of the Company, MAS Services Limited at <a href="mailto:info@masserv.com">info@masserv.com</a> providing Folio Number, Name of the 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) with subject line (Register E-mail ID Folio No (Mention Folio No) of GRM Overseas Limited.
<b>Demat Holding</b>	Please contact your Depository Participant (DP) and register your email address as per the process advised by DP.

17. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Further, those members who have not registered their e-mail addresses and mobile nos. and in consequence could not be served the Notice of the AGM and Annual Report may temporarily get themselves registered with RTA by emailing for obtaining the same. Members are requested to support our commitment to environmental protection by choosing to receive the Company's communications through e-mail going forward.
18. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.grmrice.com](http://www.grmrice.com), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL <https://www.evoting.nsdl.com>.
19. In case a person has become a member of the Company after dispatch of the AGM Notice, but on or before the cut-off date for e-voting i.e. Tuesday, September 21, 2021, such person may obtain the User ID and Password from RTA by e-mail request on [info@masserv.com](mailto:info@masserv.com)
20. With a view to helping us serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
21. In terms of Section 72 of the Companies Act, 2013 and the applicable provisions, the shareholders of the Company may nominate a person in whose name the shares held by him/ them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit the requisite nomination form.
22. Shareholders of the Company are informed that pursuant to the provisions of the Act and the relevant rules the amount of dividend which remains unpaid/unclaimed for a period of 7 years is transferred to the 'Investor Education & Protection Fund (IEPF)' constituted by the Central Govt. Accordingly the amount of dividend which remained unpaid/unclaimed for a period of 7 years for the year 2012-13 has already been transferred to IEPF. Shareholders who have not encashed their dividend warrant(s), for the years 2013-14 to 2019- 20 are requested to make claim with the Registrar & Share Transfer Agent of the Company immediately.

Further, pursuant to the provisions of Section 124(6) of the Act read with the relevant Rules made thereunder, shares on which dividend has not been paid or claimed for seven (7) consecutive years or more shall be transferred to the IEPF as notified by the Ministry of Corporate Affairs.

In accordance with the IEPF Rules, the Company has sent notices to all the Shareholders whose shares are due for transfer to the IEPF and has also published the details thereof in notices published in newspapers.

The Members whose dividend/shares are transferred to the IEPF may claim the dividend/ shares by making an application to the IEPF by following the procedure as detailed in the IEPF Rules and as enumerated on the website of IEPF at <http://www.iepf.gov.in/IEPF/refund.html>.

23. In terms of SEBI Circular dated 09/12/2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders at least 2 days prior to the date of commencement of e-voting. Hence members are requested to update the mobile no./email ID with their respective depository participants.
24. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN to the Company/Registrar.
25. The documents referred to in the proposed resolutions are available for inspection at its Registered Office of the Company during normal business hours on any working day except Saturdays, upto the date of meeting.
26. Instructions for e-voting and joining the AGM are as follows:

In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice 27th Annual General Meeting (AGM) through electronic voting system, to members holding shares as on Thursday, August 05, 2021 (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by NSDL or to vote at the e-AGM.

27. Instructions for e-voting and joining the AGM are as follows:

In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice 27th Annual General Meeting (AGM) through electronic voting system, to members holding shares as on Tuesday, September 21, 2021 (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by NSDL or to vote at the e-AGM.



## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on 25th September 2021 at 09:00 A.M. and ends on 27th September, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 21st September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 21st September, 2021.

### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

#### Step 1: Access to NSDL e-Voting system

##### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com/either">https://eservices.nsd.com/either</a> on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider – NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
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Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

#### Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

#### B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

##### How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at

[evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

## Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [daa.office1@gmail.com](mailto:daa.office1@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "**Physical User Reset Password?**" option available on [www.evoting.nsd.com](http://www.evoting.nsd.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsd.com](http://www.evoting.nsd.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) to our RTA at [info@masserv.com](mailto:info@masserv.com)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please send signed request with Folio No., Name of shareholder, scanned copy of any one share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [info@masserv.com](mailto:info@masserv.com).
2. In case shares are held in demat mode, please update your email id with your depository. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies. Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM 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 Members/ shareholders, who will be 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 in the EGM/AGM.
3. Members 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.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members 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/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [Investor.grm@gmail.com](mailto:Investor.grm@gmail.com). The same will be replied by the company suitably.

**General Instructions**

- i. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e- voting.
- ii. Mr. Devesh Arora, Practicing Company Secretary (Membership No. ACS- 49034 & CP No. 17860), has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- iii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, for all those members who are present VC / OAVM at the AGM but have not cast their votes by availing the remote e-voting facility.
- iv. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of 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.

The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.grmrice.com](http://www.grmrice.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited

**Annexure to the Notice  
Explanatory Statement Pursuant to Section 102 Of the Companies Act, 2013**

**Item No. 04 : Re-Appointment of Auditors**

At the 25th Annual General Meeting (AGM) of the Company held on September 30, 2019, the members of the Company had appointed M/s. Vinod Kumar & Associates, Chartered Accountants to hold office as Statutory Auditors for a period of two consecutive years till the conclusion of the 27th Annual General Meeting. At the ensuing AGM, the Second period of Two years of M/s. Vinod Kumar & Associates, Chartered Accountants shall expire, but they will be eligible for re-appointment. The term of the current Statutory Auditors M/s. Vinod Kumar & Associates, Chartered Accountants shall end at the ensuing Annual General Meeting. Accordingly, the Company is required to appoint new Statutory Auditors. The Board of Directors at their meeting held on September 01, 2021, based on the recommendation of the Audit Committee, have recommended to the members Re-appointment of M/s. Vinod Kumar & Associates, Chartered Accountants (Firm Registration No. 002304N), as Statutory Auditors of the Company, for a period of Two consecutive years i.e. from the conclusion of this AGM till the conclusion of 29th AGM at remuneration of Rs. 6 Lacs. In accordance with the provisions of Sections 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. Vinod Kumar & Associates, Chartered Accountants, have provided their consent and eligibility certificate to that effect that, their appointment, if made, would be in compliance with the applicable laws and guidelines. The profile of M/s. Vinod Kumar & Associates, Chartered Accountants as under:

- The firm is having 40 years of experience and having strength of 98 employees of which 38 are Qualified CAs, 40 articled trainees and 20 semi-qualified and admin and other staff.
- The Firm is empanelled with various authorities like ICAI, CAG, RBI and NFRA.
- The Firm has rich clientele of conducting statutory audits of various Financial Institutions, Banks, NBFCs, Insurance Companies, alongwith other entities from other sectors. The Board of Directors hereby propose to appoint M/s. Vinod Kumar & Associates, Chartered Accountants as Statutory Auditors of the Company for a period of Two Consecutive years i.e. from the conclusion of ensuing AGM till the conclusion of 29th AGM. Additional information about Statutory Auditors pursuant to Regulation 36 of the Listing Regulations is provided below:

Item	Particulars
Proposed fees payable to the Statutory Auditor	<b>Rs. 6,00,000</b>
Terms of appointment	For a period of Two consecutive years from the conclusion of 27th AGM till the conclusion of 29th AGM.
In case of new Auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change	Audit fees is increased from 2.5 Lacs to 6 Lacs due to Increased Compliances, new Manufacturing facilities and Consolidation work of subsidiaries.
Basis of recommendation for appointment including the details in relation to and credentials of the Statutory Auditor(s) proposed to be appointed	The Firm complies with the eligibility criteria as per Companies Act, 2013 and has relevant experience as mentioned above.

**Item No. 05: Appointment Mrs. Nidhi (DIN 09270573) as a Non executive Independent Director**

Pursuant to the provisions of Section 149 and all other applicable provisions of the Companies Act, 2013, if any, read with (Appointment and Qualification of Directors) Rules, 2014 as amended by Companies (Appointment and Qualification of Directors) Rules, 2015 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed company is required to have an optimum combination of Directors on the Board of the Company. Therefore, as per the provisions of Section 161 of the Companies Act, 2013, Mrs. Nidhi was appointed as an Additional cum Independent Director with effect from 12th August, 2021 and she holds office as an Additional Director till the conclusion of this Annual General Meeting. A notice under Section 160(1) of the Act has been received from a Member, signifying his intention to propose appointment of Mrs. Nidhi as a Director. The Company has already received a declaration to the effect that he meets the criteria of independence as provided in subsection (6) of Section 149 of the Companies Act, 2013. The Board recommended the confirmation of appointment of Mrs. Nidhi stating that it will be immense benefit to the Company and it is desirable to continue to avail his services and proposed her appointment for a period of five year from 12th August, 2021 to 11 August, 2026.

Other details in respect of appointment of Mrs. Nidhi, in terms of Regulation 36(3) of Listing Regulations, the Act, and Secretarial Standards on General Meetings is annexed to this notice.

The Board of Directors recommends the resolution as set out in the Item No. 5 by way of Special Resolutions.

Except, Mrs. Nidhi being the appointee, none of the other Directors and Key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise in the proposed resolutions.

**Item No. 06: To Approve appointment of Mr. Jai Kishan Garg (DIN-00596709) as a Non executive Independent Director**

The Company has received notice from a Member, under Section 160 of the Act, proposing the appointment of Mr. Jai Kishan Garg (DIN-00596709 as an Independent Director of the Company. On the Recommendation of Nomination and Remuneration Committee and Board of Director it is proposed to appoint Mr. of Mr. Jai Kishan Garg (DIN-00596709 as an Independent Director for a term of 5 consecutive years from 28th September 2021 to 27 September 2026. Mr. Jai Kishan Garg (DIN-00596709 is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director and has also confirmed that he has not been debarred by SEBI from accessing the capital market as well as from holding the office of Director pursuant to any SEBI/MCA order or any other such authority.

The Company has also received a declaration from Mr. Jai Kishan Garg to the effect that he meets the criteria of independence as prescribed under Section 149(6) of the Act, read with Rules framed thereunder and Regulation 16 of the Listing Regulations. In terms of Regulation 25(8) of SEBI Listing Regulations, he has also confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company. He has further informed that he has successfully registered himself on the Independent Directors databank as regulated by the Indian Institute of Corporate Affairs (IICA) in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended from time to time.

Mr. Jai Kishan Garg has rich experience across various industries. He attained his Diploma in Mechanical Engineering. Since then, he has worked closely in several organizations and supported the development businesses. He possesses a deep knowledge of the automation and manufacturing industry. He has proven to apply his experience to the advancement of his affiliations. His career has been decorated with awards and accolades. In addition, he believes in the sharing of knowledge and expertise, hence, he is known to provide his

valuable guidance to several engineering institutions across the nation and work with the upcoming generations of engineers.

Mr. Jai Kishan Garg is not related to any Director or Key Managerial Personnel of the Company in any way and in the opinion of the Board of Directors. Other details in respect of appointment of Mr. Jai Kishan Garg, in terms of Regulation 36(3) of Listing Regulations, the Act, and Secretarial Standards on General Meetings is annexed to this notice.

Mr. Jai Kishan Garg have already attained the age of seventy five (75) years. Pursuant to Regulation 17(1A) of the Listing Regulations, the Special Resolution for Appointment as Non Executive director, will be required to be passed

Except Mr. Jai Kishan Garg, being an appointee and his relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, in the resolution set out at item no. 6 of the notice. The Board considers that the re-appointment of Mr. Jai Kishan Garg would be of immense benefit to the Company and thus recommends the Special Resolution as set out at item no. 6 for approval of shareholders of the Company.

**Item No. 07: To approve appointment and Remuneration of Mr. Vedant Garg, (Relative of Director) under Section 188 of Companies Act, 2013 related party's appointment to office or place of profit in the company.**

Mr. Vedant Garg has received Bachelors of Sciences in Business Studies from Cass Business School, United Kingdom, where he excelled in Finance. Post completion of his International Baccalaureate Diploma Program at Pathways World School, he studied business administration with concentration in operations and management. He is a valuable member of the Finance and Investment Society at City, University of London. Beginning his career at GRM, he has brought immensity of cultures, and modernized systems aiding in efficient workflows across the organization.

In order to strengthen the Management of Company and on the recommendation of Nomination and Remuneration and after taking Approval of Audit Committee under Section 188 of Companies Act, 2013, Board of Director have recommended appointment of Mr. Vedant Garg as Chief Financial Officer in Company at a monthly remuneration of Rs. 8,00,000, Subject to Approval of Members in General Meeting.

Pursuant to the provisions of section 188 of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of resolution passed at the General Meeting in case Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company is at a monthly remuneration exceeding two and a half lakh rupees.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of Ordinary resolution as contained in the notice of the Annual General Meeting.

Except, Mrs. Mamta Garg, Atul Garg, Hukam Chand Garg, Directors of Company, None of the other Directors / Key Managerial Personnel of the Company / their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice

## Annexure to Notice

### Details of Directors Seeking Appointment/ Re-Appointment as Required Under Regulation 36 Of The Listing Regulations:

#### Item No. 3 Re-Appointment of Mrs. Mamta Garg

At the ensuing Annual General Meeting, Mrs. Mamta Garg, Director of the Company retires by rotation under the provisions of the Companies Act, 2013 (the 'Act'), and being eligible, offers herself for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended the re-appointment. The Information as per under Regulation 36 (3) of the Listing Regulations is as follows:

Item	Particulars
Designation	Executive Director
Age	49
Date of First Appointment on the Board	14.08.2019
Experience and Expertise	Mrs. Mamta Garg holds a Masters Degree and has good experience in finance and She is managing the day to day affairs of the Company with the assistance of the Board of Directors and executives of the Company.
Number of Board Meeting attended during the year	11
Directorship and committee membership held in other companies as on 31st March, 2021	Nil
Inter Se relationship between directors and key managerial Personal	Mr. Hukam Chand Garg is Father-in-law of Mrs. Mamta Garg and Mrs. Mamta Garg is Brother's wife of Mr. Atul Garg
Shareholding in the Company as on 31 March 2021	911800
Terms and condition of Appointment	Terms and Conditions of appointment or reappointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company's website
Membership/ Chairmanship of Committees of other Boards	Nil

**Item No.5: Appointment of Mrs. Nidhi as a Non-Executive Independent Director**

Item	Particulars
Designation	Non Executive -Non Independent Director
Date of Birth	15.05.1987
Date of First Appointment on the Board	12.08.2021
Experience and Expertise	Mrs. Nidhi is a Science Graduate from Rohilkhand University, Bareilly, Specialized in in Botany and Chemistry and Post Graduate from Rohilkhand University, Bareilly, in Chemistry. Mrs. Nidhi is Presently engaged in Business of Export of Handicraft and Handloom products and having rich experience. Her continuing guidance is very valuable to your company. It will be in the interest of the company that Mrs. Nidhi continues as a Independent Director of the Company.
Number of Board Meeting attended during the year	NA
Directorship and committee membership held in other companies as on 31st March, 2021	Nil
Inter Se relationship between directors and key managerial Personal	No Relation
Shareholding in the Company as on 31 March 2021	Nil
Terms and condition of Appointment	Terms and Conditions of appointment or reappointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company's website
Membership/ Chairmanship of Committees of other Boards	Nil

**Item No.6: Appointment of Mr. Jai Kishan Garg as a Non-Executive Independent Director**

Item	Particulars
Designation	Non Executive -Non Independent Director
Date of Birth	05.05.1946
Date of First Appointment on the Board	NA
Experience and Expertise	Mr Jai Kishan Garg has rich experience across various industries. He attained his Diploma in Mechanical Engineering. Since then, he has worked closely in several organizations and supported the development businesses. He possesses a deep knowledge of the automation and manufacturing industry. He has proven to apply his experience to the advancement of his affiliations. His career has been decorated with awards and accolades. In addition, he believes in the sharing of knowledge and expertise, hence, he is known to provide his valuable guidance to several engineering institutions across the nation and work with the upcoming generations of engineers.
Number of Board Meeting attended during the year	NA
Directorship and committee membership held in other companies as on 31st March, 2021	Managing Director-JASCH INDUSTRIES LIMITED Chairman (Finance Committee)- JASCH INDUSTRIES LIMITED Chairman(CSR Committee)- JASCH INDUSTRIES LIMITED
Inter Se relationship between directors and key managerial Personal	Nil
Shareholding in the Company as on 31 March 2021	Nil
Terms and condition of Appointment	Terms and Conditions of appointment or reappointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company's website
Membership/ Chairmanship of Committees of other Boards	Jasch Footwears Pvt Ltd.(Director)

