

While the world was secure  
indoors and behind protective  
masks...



...It was the ever toiling  
farmer who never stopped  
working, day after day...

...To make sure there was  
always food on your table!



To these farmers, we offer our eternal  
gratitude and thanks, for standing by our  
side through these difficult times.

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# CORPORATE PHILOSOPHY

**Mission:** Leave this world better than you found it.

**Vision:** Establish leadership in whatever we do at home and abroad.

**Credo:** Serve and strive through strain and stress; do our noblest, that's success.

**Goal:** Achieve continued growth through sustained innovation for total customer satisfaction and fair return to all other stakeholders. Meet this objective by producing quality products at optimum cost and marketing them at reasonable prices.

**Guiding Principle:** Toil and sweat to manage our resources (men, material and money) in an integrated, efficient, economic and sustained manner.

Earn profit, keeping in view commitment to society and environmental.

**Quality Perspective:** Make quality a way of life.

**Work Culture: Experience:** 'Work is life, life is work.'

## Quality and Environment Policy

### Guidelines:

#### Customer and Market

- Commit to total customer satisfaction
- Build and maintain market leadership

#### Quality Excellence

- Strive continually to reach and maintain quality in every aspect

#### Safety and Health

- Secure safety and health of associates and other assets

#### Environment and Society

- Protect, improve and develop the environment
- Cherish the symbiosis and nurture creative partnership between society and environment

#### Development of Stakeholders

- Adopt transparency and fair practices for continuous sustainable growth

# BOARD OF DIRECTORS



**Bhavarlal H. Jain** (1937-2016)  
Founder



**Ashok Bhavarlal Jain**  
Chairman

He joined the management team in 1982. Over a long period of 34 years he has nurtured all business divisions of the company and is responsible for future direction.



**Anil Bhavarlal Jain**  
Vice Chairman & Managing Director

He joined the management team in 1984. He has extensive experience in Finance, Strategic Planning, M&A, Global operations and is responsible for entire business.



**Ajit Bhavarlal Jain**  
Joint Managing Director

He joined the management team in 1984. He is director in charge of micro-irrigation division providing guidance for extension services and development of new applications and products.



**Atul Bhavarlal Jain**  
Joint Managing Director & CFO

He joined the management team in 1990. He is director in charge of the fast growing plastic products division and has extensively done global and institutional sales and marketing for all business divisions of the company.



**Devendra Raj Mehta**  
Independent Director

He was appointed as Independent Director in 2007. He was the Chairman of Securities and Exchange Board of India (SEBI), Deputy Governor of RBI, Director General of Foreign Trade, Ministry of Commerce. He has received Padma Bhushan and is the founder of 'Jaipur Foot'.



**Ghanshyam Dass**  
Independent Director

He was appointed as Independent Director in 2009. He has had an outstanding career in domestic, international banking and Capital Markets for over 34 years.



**Radhika Dudhat**

Independent Director

She was appointed as Independent Director in 2005. Currently, she is a Partner in Amarchand Mangaldas and has strong practice in corporate and contract laws.



**Harishchandra Prasad Singh**

Independent Director

He was appointed as Independent Director in 2014. He is a prime mover for horticulture research and development in India and is an architect of the Golden Revolution (Horticulture). He has held senior government and academic positions.



**Dr. Narendra Jadhav**

Independent Director

He was appointed as independent Director in 2020. Dr Jadhav, currently a Member of Parliament Rajya Sabha - Nominated, has had a long and outstanding professional career spanning more than four decades in public service.



**Nancy Barry**

Independent Director

She was appointed as independent Director in 2020. She is currently the President and CEO of NBA Enterprise Solutions to Poverty since 2006.



**Mukul Sarkar**

Independent Director

He was appointed as Nominee Director on in 2020. He is nominee of Exim Bank. He is a Graduate [B.Tech] in Mechanical Engineering from Indian Institute of Technology, Kharagpur, and an MBA from Indian Institute of Management, Calcutta. He is presently the Chief General Manager and Chief Risk Officer of Export-Import Bank of India (Exim Bank).



**Johannes Bastiaan Boudewijn Mohrmann**

Independent Director

He was appointed as Independent Director in 2019. He is a creative and entrepreneurial professional that connects vision with strategic focus and pragmatic solutions. He has over 35 years of multi-disciplinary experience across private sector, development, SME development, environmental sustainability and program management.



**Avdhut V. Ghodgaonkar**

Company Secretary & Chief Compliance Officer

He joined the management team in 1992. A company secretary by qualification, he has extensive expertise in compliance issue, SEBI & stock exchange matters and general legal and company law.



# AWARDS AND ACCOLADES



**Jivan Sadhana Gaurav - Lifetime achievement Award 2020** : India has reached the number one banana production in the world today due to the remarkable work done by Bhavarlal Jain in the field of banana production, processing and contract farming in the last 40 years. K. B. Patil, Dr. Anil B. Patil, Dr. A. K. Singh, Dr. S. Narayan is receiving the award from Dr. A.K. Singh, Dy. Director, ICAR



**PLEXCOUNCIL Award 2017-18 & 2018-2019** : (The Plastics Export Promotion Council, a Central Government of India Industrial Division undertaking) are being conferred on JISL for its excellent industrial contributions to exports of plastic products in two consecutive financial years: 2017-18 and 2018-19; six awards were received.



**FICCI Felicitated** Jain Irrigation for its efficient use of water in a sustainable manner. Dr. Sangita Lodha is receiving the award from Alka Bhargava, Additional Secretary, Ministry of Agriculture and Farmers Welfare.

# AWARDS INSTITUTED BY JISL & BKJF



**Padma Shri. Dr. Appasahib Pawar Modern Agri Hi-tech Award** ("For innovation in agriculture."): Dattatray and Chandrakala Chavan receiving the award from Uddhav Thackeray (Chief Minister of Maharashtra), Sharad Pawar, Dr. S. S. Magar, Anil Jain, Ishwarlal Jain, Dr. Ulhas Patil, Arunbhai Gujarathi, Dilip Valse-Patil, N. D. Mahano, Pratibhatai Pawar, Ashok Jain, Unmesh Patil (MP), Sanjay Savakare (MLA), Anil Patil (MLA), Shirish Chaudhari (MLA) Dalichand Jain.



**Literary Awards 2019** : Recipients Ram Sutar, Meghana Pethe, Ajay Kandar, and Rafiq Suraj, along with Prof. Bhalchandra Nemade, N. D. Mahanor, Dalichand Jain, and Ashok Jain.

# COMMUNITY INVOLVEMENT

Various activities undertaken in Jalgaon city and district with awareness of duty and gratitude to fulfill social responsibility during the COVID-19 Pandemic

## Snehachi Shidori

- Distribution of food packets for needy, weak, daily wage earners, destitute, old, women, and children in Jalgaon city in the afternoon and evening. From 2nd April 2020 to 1st May 2021. (No. 9 lakh 73 thousand)
- Invaluable cooperation for the distribution of affection among the charitable organizations & numerous activists in the city.
- It is a source of love for the brothers who have left for their respective states from different places.

## Juice Distribution for Corona Warriors

- Distribution of Mango Juice for doctors, nurses as well as health workers, cleaners, police, paramilitary, and Government employees related to disaster relief, fellow journalists of print and electronic media who are serving as Corona Warriors

## Food Grains and Grocery Distribution

- Distribution of rations to the wage earners, manual laborers, and some tribal families in Jalgaon.
- Distribution of necessary groceries to the families of the elderly, the needy, and some of the employees in the media sector who are facing difficulties due to various reasons (No. 2,500)

## Health Inspection Survey

- A campaign was launched to check the health of potential patients of Covid infection in Jalgaon city.
- Fever, cold, cough, high blood pressure, diabetic patients, and senior citizens above 60 years of age were recorded in detail, and the information was given to Jalgaon Municipal Corporation.
- In this campaign, it was possible to get the information of possible symptomatic and anti-disease patients and send them for treatment or isolation. (No. 4,338 houses. Registration of 14,223 citizens)

## Distribution of medicines to associates of Jain Irrigation Systems Ltd. and their families

- Vitamin-C, Vitamin-D3, and other multi-vitamins are essential ingredients to boost the body's immune system. We are taking all possible measures to ensure that all our colleagues are safe and healthy and do not become infected. But going beyond that, we are distributing medicines containing Vitamin-C, Vitamin-D3, and multi-vitamins as per the doctor's advice to strengthen the immune system of all the colleagues.

## Distribution of Pulse Oxymeters to Govt. hospitals

- 100 pulse oximeters were handed over to the District Collector for testing the oxygen and pulse rate of the patients admitted in Covid Special Hospital (1) and those in critical condition.
- Distribution of digital thermometers and blood pressure monitors to the needy.

## Sanitizer Spray

- As per the instructions of Jalgaon Municipal Corporation Mayor and Commissioner, a unique system was implemented on two firefighters of Jain Irrigation, and the work of spraying Sodium Hypochloride was completed in every ward of Jalgaon city for prevention of infection.

\*from 23 March 2020 to 1 May 2021





Snehachi Shidori



Food Grains and Grocery Distribution



Snehachi Shidori - Kantai Sabhagruh



Health Inspection Survey



Snehachi Shidori - Kantai Sabhagruh



Distribution of medicines to associates of Jain Irrigation Systems Ltd. and their families



Snehachi Shidori - Kantai Sabhagruh



Distribution of Pulse Oxymeters to Govt. hospitals



Juice Distribution for Corona Warriors



Spraying Chemicals

# COMMUNITY INVOLVEMENT

## Corona Testing Machine

- RTPCR, a Covid-19 testing machine, was donated to the district administration by Jain Industries Group for the corona testing lab set up by the local administration of Maharashtra to curb the number of potential corona patients in the district. The machine was only available to Jain Industries. According to Mr. Abhijit Raut, 100 corona tests were being conducted earlier. With the help of this machine, 300 tests can be done daily in the Corona Lab.

## Distribution of Covid-9 Guidelines

- 1 lakh copies of the 28-page digital guide Covid-19 prepared by the Government of Maharashtra for public education were printed and distributed to every household in Jalgaon city through a separate distribution system.

## Police Security

- Considering the potential risk of spreading the coronavirus infection, a unique sanitizer spraying system was implemented in two police patrol vehicles. These include a chemical tank of 300 liters, a micro-spraying fogger a solar powered solar pump, battery, and chlorinated water.
- The positivity rate of corona cases of police on duty in Jalgaon is negligible.

## Sanitising Zone/Disinfectant Tent

- A sanitizing room was set up at the jail and police headquarters in Jalgaon. Foggers disinfect this sanitizing room. Everyone who comes in and goes out must pass through this room to be fully sanitized and can then enter the office.

## Government-led Vaccination started at Kantai Netralaya

- Kantai Netralaya in Jalgaon has been accorded the status of an official Corona Vaccination Center. Vaccination will start from 5 March, 2021 at the center.
- Adherence to strict rules regarding social distance as well as masks.
- Equipped with state-of-the-art facilities and an independent vaccination department.
- Disciplined implementation of rules announced by the government. Co-Morbid Medical Certificate of Registered Medical Practitioner is unavoidable.
- In case if Corona has occurred before, all related Corona information is asked.
- Recruitment of well-trained medical staff.
- 3 booths for vaccination.
- Planned seating arrangements for citizens. Special facilities for senior citizens.

## Jain Irrigation distributes face shields and hand sanitizer to Mumbai Police.

- Jain Irrigation Systems Ltd. of Jalgaon distributed the company's best quality face shields, hand sanitizers, masks to the police brothers who are always on duty as Corona Warriors.
- Face shields were distributed to about 100 front-line police personnel at the South Mumbai Police Station in Mumbai. The initiative was implemented under the guidance of the Deputy Commissioner of Police, Circle One, Shashikumar Mina. Jain Irrigation's face shield and hand sanitizer were distributed at the hands of Ananda Hodge, Senior Inspector of Police, South Mumbai.

## Sleepcube Bywheel ST Machine

- The bivalve sleepcube is a device used to control the patient's oxygen levels with low or high oxygen levels.
- State-of-the-art artificial respiration machine with air component.
- This device can be used for patients who typically weigh 30 kg or more.





Corona Testing Machine



Sleepcube Bywheel ST Machine



Distribution of Covid-9 Guidelines



Police Security



Jain Irrigation distributes face shield and hand sanitizer to Mumbai Police.



Sanitising Zone/Disinfectant Tent



Government conducts vaccination at Kantai Netralaya

# COMMUNITY INVOLVEMENT

## Vaccination of Citizens in 18-44 age group at Jain Swadhyay Bhavan

- 934 immunizations completed on the first day of vaccination of citizens in the age group of 18 to 44 years from today at Jain Swadhyay Bhavan in Jalgaon city.
- Government of Maharashtra as well as Jalgaon City Municipal Corporation and Bhavarlal & Kantabai Jain Foundation and Sakal Jain Shri Sangh Jalgaon arranged vaccination at Jain Swadhyay Bhavan from 11th May 2021.
- Citizens were provided with the best facilities with up-to-date meeting arrangements by adhering to all the rules of social distancing, binding masks.
- Presented as 'Jumbo Vaccination Center', the center was lauded by the dignitaries for its quantitative success as well as quality.
- In order to make the vaccination campaign a success, the office bearers of NGOs like Shri Sakal Jain Sangh, Jai Anand Group, Shri Ratna Yuvak Parishad, Shri Jain Social Group, Shri Yuvacharya Group extended invaluable support.

## Availability of Free Oxygen Concentrators for Corona patients

- Many families lost their lives due to lack of hospital beds, oxygen concentrators, life-saving drugs, and injections due to Covid.
- Oxygen machine capacity: 5 liters, flow 1 to 51 per minute.
- Expert guidance on proper usage of the concentrator.
- Free availability of 25 Oxygen Concentrator for Home Use.
- Donated three Oxygen Concentrators to Jay Anand Group, Jalgaon.
- Winmar Overseas Polymers Pvt. Ltd. Mumbai and Jain Irrigation c. Ltd. Joint venture of the company.

## Grocery distribution to Tamasha (A Folk Art) Artists

- The epidemic of Corona has had a profound effect on all the elements. But the folk artists with their stomach on art has escaped the epidemic.
- After facing many crises this year, the condition of folk artists in the district, which is being devastated by Corona, is getting very bad.
- At present in the district, Tamasha Mandal, Shahiri Pathake, Vahigayan Kalapathak, Waghya Murali, Godhali, Vasudev, Songadya Party, etc., are the folk artists working in the field of art facing this corona epidemic.
- Responding to the call of Akhil Bharatiya Natya Parishad President and Rohinitai Khadse to help the people in this situation, Ashok Bhau Jain, Head of Jain Industries Group, handed over 20 grocery kits to Khandesh Tamasha and Vinod Dhage, President of Shahir Lokkalavant Vikas Parishad.
- These grocery kits were distributed to 20 Tamasha artists at Parola today. This folk art relief campaign is being carried out on behalf of Akhil Bharatiya Natya Parishad, Khandesh Tamasha, and Shahir Lok Kalawant Vikas Parishad.
- President of Khandesh Tamasha Parishad Sheshrao Nana Gopal, Executive Member of Natya Parishad Sandeep Ghorpade, and Chief Coordinator of Lokkalavant Madad Abhiyan Vinod Dhage were present on this occasion.







Vaccination of Citizens in 18-44 age group at Jain Swadhyay Bhavan



Vaccination of Citizens in 18-44 age group at Jain Swadhyay Bhavan



Free Oxygen Concentrators for Corona patients available



Free Oxygen Concentrators for Corona patients available



Grocery distribution to Tamasha (A Folk Art) Artists

# COMMUNITY INVOLVEMENT

## Bhagyashri Patil achieves success in chess

186 chess players participated in National Online Chess Tournament organized by the All India Chess Federation (AICF). Bhagyashri Patil representing Jain Sports Academy, achieved the success to finish as a topper in this tournament. She is already FIDE Master, and with this result, she has been selected in the Indian team for the international tournament.

## Mountaineer Anil Vasave selected

Mountaineer Anil Vasave has been selected in a team of mountaineers planning to scale (go to the top) of the Kilimanjaro mountains in Africa. Jain Irrigation Systems Ltd. and Bhavarlal & Kantabai Jain Foundation have powered the dream of Anil Vasave from Balaghat (Tal. Akkalkua). 360 explorer mountaineers have already successfully reached the top of Kilimanjaro mountain. International trainer Anand Bansode has, under his leadership, selected 10 Indian mountaineers from different contests. Anil Vasave is one of those ten mountaineers. He will achieve the first international mountaineer from the tribals to achieve this status.

## Jain Drip irrigation to help grow native trees at Shivneri Fort

Shivneri Fort is the birthplace of Chhatrapati Shivaji Maharaj, and it has been selected for growing native trees (Devrai). Jain Irrigation has undertaken this task of setting up drip irrigation equipment there, amounting to approximately Rs. 21 lacs as a part of the Corporate Social Responsibility (CSR). The above project has been taken up in association with Sahyadri Giribhraman Sanstha and the Department of Archaeology. The lead has been taken by Sahyadri Giribhraman Sanstha. There was a problem in giving water to these trees. The native trees will be planted in nearly 25 acres area. Jain Irrigation has been providing drip irrigation as a CSR activity valued at Rs 21 lacs.

## Spontaneous response to Kantai Netralay's eye checking camp



Kantai Netralay's eye checking camp

Two-day grand camp with checking of nearly 2000 patients and operation of 169 people. JISL Founder Chairman Bhavarlalji Jain had constantly taken the lead in social work. Kantai Netralaya was set up four years ago to provide high-quality eye checking at a very reasonable cost to patients. Kantai Netralaya has already done over ten thousand eye operations. Out of that, it performed nearly six thousand free operations.

Free eye checking and cataract operation camps are being organized at various places. Kantai is also organizing such camps in the Taluka place. Grand eye checking camp was already held at Vatur, Tal. Partur Dist. Jalna, where Kantai Netralay team has already performed eye checking of over 2000 patients, and in those 169 were cataract patients. These were free of cost operations including, travel of patients, their lunch and boarding arrangements.





Ashok Jain, Chairman with Bhagyashri Patil



Ashok Jain, Chairman with mountaineer Anil Vasave



JISL associates and Forest Officers taking a survey about the Jain Irrigation equipment.

# COMMUNITY INVOLVEMENT

## A Step towards Organic Farming – Tribal women produce Dashparni Concentrate

Gandhi Research Foundation (GRF) is making sincere efforts to conserve fundamentally preserve traditional work activities, especially agricultural activities. . With this vital objective, GRF activists are working in some villages in the Satpuda range to encourage tribal people to conserve their traditional knowledge and put it to practice. . By doing this, we would be able to direct our lifestyle in a more sustainable direction, and would help to sustain nature's basic cycle. Under the guidance of GRF, the local women team developed Dashparni essence or concentrate using 200 liters weighing scale, cow dung, cow urine, jaggery, turmeric, hing, and some essential forest medicines. Ready essence in the quantity of 4-5% dosage per liter is sprayed on Cotton, Moong, Urad, Arhar, Chilli, and other crops.



## New Kind of self-reliance

Cattle Rearing or Animal Husbandry is a good way of earning a livelihood, but most of our farmer brothers and sisters undertake cattle rearing only for milk. They do not think about any other complementary business or industry related to it.

Under the guidance of GRF, the Ganesha Self-Help Group (Mahila Bachat Gat) of Kurha Kakoda has commenced the production of cow dung based products, apart from cow rearing.

Under this project, the Self Help Group is expected to earn around forty thousand rupees per month. This created a strong belief among these women that one cannot only make fertilizer from cow dung but look at it constructively to produce several other products from cow dung, recognizing people's requirements. This can also be a means of self-reliance for us.



## New Cropping methods help in doubling farmer's production and income

Our farmers are caught in such a situation that they do not venture out to cultivate new crops. They often fear and dare to execute this idea. These farmers usually grow fixed-income and traditional crops. They desire growing new or unconventional crops but fail to gather the courage to spend additionally for this purpose. Therefore, GRF and Bayer Prayas Sanstha have joined hands to encourage farmers and make them self-reliant by distributing Cabbage seeds were on a free-of-cost basis and providing necessary technical guidance to these farmers. Around 50 farmers from the Kharchi village of Jalgaon district were engaged in this activity. With these efforts, they were able to achieve good production. After this initiative, , they responded that with little effort and small agricultural fields.. In this pandemic, this sincere effort by GRF proved effective in bringing smiles to the face of these farmers.





## PG Diploma students strive to create a water conservation zone during Labour Camp

**“EK Dujē ke Saath Aaye, Kuchh Sadhan Ley Aaye, Thoda Pasina Bahaya,**

**Kuchh Gane Gungunaye Aur Yeh Ioh Taiyar Ho Gaya Jal Sanrakshan Karya”**

Through the Post Graduate Diploma in Sustainable Rural Reconstruction Program offered by the Foundation, efforts have been made to develop creative activists for the last seven years. Under this course, students stay for six months in the Gandhi Teerth campus at Jain Hills. GRF associates encourage them to have “Hands-On Experience” by helping them understand the different small-scale industries and businesses. In the agriculture segment, they were trained to cultivate eight crops and get good yield. Besides this, they gained experience making soaps, washing powder, various edible oils manufactured in ‘Kacchi Ghani’, chappals, Khadi weaving using a Charkha, and cowshed management.

Labour Camp of five days was organized on 30th January, Mahatma Gandhi’s Death anniversary.. The day began with work early in the early morning. With hard work, cooperation, team spirit, and new water-related humming songs created an excellent water conservation zone of nearly 50,000 liters capacity.



# PRODUCT INNOVATION

## Jain Ghoomar: The Ultimate Sand Separator

The presence of sand, silt particles in source water can create a significant menace in operating a drip irrigation system. Jain Ghoomar is the right choice for removing sand, grit, and other fine solids from water sources. It can remove up to 97% of particles over 300 microns particle size, having a specific gravity greater than 1. Its unique patented centrifugal style of separation is not only efficient but also maintenance-free. It enhances the life of the Drip Irrigation Systems by reducing the load on secondary filters like media or screen / disc filters. It is robust, abrasion-resistant, manufactured using high-performance plastic, highly durable, light in weight, and does not undergo any oxidative degradation or corrosion due to chemicals and fertilizers used in agriculture. It is effortless to flush and has a unique oval-shaped dirt collector which can hold up to 10 liters of dirt. The provision of a flushing arrangement at the bottom helps flushing the dirt thoroughly without stopping the Irrigation System.



## Higher Pressure rating PVC fittings

The pressure rating of the PVC fittings depends on the wall thickness, diameter, and design stress. Design stress is arrived from the MRS after applying the safety factor or design factor. The pressure rating of the fittings goes up with an increase in wall thickness for the given inner diameter. But increasing the wall thickness, sometimes invites some other complications, especially in PVC fittings, in the form of gelation issues across the wall thickness and drop impact strength issues as the product weight goes up with an increase in wall thickness. Hence it is wise to increase the design stress, automatically taking care of the pressure rating. Another advantage is that with increased design stress one can maintain the same wall thickness or achieve a higher pressure rating from the same product. Keeping this in mind, an attempt has been made to produce PVC PN16 pressure rating fittings with the existing PN10 rated fittings. The overall recipe used for PN10 was changed, and a trial was conducted. The trial's outcome was successful in PVC fittings especially, Elbow, Connector, Tee in specific sizes. With slight modification in the mold, the PN16 rated PVC fittings were produced with the existing PN10 mold without increasing the wall thickness. The recipe is frozen, and commercialization started in Elbow, Tee, Coupler, Etc., for the export market. A similar set of experiments are also in place for producing higher pressure rated valves, union, Etc.



## Jain Irrigation launches Jain Unity automated new technology

JISL, the largest drip, micro-irrigation technology, and the world's second-largest company, has brought out Jain Unity Automated New Technology for sustainable water and crop management. This new technology uses artificial intelligence (AI) and several sensors to track the climate. This automated technology is the most modern today. Thus, JISL has stamped its authority with this technology.

ET Water (JISL's US-based company) has developed the software for "Jain Unity." It helps farmers to utilize the climate sensors to estimate the changes in climate, crop, soil fertility and type of the soil, humidity, Etc., In addition, artificial technology makes scheduling time table of water, liquid fertilizers, Etc. It enables farmers to apply the proper quantity of water and liquid fertilizers to crops, resulting in monetary savings for the farmers. According to the "Bluefield Research" report, 36% of families would not afford to pay for water in the coming five years. Thus Artificial Intelligence (AI) technology would enable the supply of drinking power and irrigation to agriculture.





# PROUD MOMENTS

## Banana Tissue Culture Saplings push Rural Economy

**Two crore Tissue Culture saplings achieve record sales: Women get employment**

Several industries and businesses faced more problems due to the havoc caused by Coronavirus. Many people lost their jobs and employment. Women had undertaken self-dependent employment opportunities in the rural areas, including Jalgaon. Jain Irrigation Tissue Culture Department gave employment opportunities to over 800 women, contributing significantly to the rural economy. Record 2 crores 10 lac Jain Tissue Culture Banana saplings were sold in June.



## Seminar on Smart Horticulture of Banana

Jain Irrigation Systems Ltd and Shri Sai Traders have jointly organized a seminar at Barwani on “Smart Agriculture



and Export Opportunities of Banana.” Banana expert K.B. Patil and Water Expert Dr. Sudhir Bhongle were present on the dais. Farmers’ leader Chandrashekhar Yadav chaired this seminar. Rajasthan’s Asst. Commissioner Vishwajitsingh Purawat was the Chief Guest of the function. Progressive farmer Kashiram Mukati and Sai Traders Founder Manohar Singh Solanki expressed their thoughts.



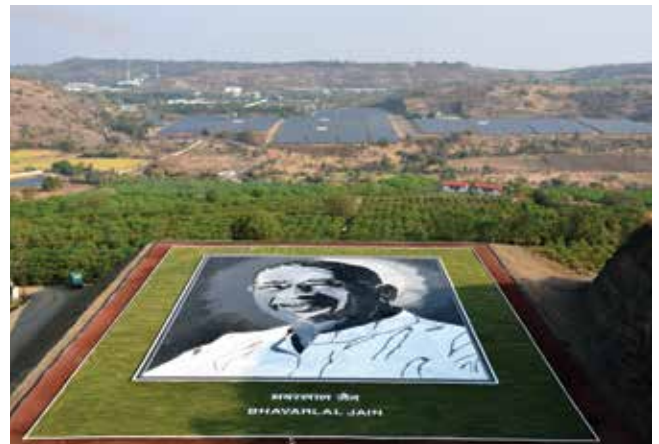
# PROUD MOMENTS

## JISL Founder Bhavarlal Jain's Mosaic Portrait a Guinness World Record

Mosaic portrait of JISL Founder Bhavarlalji Jain was created on his fifth Remembrance Day, on the same location where he had imaginatively created greenery

Jain pipes were used to create this 150 feet long and 120 feet wide mosaic-type portrait. 25 Metric Tons PE pipes (equal to 9000 PE pipes) and 5 Metric Tons PVC pipes (equal to 1000 PVC pipes) were used to make this happen. In total, 10000 pipes were used in this process. It took 14 hours every day, totaling 98 hours, to bring this into reality. If one calculate the length of pipes used and put them in a straight line, it works out to 21.9 km.

The largest Guinness-certified portrait with plastic pipes in existence before this portrait was about 18000 Sq. Ft. and 1672.25 M. Sq. Meter length. Pradip Vishnu Bhosale and JISL associates worked for 98 hours to make it, and this mosaic portrait was dedicated to the people on 23rd February 2021.



## Company offered two-wheeler loans on a priority basis for associates

The epidemic of Covid-19 also hit the public transport system. . This virus can be controlled by observing social distance, use of mask, and sanitizers. To achieve this solution, JISL offered its associates financial assistance to buy two-wheelers. Nearly 425 associates bought their two -wheelers under this facility. Two-wheelers of several companies such as TVS, Suzuki, and Bajaj were bought by over 395 Jain associates serially.

JISL made this finance facility available to its associates, and their traveling time was reduced, and they were able to implement the social distancing.





# NEW PLANT INAUGURATED

## CM Uddhav Thakeray inaugurates Jain Agri Biotech R & D Center

Chief Minister Uddhav Thakeray and NCP Chairman Sharad Pawar jointly inaugurated “Future Agriculture” - Jain Agri Biotech R&D Center at Jain Hills Jalgaon. Vertical Farming, Hydroponics, Soilless Cultivation, and Automation are included in this center and displayed in various demo centers.

Significant work is being done with concerning the ‘Quarantine’ Test of the Tissue Culture saplings of any crop or fruits & vegetables and seeds. This avoids the possibility of contamination due to an error or mistake. Jain Irrigation has developed TC saplings of mango, coconut, coffee, and guava for the first time in the world. The result of Jain TC banana saplings has increased the banana output up to 200%. Pomegranate TC saplings resulted in avoiding diseases on pomegranate such as Telya and Mar. JISL has also made available ‘Climate Neutral Technology’ here. Onion and Potato production using Aeroponic Technology has also been successful in which mere air is utilized to produce these crops. This is an entirely new technology to grow potatoes without soil and water. The climate necessary for such crops is artificially created, and further R&D is being done here. This process is also called ‘Controlled Cropping Systems Research & Development.’



# BRAND EQUITY

## MICRO-IRRIGATION SYSTEMS AND EQUIPMENT



Jain Logic™



## PIPES AND SHEETS



Better B-Sure, Never be Sorry!



## GREEN ENERGY PRODUCTS



## JAIN FARM FRESH FOODS LTD.



## SOCIAL PROFILE



**BHAVARLAL AND KANTABAI JAIN FOUNDATION**  
Compassion.. Imagination.. Endeavour



**GANDHI RESEARCH FOUNDATION**



**JAIN SPORTS ACADEMY**  
Mind • Body • Soul



**BAHINABAI CHAUDHARI MEMORIAL TRUST**



**GAURAI KRISHI-TANTRA NIKETAN**



**BHAISAHEB SUNDARLAL MALHARA POTENTIAL DEVELOPMENT ACADEMY**



**KANTAI NETRALAYA**  
Eye care for you





# R&D AND PRODUCTION FACILITY



**Drip and Sprinkler Irrigation Systems, Green Houses, Plastic Piping and Plastic Sheets :**  
Jain Plastic Park, Jain Fields, Bambhori, Jalgaon, Maharashtra (India)



**R&D, Demonstration and Training Centre, Tissue Culture Lab and Agri Bio-Tech Lab :**  
Jain Agri Park, Jain Hills, Jalgaon, Maharashtra (India)



**R&D, Demonstration & Tissue Culture Facility :**  
Jain River Bank, Takarkheda, Jalgaon, Maharashtra (India)



# CORPORATE INFORMATION

## Board of Directors (as on 31<sup>st</sup> August, 2021)

### Non Executive Directors

|                     |  |
|---------------------|--|
| Devendra Raj Mehta  | - Independent Director   |
| Ghanshyam Dass      | - Independent Director   |
| Radhika Dudhat      | - Independent Director   |
| H. P. Singh         | - Independent Director   |
| Bastiaan Mohrmann   | - Independent Director   |
| Dr. Narendra Jadhav | - Independent Director   |
| Nancy Barry         | - Independent Director   |
| Mukul Sarkar        | - Nominee-Exim Bank of India   |
| Uday Garg           | - Nominee Mandala Rose Co-Investment Limited, Mauritius (resigned on 25.06.2021) |

### Executive Directors

|                |   |
|----------------|---|
| Ashok B. Jain  | - Whole time Director                               |
| Anil B. Jain   | - Vice Chairman & Managing Director                 |
| Ajit B. Jain   | - Joint Managing Director                           |
| Atul B. Jain   | - Joint Managing Director & Chief Financial Officer |
| R. Swaminathan | - Executive Director (resigned on 08.06.2021)       |

### Audit Committee

|                   |            |
|-------------------|------------|
| Ghanshyam Das     | - Chairman |
| Narendra Jadhav   | - Member   |
| Bastiaan Mohrmann | - Member   |
| Nancy Barry       | - Member   |
| Anil Jain         | - Member   |

### Nomination & Remuneration Committee

|                |            |
|----------------|------------|
| Radhika Dudhat | - Chairman |
| H.P. Singh     | - Member   |
| Nancy Barry    | - Member   |
| Ashok Jain     | - Member   |

### Stakeholders Relationship Committee

|                 |            |
|-----------------|------------|
| Narendra Jadhav | - Chairman |
| H.P. Singh      | - Member   |
| Ajit Jain       | - Member   |

### Corporate Social Responsibility Committee

|            |            |
|------------|------------|
| D.R. Mehta | - Chairman |
| Ashok Jain | - Member   |
| Atul Jain  | - Member   |

### Risk Management Committee

|                  |            |
|------------------|------------|
| Ghanshyam Das    | - Chairman |
| D.R. Mehta       | - Member   |
| Radhika Dudhat   | - Member   |
| Bastian Mohrmann | - Member   |
| Ajit Jain        | - Member   |
| Atul Jain        | - Member   |

### Operations Review Committee

|              |                                     |
|--------------|-------------------------------------|
| Anil B. Jain | - Vice Chairman & Managing Director |
| Ajit B. Jain | - Member                            |
| Atul B. Jain | - Member                            |

### Company Secretary & Chief Compliance Officer

Avdhut V. Ghodgaonkar

### Chief Financial Officer

Atul B. Jain

### Auditors

Singhi & Co. Chartered Accountants, Kolkata.  
161, Sarat Bose Road, Kolkata - 700 026.

### Bankers

- Bank of Baroda, Mumbai
- Bank of Bahrain & Kuwait, Mumbai
- Canara Bank, Jalgaon (#Including Syndicate Bank, Mumbai)
- Export Import Bank of India, Mumbai
- IDBI Bank Ltd., Mumbai / Pune
- Punjab National Bank, Mumbai (#Including Oriental Bank of Commerce, Mumbai)
- Co-operative Centrale Raiffesen Boerenleen Bank, Mumbai (formerly Rabo Bank International)
- Standard Chartered Bank, Mumbai
- State Bank of India, Mumbai / Jalgaon
- Union Bank of India, Mumbai (#including Andhra Bank, Mumbai)
- Yes Bank Ltd., Mumbai
- Shree Mahavir Sahakari Bank Ltd., Jalgaon
- South Indian Bank, Mumbai

# Merged with the other named bank

### Registrar and Transfer Agent (RTA)

Link Intime India Private Limited,  
C 101, 247 Park, LB S Marg, Vikhroli West, Mumbai 400083.  
Tel No: +91 22 49186000, Fax: +91 22 49186060,  
email id: rnt@linkintime.co.in. Web: www.linkintime.co.in

### Solicitors

Solomon & Company, Calcot House, 3rd Floor, 8/10, M.P.Shetty Marg, (Tamarind Street), Fort, Mumbai- 400023.  
Corporate Identification Number (CIN)  
L29120MH1986PLC042028

### Registered Office

Jain Plastic Park, N.H. No.6, Bambhori, Jalgaon. 425001. (Maharashtra) India.  
Tel +91-257-2258011, Fax +91-257-2258111,  
Email : jis@jains.com; investor.corr@jains.com,  
Visit us at: www.jains.com

# FIVE YEARS AT A GLANCE

Figure ₹ in Million

|  | Standalone    |               |               |                |                | Consolidated   |                |                |                |                |
|--|---------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|  | 2017          | 2018          | 2019          | 2020           | 2021           | 2017           | 2018           | 2019           | 2020           | 2021           |
| <b>Financial Performance (April-March):</b>  |               |               |               |                |                |                |                |                |                |                |
| Revenue from Operation (net of excise duty and Including government incentive & assistance) <sup>#</sup> | 37,102        | 42,889        | 45,247        | 20,034         | 21,564         | 67,698         | 79,468         | 86,972         | 59,226         | 56,669         |
| Profit before Interest, Depreciation, Taxation and Forex gain/loss (PBDIT)                               | 7,077         | 7,805         | 8,771         | 468            | 1,734          | 10,360         | 11,264         | 12,896         | 2,828          | 5,902          |
| Finance cost <sup>^</sup>  | 3,240         | 2,565         | 3,003         | 3,903          | 4,180          | 4,499          | 4,585          | 5,023          | 6,559          | 7,219          |
| Depreciation, Amortization and Amounts written off   | 2,368         | 2,385         | 2,354         | 4,255          | 2,250          | 3,718          | 3,972          | 3,843          | 6,525          | 4,433          |
| Foreign exchange (gain)/loss <sup>*</sup>  | (563)         | (54)          | 185           | (136)          | 62             | (264)          | (249)          | 327            | (284)          | 275            |
| <b>Profit Before Tax</b>   | <b>2,032</b>  | <b>2,909</b>  | <b>3,229</b>  | <b>(7,554)</b> | <b>(4,757)</b> | <b>2,407</b>   | <b>2,956</b>   | <b>3,704</b>   | <b>(9,973)</b> | <b>(6,025)</b> |
| Taxation (including MAT & deferred tax adjustments)  | 394           | 98            | 884           | (2,471)        | (1,684)        | 667            | 779            | 1,199          | (2,949)        | (2,306)        |
| <b>Profit / (Loss) after tax from continuing operation</b>   | <b>1,638</b>  | <b>2,811</b>  | <b>2,345</b>  | <b>(5,083)</b> | <b>(3,073)</b> | <b>1,740</b>   | <b>2,177</b>   | <b>2,505</b>   | <b>(7,023)</b> | <b>(3,719)</b> |
| <b>Profit / (Loss) after tax from discontinued operation</b>   | -             | -             | -             | -              | -              | -              | -              | -              | (189)          | (341)          |
| <b>Profit / (Loss) for the year before share of loss in associate</b>                                    | -             | -             | -             | -              | -              | <b>1,740</b>   | <b>2,177</b>   | <b>2,505</b>   | <b>(7,212)</b> | <b>(4,060)</b> |
| Share of loss in associate   | -             | -             | -             | -              | -              | 23             | 36             | 37             | 18             | 32             |
| <b>Net Profit/ (Loss) for the year (NP)</b>  | <b>1,638</b>  | <b>2,811</b>  | <b>2,345</b>  | <b>(5,083)</b> | <b>(3,073)</b> | <b>1,762</b>   | <b>2,213</b>   | <b>2,542</b>   | <b>(7,194)</b> | <b>(4,027)</b> |
| <b>Adjusted Net Profit / (Loss) for the year <sup>[1]</sup></b>  | <b>1,075</b>  | <b>2,756</b>  | <b>2,530</b>  | <b>(5,219)</b> | <b>(3,011)</b> | <b>1,498</b>   | <b>1,964</b>   | <b>2,869</b>   | <b>(7,478)</b> | <b>(3,752)</b> |
| Equity Dividend (including Dividend Tax)   | 433           | 622           | -             | -              | -              | 433            | 622            | -              | -              | -              |
| <sup>^</sup> - (Net of interest received)  |               |               |               |                |                |                |                |                |                |                |
| <sup>*</sup> - Including (gain)/loss on derivatives and fair valuation of embedded derivative.           |               |               |               |                |                |                |                |                |                |                |
| <sup>#</sup> Excise duty upto June 2017  |               |               |               |                |                |                |                |                |                |                |
| <b>Financial Position As At March 31,</b>  |               |               |               |                |                |                |                |                |                |                |
| <b>Liabilities</b>   |               |               |               |                |                |                |                |                |                |                |
| Shareholders Equity <sup>[2]</sup>   | 46,092        | 45,587        | 47,210        | 42,164         | 39,125         | 43,166         | 44,949         | 45,612         | 36,271         | 31,302         |
| Minority Interest  | -             | -             | -             | -              | -              | 1,089          | 1,302          | 1,413          | 1,431          | 1,127          |
| Deferred Tax Assets/ Liabilities (net)   | 3,907         | 3,552         | 3,782         | 1,314          | -              | 3,393          | 3,474          | 3,584          | 292            | (2,061)        |
| Long term liabilities & provisions   | 1,074         | 757           | 635           | 526            | 273            | 1,269          | 1,072          | 1,078          | 3,059          | 2,904          |
| Long term loans (including current maturities & excluding CCDs)  | 7,331         | 6,440         | 7,896         | 7,428          | 7,422          | 26,399         | 28,118         | 31,824         | 31,783         | 30,437         |
| Short Term Loan  | 6,008         | 5,583         | 8,459         | 23,833         | 25,848         | 12,348         | 14,977         | 19,169         | 36,079         | 35,284         |
| Other current liabilities (excluding current maturities of long term loans)                              | 12,078        | 15,116        | 13,895        | 9,416          | 12,026         | 22,402         | 27,629         | 24,901         | 21,266         | 25,460         |
| <b>Total Liabilities</b>   | <b>76,490</b> | <b>77,035</b> | <b>81,878</b> | <b>84,681</b>  | <b>84,694</b>  | <b>110,066</b> | <b>121,520</b> | <b>127,580</b> | <b>130,181</b> | <b>124,453</b> |
| <b>Assets</b>  |               |               |               |                |                |                |                |                |                |                |
| Tangible assets (including CWIP)   | 29,490        | 29,863        | 30,478        | 30,220         | 28,906         | 44,471         | 47,006         | 48,499         | 49,024         | 45,117         |
| Goodwill on Consolidation  | -             | -             | -             | -              | -              | 3,448          | 6,189          | 7,550          | 7,989          | 7,669          |
| Intangible assets  | 147           | 120           | 110           | 319            | 290            | 755            | 865            | 989            | 3,439          | 3,193          |
| Long term loans, advances & other non-current assets   | 2,055         | 2,033         | 2,148         | 3,342          | 3,792          | 2,783          | 2,714          | 3,503          | 4,279          | 4,137          |
| Investment (excl. Liquid Investments)  | 11,227        | 11,666        | 11,815        | 11,799         | 11,770         | 811            | 847            | 828            | 857            | 885            |
| Current assets (excluding cash & cash equivalents)   | 33,208        | 32,882        | 37,288        | 38,021         | 37,607         | 55,138         | 59,713         | 64,756         | 62,049         | 58,796         |
| Cash & Cash Equivalent (incl. Liquid Investments)  | 363           | 472           | 40            | 980            | 2,328          | 2,661          | 4,186          | 1,455          | 2,544          | 4,656          |
| <b>Total Assets</b>  | <b>76,490</b> | <b>77,035</b> | <b>81,878</b> | <b>84,681</b>  | <b>84,694</b>  | <b>110,066</b> | <b>121,520</b> | <b>127,580</b> | <b>130,181</b> | <b>124,453</b> |
| <b>Ratio Analysis</b>  |               |               |               |                |                |                |                |                |                |                |
| Current Ratio (Times)  | 1.47          | 1.47          | 1.55          | 1.07           | 0.94           | 1.43           | 1.40           | 1.38           | 1.02           | 0.93           |
| Total Debt / Equity (Times) <sup>[3]</sup>   | 0.27          | 0.26          | 0.35          | 0.74           | 0.85           | 0.90           | 0.96           | 1.12           | 1.87           | 2.10           |
| Return on Average Capital Employed(%) <sup>[4]</sup>   | 10.35%        | 12.44%        | 13.56%        | 0.66%          | 2.40%          | 12.32%         | 12.89%         | 13.51%         | 2.72%          | 5.88%          |
| <b>Per Share Data (₹) (Face Value ₹ 2 each)</b>  |               |               |               |                |                |                |                |                |                |                |
| Basic EPS  | 3.18          | 5.45          | 4.55          | (9.86)         | (5.96)         | 3.29           | 4.25           | 4.64           | (13.87)        | (7.67)         |
| Diluted EPS  | 3.18          | 5.45          | 4.55          | (9.86)         | (5.96)         | 3.29           | 4.25           | 4.64           | (13.87)        | (7.67)         |
| Basic Adjusted EPS   | 2.26          | 5.35          | 4.91          | (10.12)        | (5.84)         | 3.14           | 3.81           | 5.56           | (14.50)        | (7.28)         |
| Equity Dividend  | 0.75          | 1.00          | -             | -              | -              | 0.75           | 1.00           | -              | -              | -              |
| Book Value   | 96.13         | 88.41         | 91.55         | 81.77          | 75.87          | 90.03          | 87.17          | 88.45          | 70.34          | 60.70          |
| <b>Shareholding Related As At March 31,</b>  |               |               |               |                |                |                |                |                |                |                |
| Number of Ordinary & DVR Equity shareholders   | 193,924       | 231,289       | 252,814       | 266,138        | 254,035        | 193,924        | 231,289        | 252,814        | 266,138        | 254,035        |
| Market Capitalization <sup>[5]</sup> (₹ in Million)  | 44,344        | 54,063        | 29,998        | 1,704          | 9,394          | 44,344         | 54,063         | 29,998         | 1,704          | 9,394          |
| Non-Promoter Shareholding  | 69.30%        | 71.54%        | 71.29%        | 71.36%         | 71.36%         | 69.30%         | 71.54%         | 71.29%         | 71.36%         | 71.36%         |

[1] Net Profit plus Net (gain)/loss on foreign currency transactions and translations

[2] Shareholders equity includes CCD debt portion

[3] Equity includes Compulsory Convertible Debentures (CCDs)

[4] Average Capital Employed (Total Assets less Deferred Tax Assets less Cash &amp; Cash Equivalent)

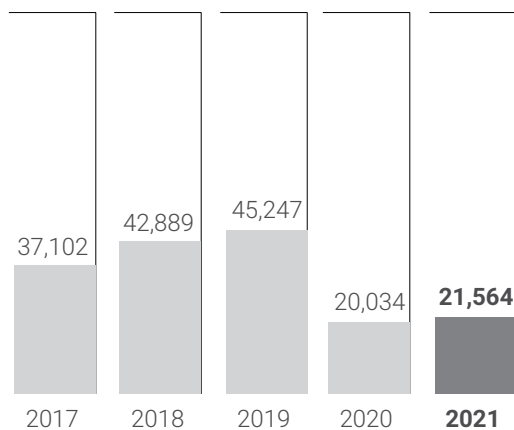
[5] Based on Market Price on National Stock Exchange (NSE) ON 31st March of the year

# KEY PERFORMANCE INDICATORS

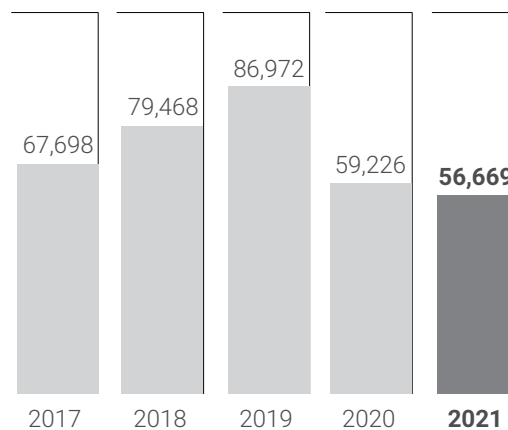
## REVENUE FROM OPERATIONS

(Net of excise duty upto June 2017) and Including government incentive & assistance) (₹ in Million)

**Standalone** CAGR - (13%)



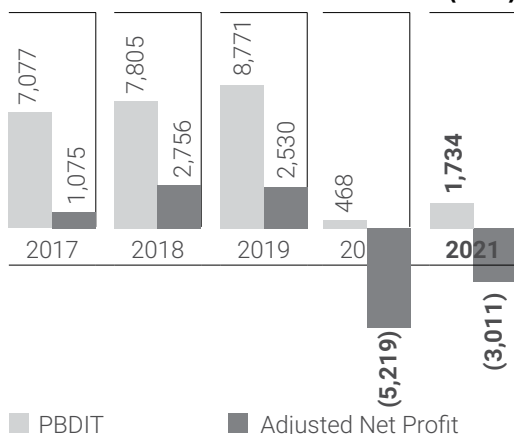
**Consolidated** CAGR - (4)%



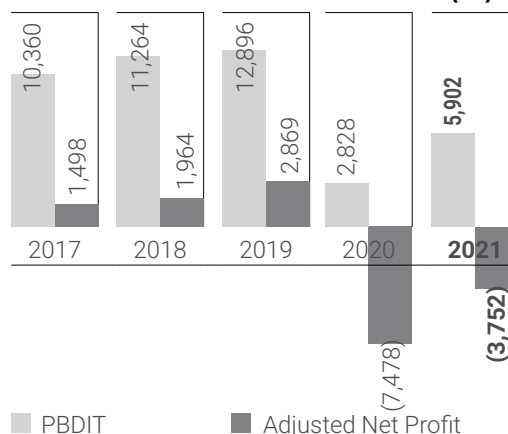
## PROFITABILITY

(₹ in Million)

**Standalone** CAGR PBDIT - (30%)



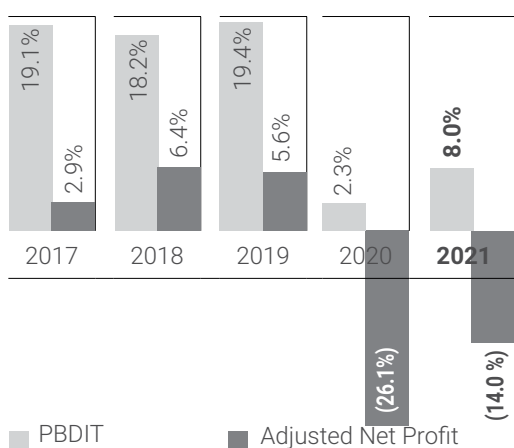
**Consolidated** CAGR PBDIT - (13)%



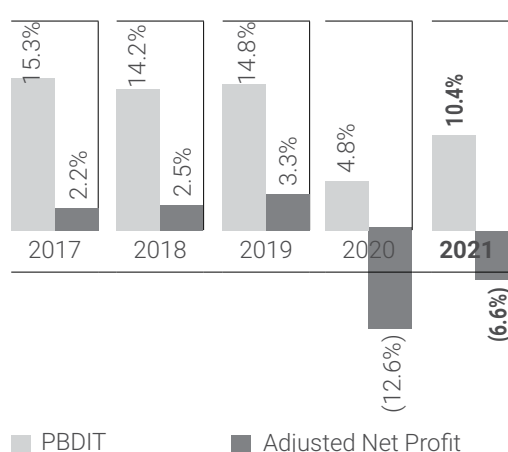
## MARGINS

% to Revenue from Operations (net of excise duty upto June 2017)

**Standalone**



**Consolidated**



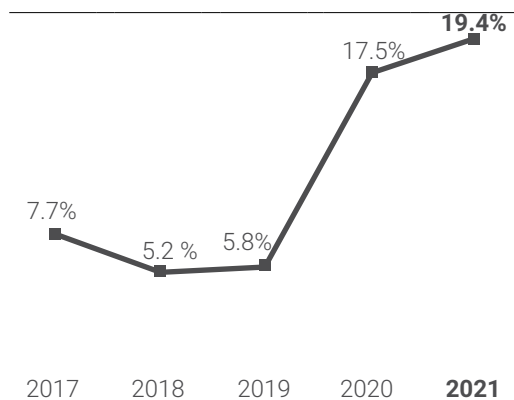


# KEY PERFORMANCE INDICATORS

## INTEREST COST<sup>\$</sup>

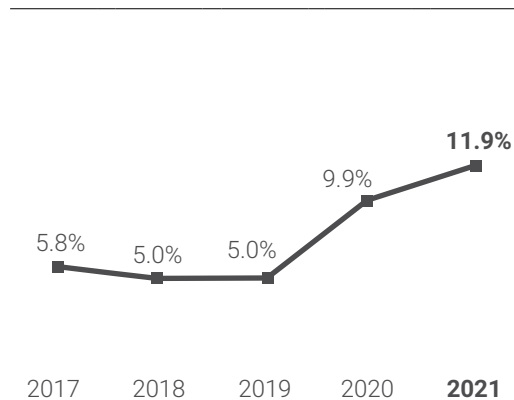
% to Revenue from Operations (net of excise duty upto June 2017))

### Standalone



\$ Finance cost less interest received less bank charges

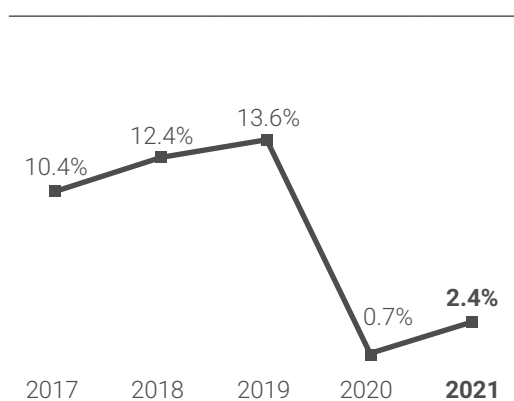
### Consolidated



## ROCE TREND<sup>#</sup>

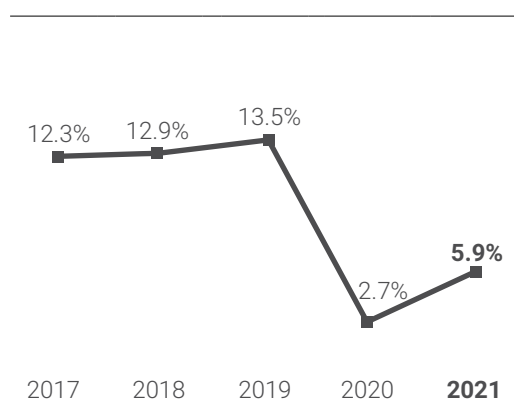
(% age)

### Standalone



# Based on average capital employed

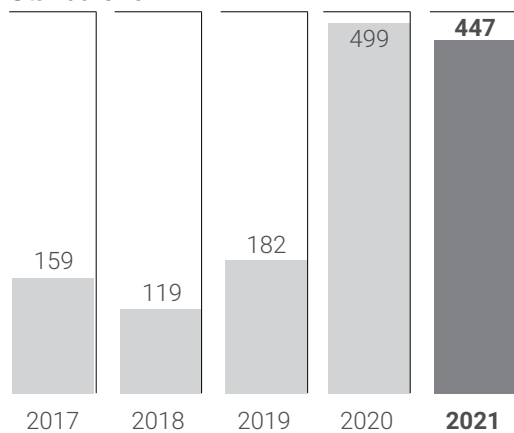
### Consolidated



## WORKING CAPITAL CYCLE (NET<sup>@</sup>)

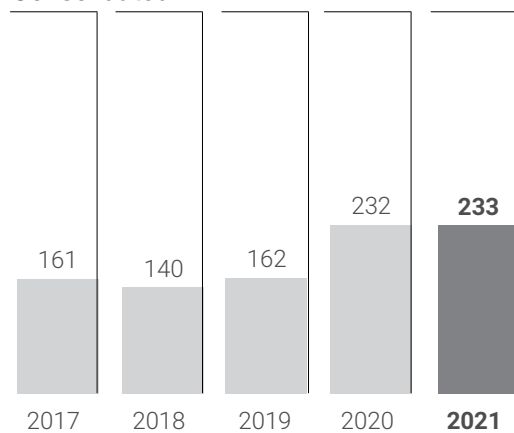
Days Sales Outstanding (DSO)

### Standalone



@ Inventory plus Receivables less Accounts Payable

### Consolidated

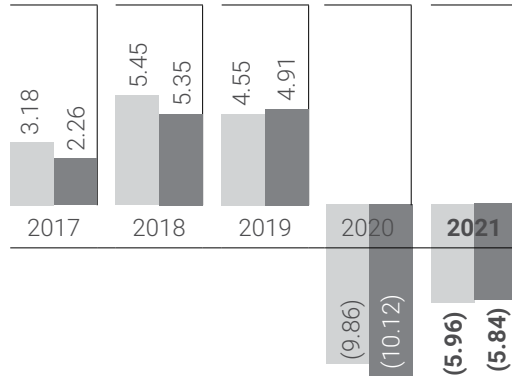


# KEY PERFORMANCE INDICATORS

## EARNING PER SHARE (EPS)

(₹ Per Share)

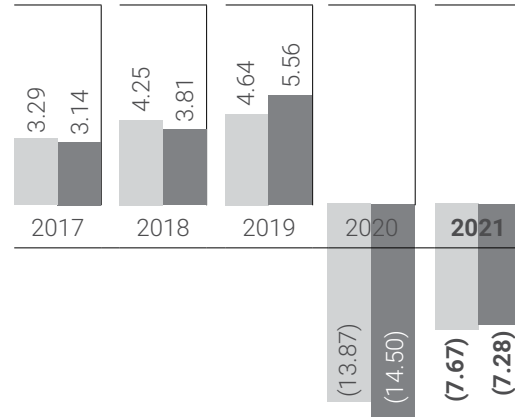
### Standalone



■ EPS

■ Adjusted EPS

### Consolidated



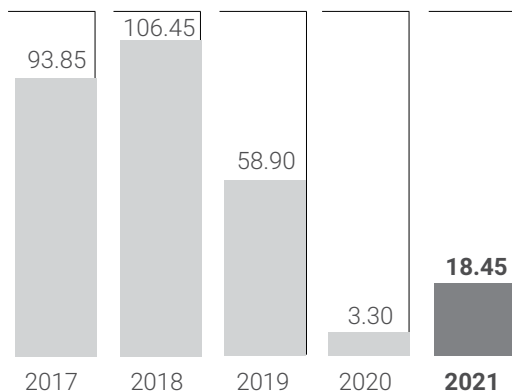
■ EPS

■ Adjusted EPS

## MARKET PRICE PER SHARE\*

(₹ Per Share)

### Standalone

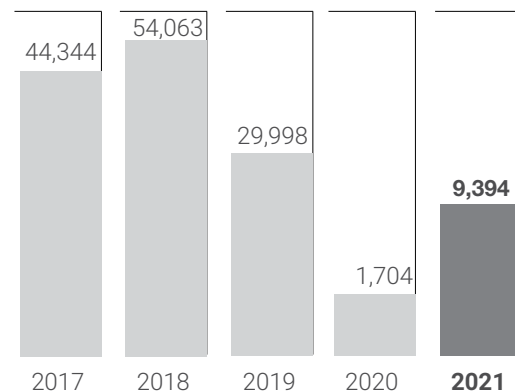


\* As at March 31, on National Stock Exchange (NSE)  
Face Value- ₹ 2/- per share

## MARKET CAPITALIZATION

(₹ in Million)

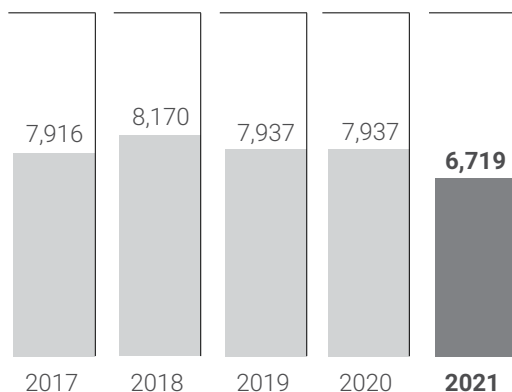
### Consolidated



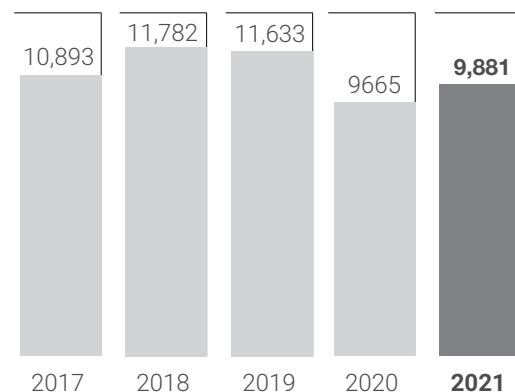
## ASSOCIATES STRENGTH

(No of Associates)

### Standalone



### Consolidated



# CONSOLIDATED REVENUE\* SEGMENTATION

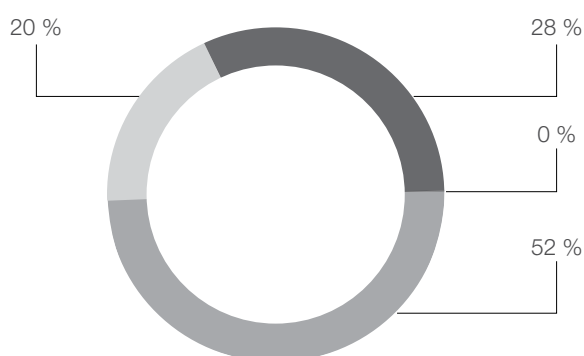
## BY BUSINESS VERTICAL

₹ in Million

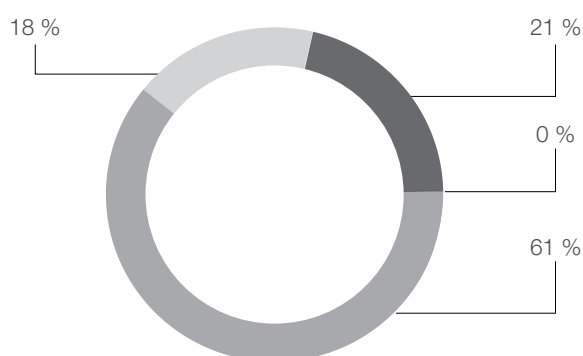
| Period April to March       | 2017          | 2018          | 2019          | 2020          | 2021          | Mix(2021)     | CAGR          |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Hi-tech Agri Input Products | 32,230        | 41,356        | 44,467        | 31,054        | 34,374        | 60.7%         | 1.6%          |
| Plastic Division            | 16,445        | 19,688        | 21,838        | 11,564        | 10,187        | 18.0%         | (11.3%)       |
| Agro Processing Division    | 15,887        | 16,082        | 18,771        | 16,384        | 11,928        | 21.0%         | (6.9%)        |
| Other Business Division     | 3,135         | 2,341         | 1,896         | 225           | 181           | 0.3%          | (51.0%)       |
| <b>Total</b>                | <b>67,698</b> | <b>79,468</b> | <b>86,972</b> | <b>59,226</b> | <b>56,669</b> | <b>100.0%</b> | <b>(4.3%)</b> |

\* Net of excise duty and Including government incentive &amp; assistance

Revenue Mix (2020)



Revenue Mix (2021)



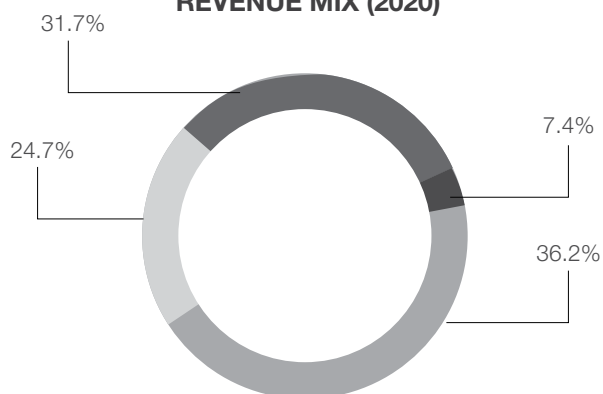
● Hi-tech Agri Input Products ● Plastic Division ● Agro Processing Division ● Other Business Division

## GEOGRAPHY

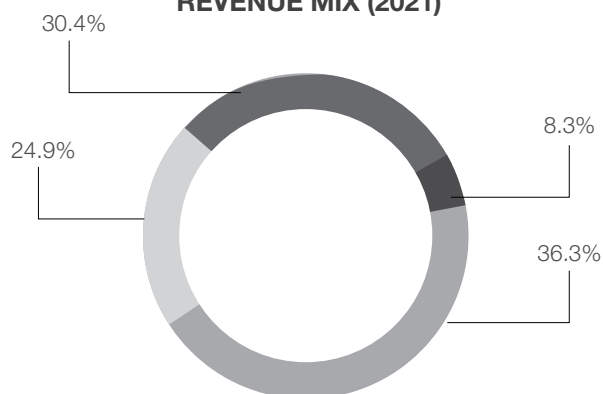
₹ in Million

| Period April to March | 2017          | 2018          | 2019          | 2020          | 2021          | Mix(2021)     | CAGR          |
|-----------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| India                 | 36,712        | 41,939        | 44,418        | 21,423        | 20,568        | 36.3%         | (13.5%)       |
| Europe                | 12,884        | 12,932        | 15,104        | 14,647        | 14,139        | 24.9%         | 2.4%          |
| North America         | 8,828         | 13,854        | 15,979        | 18,756        | 17,235        | 30.4%         | 18.2%         |
| Rest of World         | 9,275         | 10,743        | 11,472        | 4,401         | 4,727         | 8.3%          | (15.5%)       |
| <b>Total</b>          | <b>67,698</b> | <b>79,468</b> | <b>86,972</b> | <b>59,226</b> | <b>56,669</b> | <b>100.0%</b> | <b>(4.3%)</b> |

REVENUE MIX (2020)



REVENUE MIX (2021)



● India ● Europe ● North America ● Rest of World

\* Gross Revenue (excluding other operating revenue)



# BOARD'S REPORT

To

## The Members,

The Company has just gone through a better year in comparison to last one despite 2<sup>nd</sup> wave of COVID -19 and liquidity crunch, where revenues in India improved, but losses continued. The Lenders had signed an Inter Creditor Agreement (ICA) and the Resolution Plan (RP) in terms of RBI circular dated 07-06-2019 and is in final stage of the approval process. We have received Sanction letter from SBI, the lead bank of consortium and Joint Lenders Meeting (JLM) shall take place soon to take up the issue. The Company has continued to face liquidity challenges and cash and carry model allowed business to function in India, at a better pace than last year. Finally the COVID19 related 2nd lockdown meant closure of plants in the peak quarter of the business of the Company. However, despite the challenges the Company is afloat due to efforts put in by all its stakeholders.

## A] Operations

### 1) Financial Highlights

|  | ₹ in Million (except EPS) |                   |
|--|---------------------------|-------------------|
| Particulars  | 2020-21                   | 2019-20           |
| Export Sales & Services  | 2,538.80                  | 2,519.79          |
| Domestic Sales & Services                                      | 18,605.74                 | 16,817.10         |
| Other Operating Income   | 419.68                    | 697.43            |
| <b>Sub Total</b>   | <b>21,564.22</b>          | <b>20,034.32</b>  |
| Other Income   | 395.50                    | 553.89            |
| <b>Total Income</b>  | <b>21,959.72</b>          | <b>20,588.21</b>  |
| <b>Operating Profit</b>  | <b>1343.36</b>            | <b>(1784.84)</b>  |
| Interest and Finance Charges                                   | 4,451.04                  | 4,179.44          |
| Depreciation and Amortisation                                  | 1,649.80                  | 1,589.60          |
| <b>Profit before taxation and exceptional items</b>            | <b>(4,757.48)</b>         | <b>(7,553.88)</b> |
| Profit/(loss) before tax                                       | (4,757.48)                | (7,553.88)        |
| <b>Provision for Tax</b>                                       |                           |                   |
| Current Tax Provision  | -                         | -                 |
| Deferred Tax Asset/(Liability)                                 | (1,684.29)                | (2,470.87)        |
| <b>Profit/(Loss) for the year before Prior Period Expenses</b> | <b>(3,073.19)</b>         | <b>(5,083.01)</b> |
| Prior Period Items-Income/(Expenses)                           | -                         | -                 |
| <b>Profit/(Loss) for the year</b>                              | <b>(3,073.19)</b>         | <b>(5,083.01)</b> |
| <b>Earnings per Share (₹)</b>                                  |                           |                   |
| Basic  | (5.96)                    | (9.86)            |
| Diluted  | (5.96)                    | (9.86)            |

## 2) State of Affairs of the Company

### a) Standalone

The revenue from operations for the FY 21 was ₹ 21,564 mn, as against ₹ 20,034 mn of FY 20, an increase of 7.6%. Other income for the Company was ₹ 396 mn for FY 21, as against ₹ 554 mn of FY 20. Raw material consumption for FY 21 was ₹ 11,939 mn, as against ₹ 11,455 mn of FY 20, an increase of 4.2%. Employee cost has decreased by 19.1% for FY 21, to ₹ 2,413 mn from ₹ 2,982 mn of FY 20. Total Expenditure for FY 21 was ₹ 26,717 mn, as against ₹ 28,142 mn of FY 20. Finance Costs for FY 21 increased by 6.5% at ₹ 4,451 mn as against ₹ 4,179 mn of FY 20. Net loss for the FY 21 was recorded at ₹ 3,073 mn as against loss of ₹ 5,083 mn of FY 20, a reduction of 39.5%.

Even after liquidity challenges due to lack of realisation of project receivables from government, subsidies etc., the underlying business model remains intact, while we have reduced losses and we have started with a cash and carry model. In terms of revenue mix, Hi-Tech business is at 65% and only 35% is plastic and pipe business. In terms of EBITDA, it's very great with the micro irrigation business, this year 73% came from Hi-Tech business and Tissue Culture and 27% is from plastic business. Hi-tech business is leading the charge for profitability.

### b) Consolidated

The Revenue from operations for FY 21 was ₹ 56,669 mn, as against ₹ 59,226 mn for FY 20, showing a decrease of 4.3%. Other income for the year FY 21 was ₹ 1,464 mn, as against ₹ 732 mn of FY20, almost double. The raw material consumption was recorded at ₹ 29,495 mn for FY 21, as against ₹ 30,604 mn, of FY20 decrease of 3.6%. Employee cost was ₹ 8,048 mn for FY 21, as against ₹ 9,116 mn of FY20, a decrease by 11.7%, the finance cost for FY 21 was recorded at ₹ 7,460 mn as against ₹ 6,919 mn of FY20 an increase of 7.8%. Net loss for FY21 was ₹ 3,957 mn as against loss of ₹ 7,151 mn of FY20.

The Overseas businesses are doing better despite all the liquidity and pandemic issues and EBITDA is up by 65.9% on a consolidated basis. There is a significant improvement in terms of profits in overseas business, even after facing challenges. Last quarter of this financial year helped us mainly in reducing losses.

## 3) (a) Dividend Distribution Policy

The Company has adopted the Dividend Distribution Policy with respect to SEBI notification dated 8<sup>th</sup> July, 2016 and the detailed policy is available on our

website [http://www.nseprimeir.com/z\\_JISLJALEQS/files/JISL\\_Dividend\\_Policy.pdf](http://www.nseprimeir.com/z_JISLJALEQS/files/JISL_Dividend_Policy.pdf)

#### (b) Dividend

The Directors in their meeting held on 30<sup>th</sup> June, 2021 did not recommend to shareholders a Dividend on Ordinary and DVR Equity Shares of ₹ 2.00 each, in view of losses for the for year ended 31<sup>st</sup> March, 2021.

#### 4) Capacity Expansion and Capital Expenditure

The Company has continued its pre-decided maintenance capex. The following table shows the capex incurred for maintenance during the year.

| Segment Name  | Net Capex FY 2021<br>(₹ in Million) |
|---------------|-------------------------------------|
| Hi-Tech       | 191                                 |
| Plastics      | 22                                  |
| HO and Others | 122                                 |
| <b>Total</b>  | <b>335</b>                          |

#### 5) List of Awards/ Recognition – Financial Year 2020-21

The Company has received the following awards and accolades during the FY 2021.

| Year | Name & Nature of Award/ Honour | Instituted by | Given by                                  | Received by                               |
|------|--------------------------------|---------------|---|---|
| 2020 | PLEXCONCIL Award 2017-2018     | PLEXCONCIL    | Due to Covid-19 Programm is not conducted | Due to Covid-19 Programm is not conducted |
| 2020 | PLEXCONCIL Award 2017-2018     | PLEXCONCIL    | Due to Covid-19 Programm is not conducted | Due to Covid-19 Programm is not conducted |
| 2019 | PLEXCONCIL Award 2017-2018     | PLEXCONCIL    | Due to Covid-19 Programm is not conducted | Due to Covid-19 Programm is not conducted |
| 2020 | PLEXCONCIL Award 2018-2019     | PLEXCONCIL    | Due to Covid-19 Programm is not conducted | Due to Covid-19 Programm is not conducted |
| 2020 | PLEXCONCIL Award 2018-2019     | PLEXCONCIL    | Due to Covid-19 Programm is not conducted | Due to Covid-19 Programm is not conducted |
| 2020 | PLEXCONCIL Award 2018-2019     | PLEXCONCIL    | Due to Covid-19 Programm is not conducted | Due to Covid-19 Programm is not conducted |

#### 6) Material developments in Human Resource

##### a) General

This financial year started with a pandemic the world had never seen before. COVID19 had entered the country and was spreading at a very fast pace and especially Jalgaon was in the Headlines of the newspapers.

For Jain Irrigation, "Associate" is more than a worker or an employee. He possesses a common approach and helps achieve common purpose. Most importantly, he is a person who is in agreement with plans and policies of the organization. This makes him a member of a large family under one roof, i.e. Jain Irrigation Systems Limited. These were the testing times and it was the prime responsibility of the Company to make sure that all its Associates and their families sail through this pandemic safely.

We had started educating the Associates about the COVID19 much early, i.e. in February 2020. A series of communications to the Associates on COVID19 in Regional, National and English language were released. The focus of the communications was to bring awareness on precautions to be taken for avoiding COVID19 infection, dos and don'ts in your day to day life, early identification of COVID19 symptoms, dissemination of the information related to COVID19 infection without fear, special leave for COVID19 infection, financial support for treatment, insistence on proper treatment for COVID19, and also the post effects, medication for post effects and wellness.

Though a lockdown was declared, we being a Company involved in manufacturing of agricultural inputs were supposed to continue working with all the precautionary measures and provide support to farmers growing food for everybody during the pandemic. Working during the pandemic was challenging and we had to take measures to mitigate the risk of COVID19 infection, which included introduction of the Work From Home (WFH) concept wherever possible, and also shift working with 30 minutes break in between for administrative departments for the first time in our organization. Also necessary facilities for screening of Associates before the entry point, hand sanitisation at the entry points, contactless thermometers, video meetings, contactless sanitizer dispensers were made available. These efforts were supported by disinfection and fumigation of the whole premises after every shift.

The Company has its own occupational health centre (OHC). The OHC staff with help of the Department Heads conducted awareness on COVID19 ensuring Social distancing. OHC staff also conducted random checking of Associates with help of contactless thermometers and oximeters in each shift. Also all the necessary assistance for admission to COVID19 hospitals / quarantine centres was provided to the Associates who got infected with COVID19 despite our precautions.

Company had made a tie-up with the hospitals for ensuring smooth admission to its Associates. Breakfast, Lunch and Dinner was provided to the Associates and their family members who were admitted in hospital and also to their family members, who required the same, till the Associate fully recovered.

Associates who had recovered from COVID19 were sensitized on Plasma donation and a directory of Associates who could donate plasma was maintained and plasma was made available to those who needed the same.

Some of the Associates used to travel in shared rickshaws or a public transport for reporting to work before the pandemic. To enable Associates a safe to and fro travel to the workplace, the Company offered two wheelers to such Associates in a Company scheme. 144 female and 255 male Associates (399 Associates) opted for the same and could travel to the workplace without risk of getting infected with COVID19 during travel.

#### **b) Children's educational development**

During the pandemic we switched to online training for the children studying between Standard 7 and Standard 10. Total 45 students got benefited under "Vidyarthi Utkarsh Abhiyan" through online classes. This program focuses on the academic & cultural development of these children.

#### **c) Prevention of sexual harassment -**

The Company has already adopted and put in place a policy on prevention, prohibition and redressal of sexual harassment at workplace according to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder.

The Company sponsored 12 Associates for a certification program on "Anti Sexual Harassment of Women at Workplace" organized by Labour Laws Institute, Delhi and all the Associates nominated passed the written exam and were duly certified.

This certification makes these Associates eligible to be Chairperson or Member of the Internal (Complaint) Committee for holding of inquiries under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (Act of 2013). Also these Associates can work as an expert panel member in other establishments also.

#### **d) Social involvement**

To support the efforts of BKJMF, a team of Associates worked for distribution of food packets to those people who lost their livelihood during the pandemic following strict social distancing, use of sanitizers and use of masks.

A team of 45 Associates was made available to support the initiative of the local governing body for measuring temperature and oxygen level of the residents of Jalgaon city. The team conducted checks as directed and checked 14,352 residents of Jalgaon city for temperature and oxygen levels.

#### **e) Training**

Training is a continuous process to sharpen the performance/skills of associates and it continues at all our locations of the company, all the time. The brief about location and program-wise training is as under:

#### **Associates Training 2020-21**

| Sr. No. | Location                         | In House Training   |                  | External Institute  |                | Total no of participants | Total Man Hours |
|---------|----------------------------------|---------------------|------------------|---------------------|----------------|--------------------------|-----------------|
|         |                                  | No. of participants | Duration (Hours) | No. of participants | Duration (HRS) |                          |                 |
| 1       | Jain Plastic Park Jalgaon        | 4,225               | 16,279           | -                   | -              | 4,225                    | 16,279          |
| 2       | Jain Green Energy Park Jalgaon   | 1,158               | 4,628            | -                   | -              | 1,158                    | 4,628           |
| 3       | Jain Tissue Culture Lab, Jalgaon | 400                 | 1,289            | -                   | -              | 400                      | 1,289           |
| 3       | Jain Tissue Culture Park Jalgaon | 104                 | 325              | -                   | -              | 104                      | 325             |
| 4       | Jain Agri Park Jalgaon           | 157                 | 596              | -                   | -              | 157                      | 596             |
| 5       | Jain Plastic Park Hyderabad      | 300                 | 737              | -                   | -              | 300                      | 737             |
| 6       | Jain Plastic Park Alwar          | 526                 | 1,892            | -                   | -              | 526                      | 1,892           |
| 7       | Jain Plastic Park Udumalpet      | 261                 | 716              | -                   | -              | 261                      | 716             |
| 9       | JFFFL, Jalgaon                   | 4,263               | 17,050           | -                   | -              | 4,263                    | 17,050          |
| 10      | JFFFL, Chittoor-I & II           | 919                 | 2,936            | -                   | -              | 919                      | 2,936           |
| 11      | JFFFL Vadodara                   | 994                 | 1,607            | -                   | -              | 994                      | 1,607           |
|         | <b>Grand Total</b>               | <b>13,307</b>       | <b>48,054</b>    | <b>0</b>            | <b>0</b>       | <b>13,307</b>            | <b>48,054</b>   |

All these trainings were conducted ensuring Social Distancing and proper use of Sanitizers and masks. Also training was conducted online where feasible. Due to COVID19 Associates were not sponsored for external training.



**f) Workforce strength & recruitment**

New associates are selected on the basis of merit, potential, compatibility with the organizational culture.

The strength of the Company in terms of manpower is 6,719 on 31<sup>st</sup> March 2021, after a gross addition of 614 during FY 2020-2021. We have given job opportunities even in pandemic situation.

**7) Director's Responsibility Statement**

In accordance with the provisions of Section 134 (3) (c) of the Companies Act, 2013, your Directors state that:

- i) In the preparation of the FY21 annual accounts, the applicable Accounting Standards (Ind AS) have been followed along with proper explanation relating to material departures except, to the extent indicated in notes;
- ii) The accounting policies are selected and applied consistently and are reasonable; prudent judgments, and estimates were made so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2021, and, of the loss of the standalone Company for the year ended 31<sup>st</sup> March, 2021;
- iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors had prepared the annual accounts for the FY ending 31<sup>st</sup> March, 2021 on a 'going concern basis' and;
- v) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**B] Subsidiaries & Associate****1) Jain Farm Fresh Foods Limited - Subsidiary****a) Standalone**

The Company has achieved revenues of ₹4,288 million in FY 2021 as against ₹ 7,622 million for FY 2020, decreased by 43.8%. The net Domestic Revenue was ₹ 1,512 million in FY 2021 as against ₹ 4,169 million for FY 2020, reflecting degrowth by 63.8% YoY. The Company has generated ₹ 2,776 million in the form of Export Revenue as against ₹ 3,453 million for FY 2020 reflecting degrowth by 19.6% YoY. The earnings before depreciation, interest cost and income tax was ₹ 88 million for FY 2021 as against ₹ 375 million for FY 2020. Loss from ordinary activities before tax was recorded at ₹1,574 million for FY 2021 as against loss ₹ 1,049 million for FY 2020. Net loss for the period was ₹ 1,150 million for FY 2021 as against ₹ 706 million for FY 2020.

**b) Consolidated**

The Company recorded consolidated revenue of ₹ 11,952 million for FY 2021 as against ₹ 16,413 of FY 2020 reflecting degrowth by 27.2% YoY. The earnings before depreciation, interest cost and income tax was ₹ 1,136 million for FY 2021 as against ₹ 1,024 million for FY 2020. The Finance Cost for FY 2021 was ₹ 1,320 million as against ₹ 1,154 million in FY 2020, an increase of 14.4% YoY. The loss before tax from continuing operation was ₹ 998 million for FY 2021 as against loss ₹ 817 million of FY 2020. Net loss for FY 2021 was ₹ 923 million as against loss of ₹ 816 million of FY 2020.

**2) Sustainable Agro-Commercial Finance Limited (SAFL) - Associate**

SAFL is focusing its activities on Farm and Farmer only and operates in the rural & semi-urban geographies of India. SAFL currently has 67 branches operating across the states of Maharashtra, Karnataka and Madhya Pradesh.

During the year 2020-21, SAFL's performance details are as follows: (Management numbers and subject to Audit)

The Revenue from operations for FY 21 was ₹ 447.1 mn, as against ₹ 526.4 mn for FY 20, showing a decrease of 15%. Other income for the year FY 21 was ₹ 78.3 mn, as against ₹ 67.3 mn of FY20, showing an increase of 16.3%.

Employee cost was ₹ 126 mn for FY 21, as against ₹ 129.8 mn of FY20, showing a marginal decrease in numbers, the finance cost for FY 21 was recorded at ₹ 221.2 mn as against ₹ 237.5 mn of FY20 a decrease of 7%. Net Profit for FY21 was ₹ 51.7 mn as against profit of ₹ 67 mn of FY20.

**3) Operations of subsidiaries & SPV's**

The Statement containing salient features of the financial statements of overseas subsidiary companies is attached in AOC-1 at **Annexure II-Part A (b)**.

**a) Operating subsidiaries**

Information on operations and performance of operating subsidiaries is covered in the section MANAGEMENT DISCUSSION AND ANALYSIS elsewhere in this Annual Report at **Annexure V**.

**b) SPV's**

Information of SPV's is covered in the section MANAGEMENT DISCUSSION AND ANALYSIS elsewhere in this Annual Report at **Annexure V**.

**C] Debt Restructuring Plan/ OTR / Resolution Plan updates****1) Jain Irrigation Systems Limited - Lenders**

Last couple of years have been very difficult for the Company in terms of the liquidity issues faced, elongated receivables, rise in the raw material prices, subdued

performance in overseas subsidiaries due to extraneous reasons, and further accentuated by pandemic of COVID 19. It would have been very difficult for the Company to sail through such turbulence, however, with the support of the lenders and all other stakeholders, the Company did manage to pass through this difficult time as well.

Lenders in India had signed an Inter Creditor Agreement on 5<sup>th</sup> July 2019, and had undertaken the exercise of restructuring the debt of the Company. Considering the total debt of the Company and its scalability of operations in the present scenario, the future projections are in line with the TEV study report. A portion of the debt has been carved out as unsustainable debt. It has taken long time and hard work has been put in by all the stakeholders including the lenders, Company and its management, to discuss and finalise the terms of the RP that provides a win - win situation to all the stakeholders. During this period, the Company has completed various studies by agencies duly appointed by the lenders including, Stock & Receivables Audit, Bank Guarantee Audit, Valuation of Assets, Forensic Audit of transactions, Receivables Audit, etc.

The broad contours of the debt restructuring plan includes, inter alia, allotment of Equity to the lenders, repayment of lender wise 10% debt by September 2022 to upgrade the account, as per RBI Circular dated June 7, 2019, fresh equity infusion by Promoter / Co-investor and deferment of payments to lenders in line with operational cash flows of the Company. It will help the Company in stabilizing the operations, an increase in the liquidity, considerably and availment of unutilised bank limits reduction in the finance cost.

In view of same, it is important to highlight that the Resolution Plan, (RP) of the Company has received RP4 (investment grade) rating from two Credit Rating Agencies (i.e. CRISIL and ICRA) in line with RBI circular dated June 7, 2019. Further, the RP has been approved by sanctioning authority of the Lead Bank i.e. SBI and we have received a sanction letter to that effect. In case of other lenders, the Company has received sanction letter from few of the Lenders and balance Lenders are in the process of approaching their competent authorities for the requisite approval. As per the guidelines and circulars of the regulatory body ie. RBI, and also the conditions mentioned by the Rating agencies, there are certain pre-conditions to the implementation of RP, inter alia, signing MRA, security creation and perfection, restructuring of overseas bonds, equity infusion by promoter / co-investor and arrangement with creditors etc. which shall be completed as per the given timelines for effectively implementing the RP.

This RP will help the Company to overcome its present liquidity issues, while Company has already implemented a change in the business model, consequently, reduced its focus on government linked business, and a change in its credit policies to improve cash flows. The Company

is also engaged in various cost optimization initiatives measures, which are already reflected in the recent financials and will be more visible in future years with improvement in the profitability margins.

## **2) Bonds Restructuring**

In February 2020 as a result of external market factors, the early stages of COVID-19 pandemic & its impact on the business and liquidity issues at Group level, Jain International Trading B.V. (JITBV), (a Wholly Owned Subsidiary of JISL) defaulted on a coupon payment, due under \$200m bonds, listed on the Singapore Stock Exchange, the defaults were repeated on 2 more occasions in August 2020, and more recently in February 2021, (amounts approx. \$23 mn). In August 2020, JITBV started detailed discussions with the Adhoc Noteholder Committee of bondholders, to agree a restructuring of the bonds to extend the maturity date and to restructure the coupon payments due under the notes. JITBV and the Noteholder Committee agreed to enter into a Restructuring Support Agreement on 17th March, 2021 and agreed for the restructuring to be completed via a Scheme of Arrangement approved under the English Companies Act 2006 by the jurisdictional UK courts. The Scheme Meeting of creditors was held on the 29<sup>th</sup> June 2021, and 92.76% of the bondholders voted in favour of the restructuring, with zero voting against. The Scheme was sanctioned by the UK court on the 26<sup>th</sup> July, 2021, and the restructuring is expected to be implemented and become effective during September 2021.

The restructuring will provide both long term stability and additional liquidity for the Group. The maturity date of the bonds will be extended up to 2026 (from 2022) with a reduced coupon in the initial two year period, along with a waiver of any ongoing defaults under the existing bonds. The RSA also provides for a buy back of Bonds by spending upto \$10 mn by the issuer. Same agreement also provides for a new loan facility to be extended to JITBV to be used, amongst others things, for investment into overseas subsidiaries to support future growth upto an amount of \$30mn.

## **3) Jain Farm Fresh Foods Limited - One Time Restructuring (OTR)**

With the onset of COVID19, the operations of the Company were significantly hit from the last quarter of FY 2020 onwards. The adverse impact on procurement, production and despatches continued in the first half of FY 2020-21. Consequently, the Company could process only a meagre volume of mangoes during the season. In August 2020, RBI announced the Prudential Framework for OTR as a relief for companies impacted by the pandemic. On discussing the financial impact with the lenders, the Company was advised to seek the relief provided under the RBI Guidelines.

The Company had a sanctioned total debt of ₹ 613.20 crores as on the date of OTR invocation, 26<sup>th</sup> November,

2020. All the lenders participated, viz., State Bank of India, RaboBank, Mumbai District Central Cooperative Bank and Exim Bank of India. The Resolution Plan/ OTR was evaluated by Dun & Bradstreet, from the techno-economic viability perspective, and the Independent Credit Assessment was conducted by India Ratings, which gave RP4 rating to the Resolution Plan/ OTR.

The Company successfully implemented the Resolution Plan/OTR on 24<sup>th</sup> May, 2021. The main features of the Plan approved by the lenders are as under:

- a) Reduction of interest rate to 8.60% pa (rate for Mumbai Coop Bank 10.50%). There was a reduction of 3% average.
- b) Sanction of additional BG facility of ₹ 41.80 crores by SBI and RaboBank.
- c) Disbursement of ₹ 32.50 crores term loan by Exim Bank, being the earlier sanctioned but undisbursed portion of existing term loan.
- d) Promoter Contribution of ₹ 6.27 crores in the form of subscription to Redeemable Preference Shares or similar instrument.
- e) FITL aggregating ₹ 36.73 crores, sanctioned for the interest due during the holding-on period.
- f) Repayment of term loan deferred by two years.
- g) Revised limits post-implementation of the RP/ OTR would be ₹ 691.73 crores, ie, an increase of ₹ 78.53 crores.

Thus the OTR has resulted in savings of finance cost of about ₹ 22 crores per annum, resulted in additional limits of ₹ 78 crores and BG of ₹ 41.8 crores and cushioned the liquidity, by deferring the repayment of term loans. This would tremendously benefit the Company and help in getting back on track for future growth.

#### 4) Jain America Holdings Inc., USA

In connection with the acquisition of Agri-Valley, LLC, ("AVI"), and Irrigation Design and Construction, LLC, ("IDC") in May 2017, Jain American Holdings, Inc., ("JAH"), entered into a loan facility with Exim Bank and Canara Bank at that same time for \$50.00 million. The original loan terms provided for a two year moratorium period, with 21 equal quarterly principal payments of \$2.38 million each, beginning May, 2019, and continuing through May 2024. The Company made all required interest and principal payments to Exim and Canara Bank till March 2020.

Post on-set of pandemic of COVID-19, and its subsequent impact on the Global market led to stress situation in the JAH Group. The pandemic had severely impacted the business of the Group and led to cash flow mismatch. Owing to the said reason, JAH Group was not able to service its debt obligation post March 2020.

Subsequently, RBI came up with Resolution Framework for COVID-19 related stress on August 6, 2020 for One Time Restructuring (OTR) and under the ambit of said

regulation, the management of JAH has requested its lenders to allow OTR under the ambit of above mentioned RBI Regulation.

The broad contours of OTR are as follows:

- OTR invocation date: December 30, 2020
- Effective Cut-off date (COD) – December 30, 2020
- Date of ICA Signing- January 21, 2021
- No change in existing Rate of Interest
- Term Loan of USD 40.48 mn: will mature 5 years and 10 months from COD (i.e. December 30, 2020) such that the final maturity shall fall on November 01, 2026
- FITL of USD 1.18 mn: will mature 4 years and 1 month from COD (i.e. December 30, 2020), such that the final maturity shall fall on February 01, 2025.

The restructured loans will allow JAH and its subsidiaries the necessary time to improve profitability and cash flow to better service the loan and other growth related obligations. The Company is optimistic that with the new restructured loan facility, and assuming favorable market conditions, that it will be able to meet all of its obligations. The Company is in compliance with all covenants and obligations after implementation of OTR.

## D] Governance disclosures

### 1) Employee Stock Option Plan (ESOP)

#### i) JISL Employees ESOP's Trust :

On recommendation of Nomination and Remuneration Committee the Board of Directors in their meeting held on 13<sup>th</sup> August, 2018 established a Private Trust named as "JISL Employees ESOP's Trust" for acquisition of Equity Shares of the Company from the secondary market in the name of Trust.

#### ii) JISL ESOP, 2011

- [i] A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including:

| Sr. | Particulars  | ESOP 2011  |
|-----|--|--|
| 1)  | Date of Shareholders approval -                      | 30 <sup>th</sup> September, 2011, 27 <sup>th</sup> September, 2013 & 28 <sup>th</sup> September, 2018- |
| 2)  | Total number of options approved under ESOS          | 5,356,000  |
| 3)  | Vesting requirements                                 | Not yet granted  |
| 4)  | Exercise price or pricing formula                    | To be decided  |
| 5)  | Maximum term of options granted                      | To be decided  |
| 6)  | Source of shares (primary, secondary or combination) | Primary/ for above Shares  |
| 7)  | Variation in terms of options                        | None   |



**[ii] Trust Shares movement during the year**

| Sr. | Particulars  | ESOP 2011  |
|-----|--|------------|
| 1)  | Number of Shares outstanding at the beginning of the period                            | 18,96,429* |
| 2)  | Number of Shares granted during the FY 2021  | NIL        |
| 3)  | Number of Shares forfeited / lapsed during the FY 2021                                 | NIL        |
| 4)  | Number of Shares vested during the FY 2021   | 3,79,286   |
| 5)  | Number of Shares exercised during the FY 2021  | NIL        |
| 6)  | Number of shares arising as a result of exercise of options                            | 18,96,429  |
| 7)  | Money realized by exercise of Shares (₹), if scheme is implemented directly by Company | NIL        |
| 8)  | Loan repaid by the Trust during the year from exercise price Received                  | NIL        |
| 9)  | Number of Shares outstanding at the end of the year                                    | 18,96,429  |
| 10) | Number of Shares exercisable at the end of the year                                    | 3,79,286   |

\* Granted on 31.03.2020 with 5 years

**[iii] Details related to the Trust**

**(a) General information on all schemes**

| Particulars   | Details  |
|---|--|
| Name of the Trust   | JISL Employees ESOP's Trust  |
| Details of the Trustee(s)   | 1) IDBI Trusteeship Services Limited<br>2) Mr. Aaron Solomon, Solicitor<br>3) Mrs. Snehal Walvalkar, FCA<br>4) Jayant M Thakur, CA |
| Amount of loan disbursed by Company / any Company in the group, during the year   | ₹ 6,64,12,943.58   |
| Amount of loan outstanding (repayable to Company / any Company in the group) as at the end of the year                                  | ₹ 6,64,12,943.58   |
| Amount of loan, if any, taken from any other source for which Company / any Company in the group has provided any security or guarantee | NIL  |
| Any other contribution made to the Trust during the year  | NIL  |

**(b) Movement of Shares during the year under review**

| Sr. | Particulars                       | Details           |
|-----|-----------------------------------|-------------------|
| 1)  | Number of Shares                  | 0.38% (18,96,429) |
| 2)  | Held at the beginning of the year | 18,96,429         |

| Sr. | Particulars                                  | Details                              |
|-----|--|--------------------------------------|
| 3)  | Acquired during the year                     | NIL                                  |
| 4)  | Sold during the year                         | NIL                                  |
| 5)  | Transferred to the employees during the year | 379,287 vested but not exercised yet |
| 6)  | Held at the end of the year                  | 18,96,429                            |

**(c) In case of secondary acquisition of shares by the Trust.**

The Trust has purchased 18,96,429 (Eighteen Lakhs ninety six Thousand four Hundred & twenty nine) Ordinary Equity Shares of the Company from the Secondary market in 2019-20.

**2) Corporate Social Responsibility & Sustainability brief**

**a) Sustainability Reporting**

During FY21 Company kicked-off its preparations for setting up corporate targets based on Science Based Targets Initiative (SBTi). The Company got involved with World Resource Institute (WRI) and did a pilot in line with the SBTi methodology. The previous reviews and external rating of the published sustainability report indicated that corporate targets in line with the SBTi and global goals (SDG's) are must have components of the Company's sustainability disclosure. Hence, we decided to publish the report upon completion of setting science based targets for the Company. While we are working on corporate targets, we are duly following our biennial cycle of sustainability data assurance. The third party assurance has been obtained in accordance with international accordance standard AA100AS and assurance certificates can be provided to the stakeholders as required. More details on sustainability are available at [http://www.jains.com/Company/sustainable\\_report.htm](http://www.jains.com/Company/sustainable_report.htm)

**b) Climate change mitigation at a glance**

Company is committed to protect the environment from impact of climate change. We are among very few organizations in the country that have incorporated GHG accounting and mitigation actions in their management systems and got it certified from third party. FY 2021 was seventh year of our carbon accounting and certification. We account and report on our complete Scope 1 and Scope 2 GHG emissions and removals and selective Scope 3 category emissions.

We have implemented and registered renewable energy and energy efficient projects to generate green energy and mitigate climate change. Some of these projects are also registered under Clean Development Mechanism (CDM) of United Nations Convention on Climate Change (UNFCCC). All our registered CDM Projects have potential to generate 25,000 plus carbon credits per annum. Out of the registered CDM projects, solar and biogas based power generation projects are also registered under Renewable Energy Certificate (REC) Scheme.

### c) Corporate Social Responsibility

The Company has a comprehensive Policy in place with the identified CSR Programme and projects. Review of the CSR projects is conducted annually under the guidance of the CSR committee. The CSR Committee of the Company has approved, to carry out CSR activities on its own and also through the Trust/ Foundations, namely Bhavarlal and Kantabai Jain Multipurpose Foundation (BKJMF) Trust, Jalgaon and another Section-8 Company, Gandhi Research Foundation (GRF), Jalgaon registered with MCA as is mandatory now. The entities are duly registered with the Ministry of corporate affairs as per the new CSR Rules came into the force in January 2021. The CSR Report is attached as **Annexure III** to this report.

Please refer to the corporate social responsibility report and business responsibility report for more details.

### 3) Key Managerial Personnel, Directors retiring and their background

#### a) Key Managerial Personnel

The following are KMP's of the Company for FY 21

| Sr. | Name Of KMP's                  | Designation                                       |
|-----|--------------------------------|---|
| 1   | Shri Ashok B. Jain             | Whole Time Director                               |
| 2   | Shri Anil B. Jain              | Vice Chairman & Managing Director                 |
| 3   | Shri Ajit B. Jain              | Joint Managing Director                           |
| 4   | Shri Atul B. Jain              | Joint Managing Director & Chief Financial Officer |
| 5   | Shri R Swaminathan             | Director-Executive                                |
| 6   | Shri Avdhut Vasant Ghodgaonkar | Company Secretary & Chief Compliance Officer      |

#### b) Directors

In accordance with the provisions of the Act and the Articles of Association of the Company Mr. Atul B Jain, retire by rotation at the ensuing annual general meeting. The Board of Directors, on the recommendation of the Nomination and Remuneration ("NRC") Committee, has commended his re-appointment.

Shri. Atul B. Jain retires by rotation as per the Companies Act, 2013, and being eligible offers himself for reappointment, at the ensuing Annual General Meeting. The brief background of retiring director is as follows:

The Company has received declarations from all the Independent Directors of the Company confirming that:

- they meet the criteria of independence prescribed under the Act and the Listing Regulations; and
- they have registered their names in the Independent Directors' Databank of IICA.

The Company has devised, inter alia, the following policies viz.:

- Policy stating Terms and Conditions for Appointment of Independent Directors.

- Appointment and Remuneration Policy for Directors,

Two Directors have retired / resigned during FY22:

- 1) Mr.R Swaminathan (on attaining age of 70 years,) resigned from Board on 08<sup>th</sup> June,2021.
- 2) Mr. Uday Garg, Nominee Director of Mandala Co-Investment Pvt. Ltd., resigned from the Board on 25<sup>th</sup> June, 2021.

Shri Atul B. Jain

Shri Atul B. Jain is a Commerce Graduate. Shri Atul Jain took over the marketing responsibilities of Jain Irrigation products initially at the Mumbai office before going to New York, Dubai, Africa and Europe for further business penetration. Besides overall marketing management responsibility, he has also handled all India marketing function of Drip Irrigation and PVC pipe products, PE and other speciality pipes and fittings all over the world. He has been involved with development of new applications & products in overseas markets for food, plastic and sheet divisions. He is currently also Chief Financial Officer of the Company. Since 2002, Shri. Atul Jain has been based in Jalgaon. He oversees the marketing of Irrigation products, piping products in both domestic and international markets. He is a great believer in innovation. He has been instrumental in developing a strong market for PVC pipes for domestic and export markets.

Information on details of retiring director Mr. Atul B. Jain is annexed in Corporate Governance Report & Explanatory Statement.

### 4) Risk Management

The Company has a structured Risk Management Committee which comprises of : Mr. Ghanshyam Das as Chairman, Mr. D.R. Mehta ,Ms. Radhika Dudhat , Mr. Bastian Mohrmann, Mr. Uday Garg, Mr. Ajit Jain , Mr. Atul Jain Framework, designed to identify, assess and mitigate risks appropriately. The Risk Management Committee has been entrusted with the responsibility to assist the Board in:

- overseeing and approving the Company's enterprise wide risk management framework; and
- ensuring that all material Strategic and Commercial including Cyber security, Safety and Operations, Compliance,

Control and Financial risks have been identified and assessed and adequate risk mitigations are in place, to address these risks. Further details on the Risk Management activities including the implementation of risk management policy, key risks identified, and their mitigations are covered in Management Discussion and Analysis section, which forms part of the Annual Report.

## 5) Internal Financial Controls (“IFC”)

The Board of Directors of the Company are responsible for ensuring that Internal Financial Controls have been laid down in the Company and that such controls are adequate and operating effectively. The foundation of Internal Financial Controls (“IFC”) lies in the Code of Conduct of the Company, policies and procedures adopted by the Management, corporate strategies, annual business planning process, management reviews, management system certifications and the risk management and mitigation framework.

The Company has IFC framework, commensurate with the size, scale and complexity of its operations. The framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws and regulations, safeguarding the assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies formulated by Board or its sub committees. The controls, based on the prevailing business conditions and processes have been tested during the year and no reportable material weakness in the design or effectiveness was observed. The framework on IFC over Financial Reporting has been reviewed by the internal team and the statutory auditors. The Company uses various IT platforms to keep the IFC framework robust. The systems, standard operating procedures and controls are implemented by the management team and are reviewed by the internal audit team whose findings and recommendations are placed before the Audit Committee.

### a) Policies and processes adopted for orderly & efficient conduct of business

The Company has formalized various policies at Board level to ensure ethical, orderly, timely, flexible and efficient conduct and control of business in all its divisions, namely High tech agri inputs and plastic division, besides processing of foods and vegetables through its subsidiary JFFFL In all products ad others.

### b) Safeguarding of assets

The Company has evolved efficient, effective mechanism for the safeguarding of its assets whether tangible or intangible, assets and property with self-control or third parties, funds or securities and negotiable instruments, employee associates. Besides providing for safety, housekeeping and security of the assets, the assets are adequately insured against perils/happenings etc.

### c) Prevention and detection of fraud and errors

The Company has an internal audit department at each of its manufacturing location, which conducts comprehensive audit of every single financial transaction, as well as reconciliation to accomplish

control and to ensure prevention of fraud, which reviews depots/ other processes like purchase, statutory compliance, collection, foreign exchange, taxation, costing, compliance, accounting etc. The Company's management information and accounting system also integrates internal control mechanism.

### d) Accuracy and completeness of accounting records

The Company has in place fully integrated ERP system, based on SAP software, and its subsidiary's records also get integrated while consolidating the same as per requirements of Law and regulations for the time being in force. ERP System encompasses authorization matrix and maker / checker verification to ensure transparent and timely flow of information, and recording thus creating appropriate and conducive platform for effective control and decision making. The accounting system has the provision for Audit trail and check mechanism for use by various auditors.

### e) Timely preparation of reliable financial information

The Company has a robust and efficient mechanism for timely preparation of reliable financial information, within given timelines and has a track record of submitting information without any delay to relevant authorities.

### f) Monitoring and Reporting

The Company has put in place a mechanism to monitor and report exceptions on compliance requirements on enterprise wide level. Company has already implemented IT platform to capture non conformity and reporting to Chief Compliance Officer & Company Secretary, who is mainly responsible for the monitoring control and reporting function. In case of non-compliance despite warnings thrown up in the system, a gradual system of remedial action, warning, punishment is laid down depending on gravity and level of non-compliance and deterrent is in place for non-compliance.

## 6) Board Evaluation Process

In terms of Section 178 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Board has constituted Nomination & Remuneration Committee (NRC) with three Independent Directors and one Non-Independent Director, and an Independent Director being Chairperson of the Committee.

Board has evolved Company's policy for appointment and remuneration based on qualifications, positive attributes, the details of which are laid out in Appointment & Remuneration Policy at <https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==>



**a) Board Evaluation**

Pursuant to provisions of the Companies Act, 2013 and sub Regulation (3) and (4) of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a separate meeting of Independent Directors was held to review the performance of Chairperson, Executive Directors and the Board as a whole on 13<sup>th</sup> February, 2021 via Audio visual means based on certain desired attributes: Director's Vision, Business & Industry Knowledge & Expertise, Director's Business Commitment & Organizational Leadership, Director's Engagement at the Board deliberations, Integrity & Honesty, etc..

The Nomination and Remuneration Committee has evolved the policy for performance evaluation of as allowed Chairman, Executive Directors, Committee also and the Board as whole and updated the formats as per requirements of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The evaluation of the Board as a whole was conducted in the Board Meeting held on 30.06.2021 as per the provisions of the Companies Act, 2013 and SEBI (LODR), Regulations, 2015.

**b) Criteria for evaluation of Board and its Committees**

| Sr. | Particulars          | Parameters for evaluation  |
|-----|----------------------|--|
| 1   | Board                | Board composition and structure; effectiveness of Board processes, information and functioning etc.  |
| 2   | Committees           | composition of Committees, effectiveness of Committee meetings etc.  |
| 3   | Individual Directors | Whether Director possesses adequate experience in industry/ business/ profession and is knowledgeable to give dispassionate advice, Diligently executes all responsibilities and actions delegated to him/her, contribution to the Board and Committee meetings, like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. |
| 4   | Chairman             | Whether the Chairman leads the Board effectively, whether the Chairman ensure participation of all members in the Board deliberations, Whether Chairman guides the Board /Management on key issues to be brought up to the Board for deliberations, whether the Chairman enhances the Company's image in dealing with major stakeholders   |

**7) Familiarisation programme for Independent Directors (ID's)**

The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company including Finance, Sales, Marketing of the Company's major business segments, practices relating to Human Resources, overview of business operations of major subsidiaries, global business environment, business strategy and risks involved. quarterly updates on relevant statutory, regulatory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors. Visit at headquarters is generally organized for the Independent Directors to enable them to understand and get acquainted with the operations of the Company. However, due to COVID-19 pandemic such visits were not organised during the financial year 2020-21. Details of such familiarisation programmes for the Independent Directors are available on the website of the Company.

**8) Vigil Mechanism**

The Company has adopted a Whistle Blower Policy & Vigil Mechanism to provide a mechanism to all employees, suppliers and vendors to report their concern about suspected fraud or violation of Company's ethics policy, code of conduct. The policy provides direct access for all to Chairman of Audit Committee and it is affirmed that no person of the Company has been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website and web-link there to is <https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==>

**9) Fraud Reporting**

Directors have confirmed that there is no detection of fraud. Pursuant to provisions of the Section 143(12) of the Companies Act, 2013, neither the Statutory Auditors nor the Secretarial Auditor has reported any incident of fraud to the Audit and Risk Management Committee during the year under review.

**10) Fixed Deposits**

The Company has not accepted, nor renewed any deposits from public, under the Companies Act 2013 and Companies (Acceptance of Deposits) Rules, 2014, including amendments to the same. The Company had no unclaimed / overdue deposits as on 31<sup>st</sup> March, 2021.

**11) Auditors****a) Statutory Auditors**

Singhi & Co., Kolkata Chartered Accountants were appointed as Statutory Auditors of the Company for a term of 5 (five) consecutive years, at the annual general meeting held on 30<sup>th</sup> December, 2020. The

Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company. 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, adverse remark or disclaimer.

#### b) Cost Auditors

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost records.

Pursuant to the provision of the Section 148 of the Companies Act, 2013, the Board has appointed M/s. D. C. Dave & Co., Cost Accountants, Mumbai as the Cost Auditors for FY 2022. The Shareholders may approve the remuneration to be paid to them for FY 2020-21

#### c) Secretarial Auditor

The Board had appointed M/s V. Laxman and Co. firm of Company Secretary in practice to conduct Secretarial Audit for the financial year 2022. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith and marked as Annexure X to this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

#### d) PCS Certificate on Corporate Governance Report

Amrita Nautiyal & Associates, Mumbai certified corporate governance report under SEBI (LODR) Regulations 2015. Her main observation was Dr. Narendra Jadhav, Chairperson of Stakeholders Relationship Committee did not attend the 33<sup>rd</sup> Annual General Meeting. He was unable to attend the same as he had prior commitment being a Rajya Sabha member.

### 12) Meetings of the Board & it's Committees

#### a) Board Meeting

Six Meetings of the Board of Directors were held during the year. The particulars of the meetings held and attended by each Director are detailed in the Corporate Governance Report. For more details please refer to CG Report **Annexure IV**.

#### b) Audit Committee

The Audit Committee comprises of: Shri Ghanshyam Dass(Chairman), Shri.Narendra Jadhav, Shri Bastiaan Mohrmann, Shri. Uday Garg, Ms. Nancy Barry and Shri Anil Jain since 31.07.2020. During the year, all the recommendations made by the Audit Committee were accepted by the Board. For details on scope etc. please refer to CG Report at **Annexure IV**.

#### c) Corporate Social Responsibility Committee

The Corporate Social Responsibility comprises of: Shri D.R. Mehta (Chairman), Shri Ashok B. Jain and Shri Atul B. Jain. A report on CSR initiatives by the Company and mandated expenses in annexed at **Annexure III**.

#### d) Nomination and Remuneration Committee

Nomination and Remuneration Committee comprises of: Smt.Radhika Dudhat (Chairman), Shri H P Singh, Ms.Nancy Barry and Shri Ashok B Jain has reviewed the managerial remuneration for the year FY21. For details see Corporate Governance Report annexed **Annexure IV**

#### e) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of: Shri Narendra Jadhav(Chairman), Shri H P Singh, Shri Ajit B Jain and Shri R Swaminathan has appreciated management for its low blemish/ complaints record during the year. For details see Corporate Governance Report annexed **Annexure IV**

#### f) Risk Management Committee

The Risk Management Committee comprises of: Shri Ghanshyam Dass(Chairman), Shri. D.R. Mehta, Smt.Radhika Dudhat, Shri Bastiaan Mohrmann, Shri Uday Garg, Shri Ajit B Jain and Shri Atul B Jain. The committee meeting on 31.07.2020 and reviewed the risk framework and mitigation measures. For details see Corporate Governance Report annexed **Annexure IV**

#### g) Operations & Review Committee

The Operations & Review Committee comprises of : Shri. Anil B. Jain, Shri. Ajit B. Jain, Shri. Atul B. Jain, Shri. R.Swaminathan have reviewed the operations for FY 2021. For details see Corporate Governance Report annexed **Annexure IV**.

### 13) a) Particulars of Employees

As per provisions of Section 134 of the Companies Act, 2013 only four of the persons in employment of the Company have drawn remuneration in excess of ₹ 8,50,000/- per month, during the year under review or part thereof as per details in the **Annexure I** to this report.

#### b) Particulars of Top 10 Employees and related disclosures

In terms of the provisions of Section 197o(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of net remuneration drawn and names and other areas handled by employees are given below :

| Sr. | Full Name                | Designation                | Area of Responsibility       | Net Salary of FY 2020-21 (in ₹) |
|-----|--------------------------|----------------------------|------------------------------|---------------------------------|
| 1   | Jain Abhay Kantilal      | President                  | Sales Domestic (Maharashtra) | 52,64,933                       |
| 2   | Kataria Anilkumar        | President                  | Sales Domestic (South)       | 49,46,516                       |
| 3   | Patil Kalyansing Baburao | Exe. Senior Vice President | Sales Tissue Culture         | 37,24,828                       |

| Sr. | Full Name                    | Designation                | Area of Responsibility                                    | Net Salary of FY 2020-21 (in ₹) |
|-----|------------------------------|----------------------------|---|---------------------------------|
| 4   | Nikam Vasant Lotan           | Vice President             | RR / IIS - Execution                                      | 34,44,000                       |
| 5   | Samdani Vijay Loknath        | Senior Vice President      | IT-Project  | 36,58,166                       |
| 6   | Deshmukh Rajiv Bhalchandra   | Senior Vice President      | Banking   | 28,30,647                       |
| 7   | Jain Jitendra Shrichand      | Exe. Senior Vice President | Production Plastic Park                                   | 35,35,322                       |
| 8   | Desarda Dongarmal Inderchand | Exe. Senior Vice President | Indirect Tax  | 36,54,873                       |
| 9   | Peddapalli Ravi              | Senior Vice President      | Sales - MIP   | 34,82,808                       |
| 10  | Kulkarni Dilip Narayan       | President                  | Administration, Sustainability and Strategic Relationship | 18,12,146                       |

#### 14) Promoters Group for the purposes of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011

In pursuance to clause 10 (1) (a) (ii) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and definition of group, the representative of Promoters' Group of the Company has filed the following list of the individual Promoters and Corporate entities of Promoters Group:

##### a) Individuals

| Sr. | Name of the Core Promoter's            |
|-----|--|
| 1)  | Shri. Bhavarlal H. Jain (deceased)     |
| 2)  | Shri. Ashok B. Jain                    |
| 3)  | Shri. Anil B. Jain                     |
| 4)  | Shri. Ajit B. Jain                     |
| 5)  | Shri. Atul B. Jain                     |
| Sr. | Name of Core Promoter's family members |
| 1)  | Smt. Jyoti Ashok Jain                  |
| 2)  | Arohi Ashok Jain                       |
| 3)  | Aatman Ashok Jain (N/G Ashok B Jain)   |
| 4)  | Smt. Nisha A. Jain                     |
| 5)  | Athang Anil Jain                       |
| 6)  | Amoli Anil Jain                        |
| 7)  | Ashuli Anil Jain                       |

| Sr. | Name of Core Promoter's family members |
|-----|--|
| 8)  | Smt. Shobhana Ajit Jain                |
| 9)  | Abhedya Ajit Jain                      |
| 10) | Abhang Ajit Jain                       |
| 11) | Dr. Bhavana Atul Jain                  |
| 12) | Anmay Atul Jain (N/G Atul B. Jain)     |

##### b) Corporate Entities

| Sr. | Name of Corporate Entity  |
|-----|---|
| 1)  | Atlas Technology Pvt. Ltd – Promoter Group                          |
| 2)  | Cosmos Investment & Trading Pvt. Ltd. – Promoter Group              |
| 3)  | Jalgaon Investments Pvt. Ltd. – Promoter Group                      |
| 4)  | Jain Brothers Industries Pvt. Ltd. – Promoter Group                 |
| 5)  | JAF Products Private Ltd. – Promoter Group                          |
| 6)  | Jain Extrusion & Moulding Pvt. Ltd. – Promoter Group                |
| 7)  | Jain Vanguard Polybutylene Ltd. – Promoter Group                    |
| 8)  | Labh Subh Securities International Ltd. – Promoter Group            |
| 9)  | Pixel Point Pvt. Ltd. – Promoter Group                              |
| 10) | Stock & Securities India Pvt. Ltd. – Promoter Group                 |
| 11) | Timbron India Pvt. Ltd. – Promoter Group                            |
| 12) | Jain Rotfil Heaters Pvt. Ltd. – Promoter Group                      |
| 13) | Jain Eagro Com India Pvt. Ltd. – Promoter Group                     |
| 14) | Kantabai Bhavarlal Jain Family Knowledge Institute – Promoter Group |
| 15) | Gandhi Research Foundation – Promoter Group                         |
| 16) | Jain Investments & Finance BV, Netherlands – Promoter Group         |
| 17) | Jain Overseas Investment Ltd., Mauritius – Promoter Group           |

##### c) Trust Entities

| Sr. | Name of Trust Entity                                     |
|-----|--|
| 1.  | Jain Family Holding Trust – Promoter Group               |
| 2.  | Jain Family Investment Trust – Promoter Group            |
| 3.  | Jain Family Enterprise Trust – Promoter Group            |
| 4.  | Jain Family Investment Management Trust – Promoter Group |
| 5.  | Jain Family Trust – Promoter Group                       |



## E] Policies and Other Relevant Disclosures

### a) Policies

|    | Policy  | Web Link  |
|----|---|---|
| 1  | Code of Conduct for Board Members & Senior Management etc.        | <a href="https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==</a> |
| 2  | Code for Prevention of Insider Trading                            | <a href="https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==</a> |
| 3  | CSR Policy  | <a href="https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==</a> |
| 4  | Whistle Blower Policy   | <a href="https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==</a> |
| 5  | Policy for determining 'Material' Subsidiaries                    | <a href="https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==</a> |
| 6  | Risk Management Policy and Mitigation                             | <a href="https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==</a> |
| 7  | Performance Evaluation Policy                                     | <a href="https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==</a> |
| 8  | Policy on Materiality and Dealing with Related Party Transactions | <a href="https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==</a>         |
| 9  | Disclosure of Information Policy                                  | <a href="https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==</a>         |
| 10 | Appointment & Remuneration Policy                                 | <a href="https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==</a>         |
| 11 | Dividend Distribution Policy                                      | <a href="https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==</a>         |
| 12 | Policy for Prevention of Sexual Harassment at Workplace           | <a href="https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==</a>         |
| 13 | Quality, Environment, Occupational Health & Safety Policy         | <a href="https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==</a>         |
| 14 | Policy on Preservation of Documents                               | <a href="https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==</a>         |
| 15 | Centralised Purchase Policy                                       | <a href="https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==</a>         |
| 16 | Anti-Bribery and Anti-Corruption Policy                           | <a href="https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==</a> |
| 17 | Audit Committee Charter   | <a href="https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==</a> |

### b) Others

|   | Policy   | Web Link  |
|---|--|---|
| 1 | Familiarization Programme for Independent Directors          | <a href="https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==</a> |
| 2 | Media Agreements   | <a href="https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==</a>         |
| 3 | Investors Handbook   | <a href="https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==</a>         |
| 4 | Hierarchy of Escalation of Redressal of Investor Complaints  | <a href="https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==</a>         |
| 5 | Terms and Conditions of Appointment of Independent Directors | <a href="https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==</a> |
| 6 | Internal Audit Charter                                       | <a href="https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==</a> |
| 7 | Succession Planning  | <a href="https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==</a> |
| 8 | List of Senior Executives                                    | <a href="https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==">https://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==</a> |

## **F] Disclosures about Environment Health and Safety Performance, Energy Conservation, Technology Absorption, Research and Development, Foreign Exchange Earnings and Outgo.**

### **1) Environment Health and Safety Performance**

The Company has implemented an integrated Quality, Environment, Occupational Health and Safety Management System (IMS) with latest revision certifications, and the same is maintained with continued improvement at all locations including Jalgaon, Hyderabad, Alwar plants and installation and servicing project sites. Some of the Environment, Health and safety improvements achieved in the manufacturing facilities are given below:

- Pipe holding clamps for internal threading on auto threading machines were developed for some odd sizes. This resulted in reduced pipe handling and labor fatigue.
- Few job specific fixtures were developed for lathe and auto threading machines to improve productivity and reduce workplace risk in handling at the casing plant.
- Conveying of granules by using screw conveyors resulted in reduction of helper fatigue.
- Automatic feeding of raw material implemented for minimising raw material leakage and improved safe working in HDPE Pipe Plant.
- A good design trolley is developed for safe handling and movement of oxygen cylinders resulting in workplace safety.
- Safety light curtain controllers are provided on the press brake machine for job safety.
- Two separate foot pedal switch systems are implemented on shearing machine for additional safety in the engineering development department.
- Press tools on the press machine modified to avoid the man and machine interface.
- New plastic hydrocyclone "GHOOMAR" filters developed as alternatives to metal hydrocyclone filters resulted in natural resource conservation in the filter department.
- EOT installed for unloading of raw material resulted in workplace safety as well as reduction in air pollution by avoiding forklift movement.
- Workplace illumination improved by rearrangement of the lighting system.
- Exhaust of material conveying system vacuum pump diverted towards roof to improve workplace environment by reduction in temperature and noise in the Dripline department.
- Manual material feeding eliminated by installation of spiro flow material feeding system on a HIPS sheet machine to avoid material spillage.
- EOT crane installed as alternative to manual loading of PVC Pipe from machine trolley to conveying trolley.
- Silencer is installed on resin turbo to minimise noise in the mixing section of MIS Pipe.
- Lifters and conveyors are installed on the various manufacturing lines for shifting of pipes from socket

machine to pipe trolley to improve workplace safety and to avoid repetitive workers movement during manual handling of pipes.

- Safe workplace ensured by installing platform on some machines near spiroflow motor for maintenance work in PVC Pipe Plant.
- Common hopper loading system is installed on machines to avoid material spillage and reduce operator fatigue.
- Auto box sealing machine is installed with an ergonomic design to reduce operator movements in the SWR Fitting Plant.
- Hopper dryers added additional thermostat safety in electrical circuits to control temperature overshoot to eliminate fire hazard.
- Additional changeover switch connected to water pump for immediate start of standby pump on UPS supply during maintenance of primary pump helped in minimising material losses and resulted in resource conservation.
- Oil drum lifting trolleys developed for easy shifting by only one person helped in maintaining social distancing and reduced manual movement in I/M Plant.

COVID-19 various preventive measures have been implemented which included following of good personal hygiene practices, social distancing, use of mask, thermal screening, provision of hand wash facilities, footwear sole sanitisation, hand sanitiser dispenser, spraying and fogging of disinfectant, dissemination of information through posters, notices, circulars, audio/ video media to increase awareness of associates and regular monitoring of the same.

### **2) Energy Conservation, Technology Absorption, Research and Development, Foreign Exchange Earnings and Outgo.**

#### **a) Energy Conservation**

##### **i) Agri Park & Tissue Culture**

- Installation of LED tube lights for tissue culture production to replace fluorescent tube lights
- Low efficiency (1.4 micro mol/J) 600W HPS lamps in the speed breeding facility were replaced with high efficiency (18 micro/J) 1000 W HPS lamps

##### **ii) Energy Park**

Solar Photovoltaic Module plant, Solar Motors with Pump & Solar Photovoltaic Appliances operations were integrated in a single building last year to utilize common utility. This saved about 149 MWh of energy in the year. Solar Photovoltaic Module plant air conditioning area is reduced to reduce the energy consumption and lighting load. This saved about 8.9 MWh of energy in the year. In the new integrated layout, Air Conditioners load used in motor plants are reduced to 5T from 22T to reduce energy consumption. This saved about 46 MWh of energy in the year. Testing time of the pump set was reduced to one hour from six hours. This also

reduced the cooling tower load from 13.5HP to 6 HP. This activity saved about 49 MWh of energy in the year. Solar fabrication and solar water heater facility was integrated last year for optimization of resources and energy savings. This saved about 103 MWh of energy in the year. The Solar Power Generation plant saved about 30 MWh of energy by daily switching-off all invertors from 19:00 hrs to 06:00 Hrs.

## **b) Technology Absorption/up gradation**

### **i) Agri Park & Tissue Culture**

- New environment control growth rooms were installed with horticulture LED lights which are 45% more efficient in light output as compared to HPS lamps.

### **ii) Energy Park**

#### **Solar Photovoltaic Module**

- 1) Existing stringers have been modified for its suitability of production for the latest big size 158.75 x 158.75 mm of high Power solar cells. Replaced front side Standard Fast cure EVA having UV Cut Off Wavelength of 360 nm with UV transparent EVA having UV Cut Off Wavelength of 340 nm.

Advantage of UV transparent EVA is it allows UV light of 340 to 360 nm wavelength to transmit & fall on solar cell surface to get additional power gain.

### **iii) Solar motor & pumps**

2 hp Solar Sunlight pump - prototype development and testing was completed. Improved productivity, quality and accuracy was achieved by various developments in tooling, jigs and fixtures. Standardization and optimization of packing material used for transport of Sunlight Pumps to reduce the cost and improve the packing quality.

## **c) Research and Development**

### **i) Agri Park & Tissue Culture**

- Research on mango flowering regulation revealed that circadian clock genes are conserved in mango though it is a day-neutral plant.
- With the effort of four years, a total to 510 F1 mango plants are in the field for evaluation. Five plants of a particular cross combination exhibit heterosis for off season flowering.
- Performance of high density planting of Jain Sweet Orange has been excellent at R&D farms and its results on farmers' fields is also good.

### **ii) Plastic Park**

Jain Ghoomar - The Ultimate Sand Separator

Presence of sand, silt particles in source water can create major menace in operation of drip irrigation system. Jain Ghoomar is the right choice for removing sand, grit and other fine solids from water

sources. It can remove upto 97% of particles over 300 microns particle size having specific gravity greater than 1. Its unique patented centrifugal style of separation is not only efficient but also maintenance free. It enhances the life of the Drip Irrigation Systems by reducing the load on secondary filters like media or screen / disc filters. It is robust, abrasion resistant, manufactured from high performance plastic, highly durable, light in weight and does not undergo any oxidative degradation or corrosion due to chemicals and fertilizers used in agriculture. It is very easy to flush and has a unique oval shaped dirt collector which can hold upto 10 litres of dirt. The provision of flushing arrangement at the bottom helps to flush the dirt completely without stopping the Irrigation System.

### **iii) Energy Park**

#### **a) Solar Photovoltaic Module**

- 1) Design & development of 370 Wp High Power PV modules with Mono PERC solar cells have been done & 7.4 kWp of 370 Wp PV modules have been installed on the roof of a High Tech R&D lab at Jain Hills and connected to Grid for its performance evaluation.

#### **b) Solar motor & pumps:**

- 1) 0.5hp Solar Sunlight pump
  - Redesign of controller housing for better IP sealing and power cable/sensor connections etc
  - Development of Protective vent adapter for 0.5HP Solar sunlight pump
  - Upgradation of pump frame
- 2) 2hp Solar Sunlight pump
  - Development of protective vent adopter for 0.5HP Solar sunlight pump
  - Development of Controller top plastic molded cover

#### **c) Solar Photovoltaic Appliances**

LED Growth light version 0 is ready. Soon it will be in a field test. LED Growth light with different spectrums development is in progress - Light spectrum is an important part of horticulture lighting. Work is going on to make a more suitable and effective light spectrum for horticulture light. Prototype testing completed for cost reduced BLDC controller. The PMSM controller is ready with successful tests on various PMSM motors. Grid inverter development is in progress Solar water heater controller development is in progress - Provides value additions in present solar water heater technology. Enables more optimized utilization and custom configurable features as per user needs and requirements.



### 3) Foreign Exchange Earnings and Outgo

The foreign exchange earnings & outgo are as per details hereunder:

(Amount ₹ Mn)

| <b>C. I. F. Value of Imports, Expenditure and Earnings of Foreign Currency</b> | <b>2020-21</b>  | <b>2019-20</b>  |
|--|-----------------|-----------------|
| CIF value of imports Raw materials and components and Stores and Spares        | 1,000.28        | 872.63          |
| Capital goods  | 65.04           | 248.13          |
| <b>Total</b>   | <b>1,065.33</b> | <b>1,120.76</b> |
| <b>Expenditure in foreign currency (on accrual basis)</b>                      |                 |                 |
| Interest and finance charges   | 159.38          | 194.4           |
| Discount / commission on export sales  | 4.54            | 19.44           |
| Export selling / market development expenses                                   | 24.93           | 1.17            |
| Travelling expenses  | 9.62            | 17.32           |
| Law and legal / professional consultancy expenses                              | 113.06          | 30.13           |
| Testing, quality and other charges   | 12.73           | 13.73           |
| <b>Total</b>   | <b>324.27</b>   | <b>276.2</b>    |
| <b>Earnings in foreign currency</b>  |                 |                 |
| FOB value of exports (on the basis of bill of lading)                          | 2,521.16        | 2,329.15        |
| <b>Total</b>   | <b>2,521.16</b> | <b>2,329.15</b> |

Material Changes & Commitment affecting the Financial Position of the Company

There are no material changes affecting the financial position of the Company subsequent to the close of the Financial Year 2021 till the date of this report, except the temporary liquidity issues due to delayed realisation of debtors, specially for Government and Projects and the Resolution Plan is in final stages of approval with Lenders under the RBI Guidelines/Circulars for debt restructuring.

There has been no change in the nature of business of the Company.

- There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of onetime settlement with any Bank or Financial Institution.

## G) Mandated Annexures

### 1) Corporate Governance Report

The Company constantly endeavors to follow the corporate governance guidelines and best practices sincerely and disclose the same transparently. The Board is conscious of its inherent responsibility to disclose timely and accurate information regarding the Company's operations, performance, material corporate events as well as on the leadership and governance matters relating to the Company.

The Board, at all times exercises its independence both, in letter and in spirit, and the Directors fully understand their fiduciary duties. The Directors have always acted in the best interest of the Company and will continue to do so in the future. It is equally important to state that the Company has a professional and competent leadership team for the management of the business. The Board guides, supports and compliments the Management team towards achieving the set objectives to make the enterprise more sustainable and valuable in the future.

A separate Corporate Governance Report is attached as **Annexure IV**, forming part of Director's Report in terms SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Certificate from Practicing Company Secretary, confirming compliance of Corporate Governance disclosures and requirements and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also attached together with CEO Certificate/declaration.

### 2) Management Discussion and Analysis Report (MDAR)

As per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a separate Management Discussion & Analysis is given elsewhere in the Annual Report at **Annexure V**.

### 3) Particulars of Loans, Guarantees or Investments of the Company

The details of Loans given, Guarantees provided or Investments made by the Company during FY 2021 are given at **Annexure VI**.

### 4) Consolidated Financial Statements

Consolidated Financial Statements are prepared in accordance with IND-AS and form part of the Annual Report. Pursuant to Section 129(3) of the Act, a statement in Form AOC-1 annexed at **Annexure II** containing the salient features of the financial statements of the subsidiary companies are attached to the Financial Statements Annexure II. The financial statements will also be kept open for inspection by any Member at the Registered Office of the Company. In terms of requirement of the Companies Act, 2013 the financial statements of the Company, consolidated financial statements along with relevant documents are available on the website of the Company.

### 5) Significant, Material orders passed by the Regulators/ Court/ Tribunals

There are no material orders or judgments passed by the Regulators/ Court/ Tribunals which would impact the 'going concern' status of the Company or its future prospects, subject to contingent Liabilities as mentioned in the notes forming part of the Financial Statements.

### 6) Secretarial Standards

The Company has followed during year under review the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

## 7) Extract of Annual Return of FY 2019-2020

As provided under Section 92 (3) of the Companies Act, 2013, the extract of Annual Return in form MGT - 7 is available on [www.jains.com](http://www.jains.com). [https://www.primeinfobase.in/z\\_JISLJALEQS/files/FORM\\_MGT-7\\_JISL\\_2020.pdf](https://www.primeinfobase.in/z_JISLJALEQS/files/FORM_MGT-7_JISL_2020.pdf)

## 8) Directors Remuneration

The information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Person) Rules, 2014 are given in **Annexure VII to this Report**.

## 9) Contracts or arrangements with related parties

The Contracts and arrangements entered into during the year with Related Parties were on arm's length basis, in compliance with the applicable provision of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, although except Subsidiaries where Transfer Pricing arrangements are in place complying with regulations in country of operation, no fresh RPT or material RPT has been entered into by Company. The Company has transactions with subsidiaries in ordinary course of the business for some of the export-import related transactions for details refer **Annexure VIII**.

There are no "materially significant" Related Party Transactions entered into by the Company with Promoters, Directors, KMP's which may have potential conflict with the interest of the Company. All Related Party Transactions are placed before the Audit Committee, which Comprises of Shri Ghanshyam Dass (Chairman), Shri. Narendra Jadhav, Shri Bastiaan Mohrmann, Shri Uday Garg, Ms. Nancy Barry and Shri Anil Jain of the Company for its approval. The Audit Committee also reviews on quarterly basis all Related Party Transactions during the quarter whether or not previously approved. The Company has adopted Policy on Materiality and dealing with Related Party Transactions. The policy approved by the Board is available on Company's website and web-link thereto is [http://www.nseprimeir.com/z\\_JISLJALEQS/files/Policy\\_on\\_Materiality\\_and\\_Dealing\\_with\\_Related\\_Party\\_Transactions.pdf](http://www.nseprimeir.com/z_JISLJALEQS/files/Policy_on_Materiality_and_Dealing_with_Related_Party_Transactions.pdf).

## 10) Business Responsibility Report

Pursuant to Regulation 34 (2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Business Responsibility Report (BRR) describing the initiatives undertaken by the Company from an environmental, social and governance perspective, in the prescribed format and as per new National Voluntary Guidelines (NVG) is annexed as **Annexure X** and also hosted on the Company's website [www.jains.com](http://www.jains.com).

## H) Miscellaneous

### a) Other major developments post March, 2021

#### COVID -19 impact

Towards end May 21, there were over 160mn infections COVID-19 and over 3mn deaths worldwide. India had over 25mn infected and over 0.3 million deaths at same time. COVID-19 took centrestage in all countries in the form of 1<sup>st</sup>, 2<sup>nd</sup> and now even expectations of 3<sup>rd</sup> wave. The vaccination programme has taken off but eligible population find it difficult to be vaccinated, and although sheer numbers are staggering, with a large population to be vaccinated, India is a middling nation in world order to vaccinate its eligible nationals. The private sector is involved but hardly making an impact. Our Company has also started to vaccinate its associates, and expects to complete the process by end of calendar 2021. An effort has been made ensure continuous operations at plants and results of FY21 reflect the same to a large extent. Besides work force and Raw material supplies even the logistics and transportation / containers etc. have caused problems / disruptions and have resulted in increased costs.

### b) Acknowledgement

The Directors take this opportunity to place on record their appreciation of whole hearted support received from all stakeholders, customers and the various departments of Central and State Governments, Financial Institutions, Bankers, the Dealers and Suppliers of the Company. The Directors wish to place on record their sense of appreciation for the devoted services of all the associates of the Company.

Sd/-  
Anil B. Jain  
**Vice Chairman and  
Managing Director**

Sd/-  
Ajit B. Jain  
**Joint Managing  
Director**

Date : **7<sup>th</sup> September 2021**  
Place : **Jalgaon**

# ANNEXURE I

## BOARD'S REPORT 2020-21

Statement of Particulars of employees pursuant to the provisions of Section 134 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended upto date.

| Sr. No. | Name of Employees   | Total Experience (Year) | Designation                                     | Remuneration Gross (₹) | Qualification | Commencement of Employment with Company | Particular of last Employment | Last Post | Employer                           | No. of Years (Previous Employment) | Covered Under 850,000/ Category w.e.f. |
|---------|---------------------|-------------------------|---|------------------------|---------------|---|-------------------------------|-----------|------------------------------------|------------------------------------|--|
| 1       | 2                   | 3                       | 4   | 5                      | 6             | 7                                       | 8                             | 9         | 10                                 | 11                                 | 12                                     |
| 1)      | Shri. Ashok B. Jain | 38                      | Whole Time Director                             | 3,05,11,921            | B.Com         | 12.01.87                                | Own Business                  | Partner   | Jain Brothers Industries Pvt. Ltd. | 4                                  | 01.04.2010                             |
| 2)      | Shri. Anil B. Jain  | 36                      | Vice Chairman & Managing Director               | 3,05,11,921            | B.Com., LLB   | 12.01.87                                | Own Business                  | Partner   | Jain Brothers Industries Pvt. Ltd. | 2                                  | 01.04.2010                             |
| 3)      | Shri. Ajit B. Jain  | 36                      | Jt. Managing Director                           | 3,05,11,921            | B.E.          | 11.01.85                                | -                             | -         | -                                  | -                                  | 01.04.2010                             |
| 4)      | Shri. Atul B. Jain  | 29                      | Chief Financial Officer & Jt. Managing Director | 3,05,11,921            | B.Com         | 01.01.91                                | -                             | -         | -                                  | -                                  | 01.04.2010                             |

1] Shri. Ashok B. Jain, Shri. Anil B. Jain, Shri. Ajit B. Jain and Shri Atul B. Jain are related to each other as brothers.



# ANNEXURE II

## FORM AOC-1

**(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)**

**Statement containing salient features of the financial statements of Subsidiaries/Associates Companies/Joint Ventures.**

### Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

#### a) India

| Sr. | Particulars   | Details (₹ in million)                                      | Details (₹ in million)   |
|-----|---|---|--|
| 1)  | Name of the subsidiary  | <b>Jain Farm Fresh Foods Limited</b>                        | <b>Jain Processed Foods Trading and Investments Private Ltd.</b> |
| 2)  | Reporting period for the subsidiary concerned, if different from the holding Company's reporting period                     | 1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2021 | 1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2021      |
| 3)  | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA  | NA   |
| 4)  | Share capital   | 280.03  | 20.1   |
| 5)  | Reserves & surplus  | 8,613.29  | 0.16   |
| 6)  | Total Assets  | 21,443.25   | 38.18  |
| 7)  | Total Liabilities   | 12,549.93   | 17.92  |
| 8)  | Investments   | 1,276.67  | 20.15  |
| 9)  | Turnover  | 4,403.38  | 1.97   |
| 10) | Profit before taxation  | (1573.64)   | (0.01)   |
| 11) | Provision for taxation  | (423.34)  | (0.0015)   |
| 12) | Profit after taxation   | (1150.3)  | (0.0085)   |
| 13) | Proposed Dividend   | NIL   | NIL  |
| 14) | % of shareholding   | 88.81   | 100  |

#### b) Overseas

| Sr. | Particulars   | Details   |                   |                  |
|-----|---|---|-------------------|------------------|
| 1)  | Name of the subsidiary  | <b>Jain International Trading B. V. JISL Overseas Limited</b> |                   |                  |
| 2)  | Reporting period for the subsidiary concerned, if different from the holding Company's reporting period | 1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2021   |                   |                  |
| 3)  | Reporting period for the subsidiary concerned, if different from the holding Company's reporting period |   |                   |                  |
|     | Average Rate  | US\$  | 74.2250           | 74.2250          |
|     | Closing Rate  | US\$  | 73.5047           | 73.5047          |
| 4)  | Share capital   | US\$  | 3,154,506         | 62305891         |
|     |   | ₹   | 231871017.18      | 4,579,775,826.19 |
| 5)  | Reserves & surplus  | US\$  | 5410560.00        | -5210672.00      |
|     |   | ₹   | 397701589.63      | -383008882.16    |
| 6)  | Total Assets  | US\$  | 246,144,001       | 63959971         |
|     |   | ₹   | 18,092,740,950.30 | 4,701,358,480.36 |
| 7)  | Total Liabilities   | US\$  | 237,578,935       | 6864752          |
|     |   | ₹   | 17,463,168,343.49 | 504591536.33     |

| Sr. | Particulars            | Details |                  |                  |
|-----|------------------------|---------|------------------|------------------|
|     |                        |         |                  |                  |
| 8)  | Investments            | US\$    | 56,214,427       | 63956409         |
|     |                        | ₹       | 4,132,024,592.31 | 4,701,096,656.62 |
| 9)  | Turnover               | US\$    | 10,215,848       | 0                |
|     |                        | ₹       | 758,271,317.80   | 0                |
| 10) | Profit before taxation | US\$    | (6,127,005)      | (406605)         |
|     |                        | ₹       | (454776946.13)   | (30180256.13)    |
| 11) | Provision for taxation | US\$    | (4,736,054)      | -                |
|     |                        | ₹       | (351533608.15)   | -                |
| 12) | Profit after taxation  | US\$    | (1,390,951)      | (406605)         |
|     |                        | ₹       | (103243337.98)   | (30180256.13)    |
| 13) | Proposed Dividend      | US\$    | -                | -                |
|     |                        | ₹       | -                | -                |
| 14) | % of shareholding      |         | 100              | 100              |

Notes: Notes: The following information shall be furnished at the end of the statement:

- 1) Names of subsidiaries which are yet to commence operations : None
- 2) Names of subsidiaries which have been liquidated or sold during the year : THE Machine S.A.,Switzerland;  
Protool AG, Switzerland;  
Cascade Undertaking (DID).

- Closing rate is applied for Balance Sheet items.
- Average rate is applied for Profit and Loss items.
- Share Capital also includes Preference Share Capital.

## Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

|   | Amount in ₹ million (except number of shares)                                 |                              |
|---|---|------------------------------|
|   | Sustainable Agro- Commercial Finance Limited                                  |                              |
|   | 31 <sup>st</sup> March, 2020  | 31 <sup>st</sup> March, 2021 |
| 1) Name of Associates/Joint Ventures  |   |                              |
| 2) Latest audited Balance Sheet Date  |   |                              |
| 3) Number of Shares of Associate/Joint Ventures held by the Company on the year end | 58,800,000  | 58,800,000                   |
| 4) Amount of Investment in Associates/Joint Venture                                 | 588.01  | 588.01                       |
| 5) Extend of Holding %  | 49  | 49                           |
| 6) Description of how there is significant influence                                | Company holds 49% and has nominated 2 Directors on Board of Associate Company |                              |
| 7) Reason why the Associate/Joint Venture is not consolidated                       | Below 50.1% holding   |                              |
| 8) Net worth attributable to shareholding as per latest audited Balance Sheet       | 1,691.70  | 1746.4                       |
| 9) Profit/Loss for the year   | 67.00   | 51.7                         |
| 10) Consolidated  | NA  | NA                           |
| 11) Standalone  | 67.00   | 51.7                         |

# ANNEXURE III

## REPORT OF CORPORATE SOCIAL RESPONSIBILITY FY 20-21

Following the requirements of Section 135 of The Companies Act 2013, the Company has re-formed a three-member CSR committee on 31.07.2020. This committee is chaired by Mr. D. R. Mehta with Mr. Ashok Jain and Mr. Atul Jain, being the other two members. The CSR committee formulated a comprehensive policy on the Company's CSR programs and projects in 2014. The same is available on our website [http://www.nseprimeir.com/z\\_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==](http://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==). Committee had one meeting in FY 20-21; only meeting was held on 31<sup>st</sup> July, 2020; subsequent meeting was held on 6<sup>th</sup> August 2021 to review the progress of CSR projects, existing CSR Policy and to demonstrate the CSR projects for the subsequent financial year.

### CSR Committee currently comprises of following:

- 1) D.R. Mehta - Chairman
- 2) Ashok Jain - Member
- 3) Atul Jain - Member

JISL's CSR expenditure have happened in two parts during FY 20-21:

**a) Unspent CSR expenditure of FY 19-20:** The unspent amount of the year (i.e. ₹ 37.54 million) was to be spent by the end of September-20, as allowed by Ministry of Corporate Affairs vide its Circular No. 10/2020 dated 23.03.2020, Following its commitment the Company has spent an amount of ₹ 38.36 million up to September-20 towards the same. See detail in Table -1

**b) CSR expenditure for FY 20-21:** During FY 20-21 the Company was required to spend ₹ 24.45 million on CSR (2% of average net profit for last 3 years). However, the actual expenditures on CSR during FY 20-21 is ₹ 25.62 million, hence excess of Rs. 1.17million. See detail in Table -2

The committee agreed to continue the CSR activities on its own and through the two foundations appointed by the Company, namely Bhavarlal and Kantabai Jain Multipurpose Foundation (BKJMF) Trust, Jalgaon and Gandhi Research Foundation (GRF), Jalgaon. Now more entities are also registered with MCA.

Major part of the above expenses has happened on account of COVID-19 relief. The details of the project-wise expenditures are given below.

### a) Rural Development Activities through Ba-Bapu 150 Project

Our Rural development intervention under Ba- Bapu-150 project are inspired by the idea of "Gram Sarvodaya"

(a self-sustained village) as proposed by the Father of the Nation - Mahatma Gandhi. The Ba- Bapu 150 team started its first phase by selecting and initiating its activities in 22 villages in Jalgaon district. key focus of our rural development projects include promoting water sanitation and hygiene (WASH), and making safe drinking water available to the remote and rural communities. Entrepreneurship, watershed development, FPO and sustainable agriculture are the other key activities/areas under Ba-Bapu 150 project.

### b) Ensuring environmental sustainability

Ensuring environmental sustainability through natural resource conservation and environmental protection is embedded in our mission statement. We participate in a voluntary plantation program on world environment day every year. In addition we also support Maharashtra government's afforestation mission from time to time.

### c) Promoting Education

Anubhuti is our flagship project in this area. Anubhuti English medium school for underprivileged children is providing quality education with facilities comparable to the best schools. The classrooms have furniture and facilities specially designed for children. This directly reflects one of the principles of education at Anubhuti, where the limitations of individuality and need for inter-dependence are emphasized. The curriculum comprises sports, arts, craft, dance, music and excursions. The school is growing each year as the children progress to a higher class and presently admits 450 plus students from Class I to X.

### d) Promoting Sports

Our Jain Sports Academy, which functions under the BKJMF trust, is responsible for coordinating and handling all activities related to sports. The Academy also conducts competitions in most traditional Indian games like kho kho and others like volleyball, table tennis, badminton, swimming, cricket, trekking, cycle racing, skating, marathon carom and others like basketball and football, among others. Most of our spending goes towards sports material and infrastructure, coaching fees and payment made to budding sportsmen and their coaches.

### e) Healthcare

Kantai Netralaya is an eye hospital sponsored by Bhavarlal Kantaibai Jain Multipurpose Foundation (BKJMF) and managed by Poona Blind Men Association (PBMA). JISL and PBMA have come together in this project with a common goal to eradicate preventive blindness and make Jalgaon cataract free district by 2022. Kantai Netralaya aims at providing comprehensive



quality eye care without discrimination between free and paid patients. We conduct regular outreach programs in nearby rural areas to create awareness and provide free eye care treatment to poor and needy.

#### f) COVID-19 Relief Work

Since the outset of Pandemic - COVID-19, JISL has been providing food to the migrating labor passing through the city, to the colony of labor/workers and to the other needy residents of Jalgaon. Moreover, the Company has printed and distributed over 100,000 copies of "Coronavirus Mahiti Pustika" in the city to create awareness about preventing the spread of COVID-19 in the community. The Company has also run a sanitization drive in the city and supported Jalgaon civil hospital for the same. COVID-19 relief work is being done through Bhavarlal Kantabai Jain Multipurpose Foundation (BKJMF)

Besides this, there are connected CSR activities undertaken by the BKJMF and GRF independently throughout the calendar year. Following are the details of various CSR expenditure done in FY 19-20.

**Table-1: CSR projects and expenditure up to September-2020 (account of unspent amount of FY 19-20)**

| Sr.       | CSR activities carried out  | Linkage to Schedule VII of Companies Act 2013   | Expenditure (₹ Million) |
|-----------|---|---|-------------------------|
| <b>1)</b> | <b>Rural Development</b>  |   | <b>0.04</b>             |
|           | a) Contribution to Ba-Bapu-150 Project through GRF  | (x) Rural Development Projects  | 0.00                    |
|           | b) Contribution to rural development activities, particularly, creating the water source in nearby villages   | (i) promoting preventive health care and sanitation and making available safe drinking water  | 0.04                    |
| <b>2)</b> | <b>Conservation of natural resources, quality of soil, air, water, etc.</b>   |   | <b>2.90</b>             |
|           | a) Afforestation Activities during world environment day and 'Van Mohtsava' Campaign of Maharashtra Government  | (IV) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water | 0.001                   |
|           | b) Future Agriculture Leaders of India (FALI) Program for future young agripreneurs.  |   | 0.00                    |
|           | c) Rejuvenation of city gardens by increasing tree cover, waste handling and increasing awareness on environmental and cultural values.                 |   | 2.90                    |
| <b>3)</b> | <b>Promoting Education</b>  |   | <b>1.41</b>             |
|           | a) Contribution to community library in Chopda  | (ii) promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.    | 0.00                    |
|           | b) Contribution to Anubhuti English Medium School Cultural Movement - Education Support to Leh and Ladakh Students                                      |   | 1.41                    |
| <b>4)</b> | <b>Promoting Sports</b>   |   | <b>4.56</b>             |
|           | a) Direct Support by Jain Irrigation to Jain Sports Academy for Sports Material, Tournament Fees etc.   | (vii) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports  | 0.63                    |
|           | c) Direct support by Jain Irrigation to Jain Sports Academy for expenditures of coaches and players   |   | 3.93                    |
| <b>5)</b> | <b>Healthcare</b>   |   | <b>0.00</b>             |
|           | a) Direct contribution to cataract eradication mission  | (i) promoting preventive health care and sanitation and making available safe drinking water  | 0.002                   |
| <b>6)</b> | <b>COVID-19 Support</b>   |   | <b>29.44</b>            |
|           | a) Providing food to the patients, workers, labours, migrants and their families affected by COVID-19   | (i) promoting preventive health care and sanitation and making available safe drinking water (COVID-19 support)   | 10.81                   |
|           | b) Infrastructure improvement support for COVID -19 treating centres and for the patients   |   | 0.03                    |
|           | c) Helping local dispensaries by providing PPE Kits and essential medical supplies to fight COVID-19  |   | 4.90                    |
|           | d) Creating awareness about COVID appropriate behaviour in the community.   |   | 1.33                    |
|           | e) Providing financial support to the local communities amid COVID-19 crisis for diagnosis, medical tests, treatment and post treatment rehabilitation. |   | 12.38                   |
|           | <b>Sub-total</b>  |   | <b>38.36</b>            |

**Table 2: CSR projects and expenditures FY 20-21**

| <b>Sr.</b> | <b>CSR activities carried out</b>   | <b>Linkage to Schedule VII of Companies Act 2013</b>  | <b>Expenditure (₹ Million)</b> |
|------------|---|---|--------------------------------|
| <b>1)</b>  | <b>Rural Development</b>  |   | <b>0.20</b>                    |
|            | a) Contribution to Ba-Bapu-150 Project through GRF  | (x) Rural Development Projects  | 0.20                           |
|            | b) Contribution to rural development activities, particularly, creating the water source in nearby villages   | (i) promoting preventive health care and sanitation and making available safe drinking water  | 0.00                           |
| <b>2)</b>  | <b>Conservation of natural resources, quality of soil, air, water, etc.</b>   |   | <b>1.13</b>                    |
|            | a) Afforestation Activities during world environment day and 'Van Mohtsava' Campaign of Maharashtra Government  | (IV) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water | 0.00                           |
|            | b) Future Agriculture Leaders of India (FALI) Program for future young agripreneurs.  |   | 0.00                           |
|            | c) Rejuvenation of city gardens by increasing tree cover, waste handling and increasing awareness on environmental and cultural values.                 |   | 1.13                           |
| <b>3)</b>  | <b>Promoting Education</b>  |   | <b>0.00</b>                    |
|            | a) Contribution to community library in Chopda  | (ii) promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.    | 0.00                           |
|            | b) Contribution to Anubhuti English Medium School   |   | 0.00                           |
| <b>4)</b>  | <b>Promoting Sports</b>   |   | <b>4.78</b>                    |
|            | a) Direct Support by Jain Irrigation to Jain Sports Academy for Sports Material, Tournament Fees etc.   | (vii) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports  | 0.60                           |
|            | c) Direct support by Jain Irrigation to Jain Sports Academy for expenditures of coaches and players   |   | 4.17                           |
| <b>5)</b>  | <b>Healthcare</b>   |   | <b>0.08</b>                    |
|            | a) Direct contribution to cataract eradication mission  | (i) promoting preventive health care and sanitation and making available safe drinking water  | 0.08                           |
| <b>6)</b>  | <b>COVID-19 Support</b>   |   | <b>19.44</b>                   |
|            | a) Providing food to the patients, workers, labours, migrants and their families affected by COVID-19   | (i) promoting preventive health care and sanitation and making available safe drinking water (COVID-19 support)   | 8.69                           |
|            | b) Infrastructure improvement support for COVID -19 treating centres and for the patients   |   | 0.24                           |
|            | c) Helping local dispensaries by providing PPE Kits and essential medical supplies to fight COVID-19  |   | 4.14                           |
|            | d) Creating awareness about COVID appropriate behaviour in the community.   |   | 1.16                           |
|            | e) Providing financial support to the local communities amid COVID-19 crisis for diagnosis, medical tests, treatment and post treatment rehabilitation. |   | 5.21                           |
|            | <b>Sub-total</b>  |   | <b>25.62</b>                   |

The excess spent in FY 2019-20 and 2020-21, to be carried forward to be adjusted against mandatory spends in next 3 succeeding financial years pursuant to Rule 7(3) of the CSR Rules, 2014.

Further, the committee has decided to redesign its CSR programme by including new projects and entities. There are 9 new CSR areas that have been designed for the next 5 years with subject indicated against each activity.

The new CSR projects along with their corresponding CSR budgets for next 5 years are as follows:

New CSR Projects for Next 5 Years

Ongoing Projects, New Projects, Additional New Projects

₹ in Million

| Sr. No.   | Projects Suggested  | Linkage to Schedule VII- Qualification Criteria for CSR Project  | Estimates Budget FY 21-22 to FY 25-26 (5 Years) |
|---|---|--|---|
| <b>CATEGORY - A- RURAL DEVELOPMENT</b>  |   |  |   |
| <b>1)</b>   | <b>Rural Development (Ba-Bapu 150) Project (Ongoing Project)</b>  |  | <b>37500000</b>                                 |
| i)  | Providing Safe Drinking Water   | (i) Eradicating hunger, poverty and malnutrition, ["promoting health care including preventive health care"] and sanitation 4[including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.  | 5000000   |
| ii)   | Sanitation & Hygiene Related Projects   | (x) rural development projects   | 5000000   |
| iii)  | Water Conservation, Management and Watershed Development Project (e.g. in Chopda, Bambhori etc.)  | (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga]. | 10000000  |
| <b>2)</b>   | <b>Enhancing Rural Infrastructure (New Project)</b>   |  |   |
| i)  | Access and Approach Road for Villagers  | (x) rural development projects   | 5000000   |
| ii)   | Water Percolation Tank (Maintenance) Taken Over from Govt. for Maintenance  | (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga]. | 5000000   |
| <b>3)</b>   | <b>Creating Awareness and Extending Monetary Support to Rural Areas about Cleanliness, Safe Water, Health, Sanitation and Improving Mental Health (New Project)</b> | (i) Eradicating hunger, poverty and malnutrition, ["promoting health care including preventive health care"] and sanitation 4[including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.  | 2500000   |
| <b>4)</b>   | <b>Agriculture, Rural development, Irrigation &amp; Drinking water - Technology demonstration, Training and Capacity Building (Additional New Project)</b>          | (x) rural development projects   | 5000000   |
| <b>CATEGORY - B- EDUCATION</b>  |   |  | <b>42500000</b>                                 |
| <b>1)</b>   | <b>Infrastructure and Other Support to Anubhuti English Medium School (Ongoing Project)</b>   | (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.   | 5000000   |
| <b>2)</b>   | <b>Primary and Secondary School in Rural areas and City (Additional New Project)</b>  |  | 2500000   |
| <b>3)</b>   | <b>Infrastructure Support to School Libraries (New Project)</b>   |  | 5000000   |
| <b>4)</b>   | <b>Future Agriculture Leaders of India (FALI) for Future Agripreneurs (Ongoing Project)</b>   |  | 20000000  |
| <b>5)</b>   | <b>Agriculture College in Rural Area (New Project)</b>  |  | 10000000  |
| <b>CATEGORY - C- R&amp;D AND EXTENSION IN THE AREA OF AGRICULTURE, WATER, IRRIGATION, FOOD, INFRASTRUCTURE (SHEET), RENEWABLE ENERGY etc.</b> |   |  | <b>32500000</b>                                 |



| Sr. No.                               | Projects Suggested   | Linkage to Schedule VII- Qualification Criteria for CSR Project  | Estimates Budget FY 21-22 to FY 25-26 (5 Years) |
|---------------------------------------|--|--|---|
| 1)                                    | <b>Collaborations with Universities, Colleges and Research Institutes. (Material / Money Given to all Colleges, Schools, Universities)</b><br>(New Project)  | (ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;   | 2500000   |
| 2)                                    | <b>Fund and/ or Participate in Development of Different Research or Other Programms to Develop Process and Technologies Related to Water, Agriculture and Wastewater reuse in agriculture</b> (Additional New Project) | (ix) (b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).] | 2500000   |
| 3)                                    | <b>Dr. BHH University Project</b> (Additional New Project)   |  | 20000000  |
| 4)                                    | <b>Crop Development</b> (Additional New Project)   | (ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;   | 5000000   |
| 5)                                    | <b>Infrastructure Support to Laboratories</b><br>(Ongoing Project)   | (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.   | 2500000   |
| <b>CATEGORY - D- MEDICAL / HEALTH</b> |  |  | <b>57500000</b>                                 |
| 1)                                    | <b>Direct contribution to cataract eridication mission through Kantai Netralaya</b> (Ongoing Project)  | (i) promoting preventive health care and sanitation and making available safe drinking water   | 10000000  |
| 2)                                    | <b>Establishing Hospital (Netralaya) and Pathology Cum Dignostic Center</b> (New Project)  |  | 20000000  |
| <b>COVID-19 SUPPORT</b>               |  |  |   |
| 3)                                    | <b>Providing food to the patients, workers, labours, migrants and their families affected by COVID-19</b><br>(New Project)   | (i) Eradicating hunger, poverty and malnutrition, ["promoting health care including preventive health care"] and sanitation 4[including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.  | 10000000  |
| 4)                                    | <b>Infrastructure improvement support for COVID -19 treating centres and for the patients</b> (New Project)  |  | 5000000   |
| 5)                                    | <b>Helping local dispensaries by providing PPE Kits and essential medical supplies to fight COVID-19</b><br>(New Project)  |  | 2500000   |
| 6)                                    | <b>Creating awareness about COVID appropriate behaviour in the community.</b> (New Project)  |  | 2500000   |

| Sr. No.  | Projects Suggested  | Linkage to Schedule VII- Qualification Criteria for CSR Project  | Estimates Budget FY 21-22 to FY 25-26 (5 Years) |
|--|---|--|---|
| 7)   | <b>Providing financial support to the local communities amid COVID-19 crisis for diagnosis, medical tests, treatment and post treatment rehabilitation.</b> (New Project) | (xii) disaster management, including relief, rehabilitation and reconstruction activities.   | 2500000   |
| 8)   | <b>Extend assistance, help and provide infrastructure to fight the pandemic to the Needy, Hospitals, NGO's, Associates and their families.</b> (Additional New Project)   |  | 5000000   |
| <b>CATEGORY - E- PROTECTION OF NATIONAL HERITAGE, ART AND CULTURE</b>                |   |  | <b>7500000</b>                                  |
| 1)   | <b>Shivneri Fort Renovation</b> (Additional New Project)  | (v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;  | 5000000   |
| 2)   | <b>Vavarda - Multipurpose Community Hall and Library</b> (New Project)  |  | 2500000   |
| <b>CATEGORY - F- ENVIRONMENTAL SUSTAINABILITY</b>                                    |   |  | <b>12500000</b>                                 |
| 1)   | <b>Rejuvenation of city gardens by increasing tree cover, waste handling and increasing awareness on environmental and cultural values.</b> (Ongoing Project)             | (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga]. | 5000000   |
| 2)   | <b>5 Gardens in Jalgaon District</b> (New Project)  |  | 5000000   |
| 3)   | <b>Afforestation Activities during world environment day and 'Van Mohtsava' Campaign of Maharashtra Government</b> (Ongoing Project)                                      |  | 2500000   |
| <b>CATEGORY - G- SPORTS</b>  |   |  | <b>40000000</b>                                 |
| 1)   | <b>Direct Support to Jain Sports Academy</b> (Ongoing Project)  | (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports   | 30000000  |
| 2)   | <b>Build Stadium to Promote Rural and National Sports</b> (New Project)   | (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports   | 10000000  |
| <b>CATEGORY - H- BASIC FACILITIES FOR THE UNDERPRIVILEGED SECTION OF THE SOCIETY</b> |   |  | <b>15000000</b>                                 |
| 1)   | <b>100 Homes for Homeless</b> (New Project)   | (i) Eradicating hunger, poverty and malnutrition, ["promoting health care including preventive health care"] and sanitation 4[including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.  | 15000000  |
| <b>CATEGORY - I- DISASTER MANAGEMENT</b>   |   |  | <b>5000000</b>                                  |
| 1)   | <b>Flood Protection</b> (New Project)   | (xii) disaster management, including relief, rehabilitation and reconstruction activities.   | 5000000   |

Conclusion:- Company is following CSR procedure regarding mandated expenditure and will continue to do in future.

Sd/-

**Mr. Devendra Raj Mehta**

Non-Executive Independent Director  
(Chairman CSR Committee)

Date : 6<sup>th</sup> August, 2021

Place : Jaipur

Sd/-

**Mr. Ashok B. Jain**

Whole Time Director  
(Member CSR Committee)

Date : 6<sup>th</sup> August, 2021

Place : Jalgaon

# ANNEXURE IV

## CORPORATE GOVERNANCE REPORT

### 1) Corporate Governance

Corporate governance is the application of best management practices, compliance of laws, rules, regulations and adherence to standards to achieve the objects of Jain Irrigation Systems Limited ("the Company"), enhance stakeholder value and discharge social responsibility. The Corporate Governance Structure in the Company assigns responsibility and authority to the Board of Directors, its committees, executive management and senior management employees, among others. The Company has to follow the Companies Act, 2013 ("the Act") and as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") and in most clauses stricter of the two. Hence Governance has become more of a challenge and compliances of laws/regulations make it further daunting task, with ever changing environment.

#### Company's Philosophy on Corporate Governance

The Company acknowledges its responsibilities to its stakeholders. The Company believes that the corporate governance helps to achieve commitment and goals to enhance stakeholder value by giving equal attention to all stakeholders. The Company's core values are based on integrity, emphasis on product quality and transparency in its dealings with all stakeholders. Any good corporate governance provides an appropriate framework for the Board, its committees and the executive management to carry out the objectives that are in the interest of the Company and the stakeholders. The Company maintains highest levels of transparency, accountability and good management practices, through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities. The Company is committed to meeting the aspirations of all its stakeholders. The satisfaction of associates is reflected in the stability at all the levels of management. The Company is in compliance with the requirements of the Regulations on corporate governance stipulated in the Regulations. A code of conduct is framed and adopted in and the pursuit of excellence at corporate governance. Various policies adopted by Board are also adhered to strictly at all times.

#### The Company has three tiers of the governance pyramid:

- Shareholders - Board of Directors
- Committees of the Board

- Executive Management

Each of the tier operates within the given parameters as per prevailing laws and regulations or the best practices prevalent in the industry. The Board of Directors is responsible for establishing a framework that governs all departments, people, and operations across company. They're also responsible to see that management is carrying out the tasks that will lead to sound performance, profitability, and sustainability. In the course of their duties, Board may elect to delegate some of the work to various individuals, groups, or committees. Along with any delegated responsibility, the Board also delegates the appropriate levels of authority and responsibility to executive management in charge of the day to day operations.

### 2) Board of Directors

#### a) Board Composition

The Board of Directors of the Company comprises of Executive and Non-Executive Directors.

Since Shri. Ashok B. Jain is Whole Time Director, but is appointed as Chairman of the Meeting at each of the meetings of Board and Chairs the general Meetings also, the strength of Independent Directors is mandated at half of the strength of the Board. The Board has 7 independent members in the total strength of 14 Members. The Executive Directors are 5 in view of the diverse nature of the business together and multi product, multi-location spread of the business of the Company. The Independent Directors are professionals in their field and possess background of financial, legal and agriculture fields. 4 Independent Directors out of the 7 Directors are with the Company Board for less than 10 years at present. At present in terms of the Articles of Association the strength of the Board shall not be less than 3 and not more than 16. However, a further broad basing of the Board is to take place along with the restructuring (Resolution Plan) with the Lenders Nominee coming on Board very soon.

The Board of Directors have confirmed that the Independent Directors meet the criteria of independence as mentioned under Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the Regulations, that they are independent of the management and obligation provided under Regulations 17A of the Regulations, while also being not disqualified under the Section 164 of the Companies Act, 2013 for the year ended on 31<sup>st</sup> March 2021.



The composition of the Board and category of Directors are as follows:

| Name of Director                         | Category                                 | Directorship in other listed entity (Category of Directorship)  |
|--|--|---|
| Shri. Ashok Bhavarlal Jain               | Promoter Director- Executive             | None  |
| Shri. Anil Bhavarlal Jain                | Promoter Director- Executive             | None  |
| Shri. Ajit Bhavarlal Jain                | Promoter Director- Executive             | None  |
| Shri. Atul Bhavarlal Jain                | Promoter Director- Executive             | None  |
| Shri. R. Swaminathan                     | Non-Promoter Director Executive          | None  |
| Shri. Devendra Raj Mehta                 | Non-Promoter – Lead Independent Director | 1) Glenmark Pharmaceuticals Limited.<br>(Non-Executive-Independent)<br>2) Poly Medicure Limited<br>(Non-Executive-Independent-Chairperson)<br>3) JMC Projects (India) Limited<br>(Non-Executive-Independent-Chairperson)  |
| Shri. Ghanshyam Dass                     | Non-Promoter – Independent Director      | None  |
| Smt. Radhika Dudhat                      | Non-Promoter – Independent Director      | 1) Parag Milk Foods Limited<br>(Non-Executive-Independent)<br>2) TIPS Industries Limited<br>(Non-Executive-Independent)<br>3) Essel Propack Limited<br>(Non-Executive-Independent)<br>4) Fairchem Speciality Limited<br>(Non-Executive-Independent) dt of<br>cessation 12/08/2020 |
| Dr. Harishchandra Prasad Singh           | Non-Promoter – Independent Director      | None  |
| Mr. Johannes Bastiaan Boudewijn Mohrmann | Non-Promoter – Independent Director      | None  |
| Dr. Narendra Damodar Jadhav              | Non-Promoter – Independent Director      | 1) Dhani Services Limited<br>(formerly India bulls Ventures Limited)<br>2) Tata Teleservices (Maharashtra) Limited  |
| Shri. Mukul Abinash Sarkar               | Non-Promoter – Nominee Director          | 1) Hindustan Construction Company Limited   |
| Ms. Nancy Marie Barry                    | Non-Promoter – Independent Director      | None  |
| Mr. Uday Ramakant Garg                   | Non-Promoter – Nominee Director          | None  |

Shri. Ashok B. Jain, Shri. Anil B. Jain, Shri. Ajit B. Jain and Shri. Atul B. Jain are brothers. However, none of the other directors are related to any other director on the Board.

The following is the composition of the Board on 31<sup>st</sup> March, 2021:

| As on                        | Executive Directors | Non-Executive Directors | Total Strength |
|------------------------------|---------------------|-------------------------|----------------|
| 31 <sup>st</sup> March, 2021 | 5                   | 9                       | 14             |

The Shareholding of Directors in the Company is as under as on 31<sup>st</sup> March, 2021

| Sr. No. | Name of Directors                        | No. of Ordinary Equity Shares | % of Total Ordinary Equity Capital | No. of DVR Equity Shares | % of Total DVR Equity Capital |
|---------|--|-------------------------------|------------------------------------|--------------------------|-------------------------------|
| 1)      | Shri. Ashok B. Jain                      | 3,57,485                      | 0.07                               | 92,873                   | 0.48                          |
| 2)      | Shri. Anil B. Jain                       | 1,13,690                      | 0.02                               | 5,684                    | 0.03                          |
| 3)      | Shri. Ajit B. Jain                       | 8,61,205                      | 0.17                               | 4,67,010                 | 2.42                          |
| 4)      | Shri. Atul B. Jain                       | 1,75,980                      | 0.04                               | 8,798                    | 0.05                          |
| 5)      | Shri. Devendra Raj Mehta                 | 25,000                        | 0.01                               | 1,250                    | 0.01                          |
| 6)      | Shri. R. Swaminathan                     | 2,07,260                      | 0.04                               | 8,863                    | 0.05                          |
| 7)      | Shri. Ghanshyam Dass                     | -                             | -                                  | -                        | -                             |
| 8)      | Smt. Radhika Madhukar Dudhat             | 25,000                        | 0.01                               | 1,250                    | 0.01                          |
| 9)      | Dr. Harishchandra Prasad Singh           | -                             | -                                  | -                        | -                             |
| 10)     | Mr. Johannes Bastiaan Boudewijn Mohrmann | -                             | -                                  | -                        | -                             |
| 11)     | Dr. Narendra Damodar Jadhav              | -                             | -                                  | -                        | -                             |
| 12)     | Shri Mukul Abinash Sarkar                | -                             | -                                  | -                        | -                             |
| 13)     | Ms. Nancy Marie Barry                    | -                             | -                                  | -                        | -                             |
| 14)     | Mr. Uday Ramakant Garg                   | 64,450                        | 0.01                               | -                        | -                             |
|         | <b>Total</b>                             | <b>18,30,070</b>              | <b>0.37</b>                        | <b>5,85,728</b>          | <b>3.05</b>                   |

The Company has not issued any convertible securities or granted stock options to any of its Non-Executive Directors.

## **b) Meetings of Independent Directors**

The Independent Directors of the Company have met once on 13<sup>th</sup> February, 2021, without the presence of Executive Directors or management personnel. Such meeting was conducted to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the chairman of the meeting. The Lead Independent Director and Chairman of the meeting takes appropriate steps to present Independent Directors' views to the Chairman and Vice Chairman of the Company.

## **c) Code of Conduct**

The Company has in place a comprehensive Code of Conduct (the Code). A copy of the Code has been put on the Company's website ([www.jains.com](http://www.jains.com)). The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually. Additionally now the code is applicable to suppliers, vendors and customers of the Company also.

## **d) Scheduling and selection of agenda items for Board meetings**

A minimum four of pre-scheduled Board meetings are held annually. Convening of additional Board meetings depend on importance/ necessity of matters. Board Meetings are convened by giving at least 7 days' notice to address of the Director in India or by e mail or similar means, and to serve the Company's specific Board decision needs. The meetings are usually held at the Chairman's office at Jalgaon and via video conferencing Audio Visual means by electronic means as permitted.

The Board is given presentations covering Finance, Performance Review of various Segments of Business and their operations, overview of business operations of major subsidiary companies before taking on record the Company's quarterly/annual financial results/ statements.

### **The items / matters required to be placed before the Board, inter alia, include:**

- Appointment of Chairman of the each of the Board meeting.
- Confirm quorum requirements of the meeting.
- Grant leave of absence, if any.
- Review and confirm the minutes of previous Board meeting and Committee decisions.
- Brief on statutory developments, changes in government policies, among others with impact thereof, Directors' responsibilities arising out of any such developments.
- Quarterly/annual divisional performance vis a vis the Budget for the financial quarter/year adopted by Board and reasons and details for variations, if any.
- Annual operating plans of businesses and budgets including capital budgets and any updates.
- Quarterly results of the Company and review performance of various Segments of Business.
- Company's Annual Financial Results, Financial Statements, Auditors' Report and Board's Report
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Any material default in financial obligations to Financial Lenders and by the Company, or substantial non-payment for goods sold by the Company.
- Non-compliance of any regulatory, statutory or listing requirements, and shareholders' services.
- Appointment, remuneration and resignation of Directors.
- Formation/reconstitution of Board Committees.
- Terms of reference of Board Committees, important Transactions by Board of unlisted subsidiary companies.
- Declaration of Independent Directors at the time of appointment/annually.
- Disclosure of Directors' interest and their shareholding.
- Appointment or removal of the Key Managerial Personnel.
- Appointment of Internal Auditors, Cost Auditor, Statutory Auditors and Secretarial Auditors (as recommended by the Audit Committee)
- Quarterly / Annual Secretarial Audit reports submitted by Secretarial Auditors recommended by Audit Committee.
- Dividend declaration, as per the Dividend Policy adopted by the Company.
- Quarterly summary of all long-term borrowings made, bank guarantees issued and loans and investments made.
- Significant changes in accounting policies and internal financial controls.
- Takeover of a company or acquisition of a controlling or substantial stake in another company.
- Statement of significant transactions, related party transactions and arrangements entered by unlisted subsidiary companies.
- Issue of securities or fund raised generally( Working Capital thru ORC.
- Recommending appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee.
- Internal Audit findings and External Audit Reports (through the recommendation of Audit Committee).
- Proposals for major investments, mergers, amalgamations and reconstructions.
- Status of business risk exposures, its management and related action plans.
- Making of loans and investment of surplus funds.

- Borrowing of monies, giving guarantees or providing security in respect of loans (through Operations Review Committee within Budget limits approved annually).
- Significant write off's/disposals or incidents of fraud/theft etc.
- Convene general meetings of shareholders.
- Taking on record compliances certificates and minutes of Committees appointed by Board.
- The Chairman, Vice Chairman & Managing Director and Company Secretary in consultation with other concerned members of the senior management, finalise the agenda for Board/Committee meetings.

#### e) Board material distributed in advance

The agenda notes are circulated to Directors seven days in advance. The agenda papers are serially numbered with Index of contents. The documents which are not practicable to attach to the agenda are circulated at meeting. In special and exceptional circumstances, additional items on the agenda are permitted by the Chairman with the consent of all the directors present. Now Company intends to provide paperless environment for meetings.

#### f) Recording minutes of proceedings at Board and Committee meetings

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Board Committee members for their comments within fifteen days. The minutes are finalized and entered in the Minutes Book within thirty days from the conclusion of the meeting.

#### g) Post meeting follow-up mechanism

The Regulations for Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Board Committees thereof. Important decisions taken at Board/Board Committee meetings are communicated promptly to the concerned departments/divisions. Action-taken report on decisions/minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/Board Committee for noting.

#### h) Compliance

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting, is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Act, read with rules issued thereunder, as applicable and the Secretarial Standards recommended by the Institute of Company Secretaries of India or MCA circulars or SEBI (LODR), 2015 etc.

#### i) The table below gives the composition of Jain Irrigation's Board and the number of other Directorships and Committee Memberships as on 31<sup>st</sup> March, 2021.

| Sr. No. | Name of Directors                          | Other Directorship in Ltd. Co. | Other Directorship in Pvt. Ltd. Co. | Other Foreign Companies | Trust & Non Profit Organization | Membership in Committees of Companies (other than JISL) | Membership in Committees at JISL |
|---------|--|--------------------------------|-------------------------------------|-------------------------|---------------------------------|---|----------------------------------|
| 1)      | Shri. Ashok B. Jain                        | 2                              | 9                                   | Nil                     | 12                              | Nil   | 2                                |
| 2)      | Shri. Anil B. Jain                         | 2                              | 6                                   | 27                      | 9                               | Nil   | 1                                |
| 3)      | Shri. Ajit B. Jain                         | 2                              | 7                                   | 5                       | 8                               | Nil   | 2                                |
| 4)      | Shri. Atul B. Jain                         | 2                              | 10                                  | 16                      | 11                              | Nil   | 2                                |
| 5)      | Shri. Devendra Raj Mehta                   | 8                              | 1                                   | Nil                     | Nil                             | Nil   | 2                                |
| 6)      | Shri. R. Swaminathan                       | Nil                            | Nil                                 | 2                       | Ni                              | Nil   | 1                                |
| 7)      | Shri. Ghanshyam Dass                       | 3                              | 1                                   | Nil                     | 4                               | Nil   | 2                                |
| 8)      | Smt. Radhika Madhukar Dudhat               | 4                              | 3                                   | Nil                     | Nil                             | 9   | 2                                |
| 9)      | Dr. Harishchandra Prasad Singh             | 1                              | 1                                   | Nil                     | Nil                             | Nil   | 2                                |
| 10)     | Shri. Johannes Bastiaan Boudewijn Mohrmann | Nil                            | Nil                                 | Nil                     | Nil                             | Nil   | 2                                |
| 11)     | Dr. Narendra Damodar Jadhav                | 3                              | Nil                                 | Nil                     | Nil                             | Nil   | 2                                |
| 12)     | Shri. Mukul Abinash Sarkar                 | 2                              | Nil                                 | Nil                     | Nil                             | Nil   | Nil                              |
| 13)     | Ms. Nancy Marie Barry                      | Nil                            | Nil                                 | Nil                     | Nil                             | Nil   | 2                                |
| 14)     | Mr. Uday Ramakant Garg                     | 4                              | Nil                                 | 7                       | Nil                             | Nil   | 2                                |

## j) Meetings of Board and its Committees

Meetings of Board and its Committees are held as and when required. The meetings of the Board and Audit Committee normally last for a day and in some cases are held over two days. The Board of Directors met Six times and AGM was held on 30<sup>th</sup> December, 2020 during the year.

| Date of Board Meetings |                                  |
|------------------------|----------------------------------|
| Sr. No.                | Date                             |
| 1)                     | 21 <sup>st</sup> April, 2020     |
| 2)                     | 31 <sup>st</sup> July, 2020      |
| 3)                     | 15 <sup>th</sup> September, 2020 |
| 4)                     | 10 <sup>th</sup> November, 2020  |
| 5)                     | 08 <sup>th</sup> December, 2020  |
| 6)                     | 13 <sup>th</sup> February, 2021  |

The attendance details are as follows;

| Sr. | Name of Directors                          | Designation                       | Category                     | BOD | AGM |
|-----|--|-----------------------------------|------------------------------|-----|-----|
| 1)  | Shri. Ashok B. Jain                        | Whole Time Director               | Promoter Director            | 6   | Yes |
| 2)  | Shri. Anil B. Jain                         | Vice Chairman & Managing Director | Promoter Director            | 6   | Yes |
| 3)  | Shri. Ajit B. Jain                         | Joint Managing Director           | Promoter Director            | 6   | Yes |
| 4)  | Shri. Atul B. Jain                         | Joint Managing Director           | Promoter Director            | 6   | Yes |
| 5)  | Shri. R. Swaminathan                       | Executive Director                | Executive Director           | 6   | Yes |
| 6)  | Shri. Devendra Raj Mehta                   | Director                          | Independent Director         | 6   | No  |
| 7)  | Shri. Ghanshyam Dass                       | Director                          | Independent Director         | 4   | Yes |
| 8)  | Smt. Radhika Madhukar Dudhat               | Director                          | Independent Director         | 6   | No  |
| 9)  | Dr. Harishchandra Prasad Singh             | Director                          | Independent Director         | 6   | No  |
| 10) | Shri. Johannes Bastiaan Boudewijn Mohrmann | Director                          | Independent Director         | 6   | No  |
| 11) | Dr. Narendra Damodar Jadhav*               | Director                          | Independent Director         | 4   | No# |
| 12) | Shri Mukul Abinash Sarkar*                 | Director                          | Nominee Director (Exim Bank) | 3   | No  |
| 13) | Ms. Nancy Marie Barry *                    | Director                          | Independent Director         | 4   | No  |
| 14) | Mr. Uday Ramakant Garg*                    | Director                          | Nominee Director (Mandala)   | 4   | No  |

\*Appointed on 30<sup>th</sup> December, 2020 in 33<sup>rd</sup> Annual General Meeting.

# He was unable to attend 33<sup>rd</sup> AGM due to prior commitment being a RAJYA SABHA Member.

## k) Disclosure for retiring Director

| Name, Designation and Qualification                | Experience and expertise in specific functional areas   | Other Company Directorships, Committee Memberships, Trustee, Proprietor, Partner etc.  |
|--|---|--|
| Shri Atul B. Jain, Chief Financial Officer, B.Com. | Mr. Atul B. Jain is a Commerce Graduate. Mr. Atul Jain took over the marketing responsibilities of Jain Irrigation products initially at the Mumbai office before going to New York, Dubai, Africa and Europe for further business penetration. Besides overall marketing management responsibility he has also handled all India marketing function of Drip Irrigation and PVC pipe products, PE and other speciality pipes and fittings all over the world. He has been involved with development of new applications & products in overseas markets for food, plastic and sheet divisions. He is currently also Chief Financial Officer of the Company. Since 2002, Mr. Atul Jain has been based in Jalgaon. He oversees the marketing of Irrigation products, piping products in both domestic and international markets. He is a great believer in innovation. He has been instrumental in developing a strong market for PVC pipes for domestic and export markets. | <b>Director – Jain Irrigation Systems Ltd</b> <ol style="list-style-type: none"> <li>1) Jalgaon Investments Private Limited</li> <li>2) Pixel Point Private Limited</li> <li>3) Jain Extrusion and Moulding Private Limited</li> <li>4) Jain Rotfil Heaters Private Limited</li> <li>5) Atlaz Technology Private Limited</li> <li>6) Timbron India Private Limited</li> <li>7) Jain Vanguard Polybutylene Limited</li> <li>8) Jain Eagro.Com India Private Limited</li> <li>9) Cosmos Investment and Trading Private Limited</li> <li>10) JAF Products Private Limited</li> <li>11) Jain Brothers Industries Private Limited</li> <li>12) Jain Farm Fresh Foods Limited</li> </ol> <b>Director in Foreign Companies:</b> <ol style="list-style-type: none"> <li>1) JISL Overseas Limited</li> <li>2) Cascade Specialties Inc.</li> <li>3) Jain America Foods Inc.</li> <li>4) Jain (Europe) Limited</li> <li>5) Jain Overseas Investments Limited</li> <li>6) Jain Investment &amp; Finance BV</li> <li>7) Jain America Holdings Inc. Delaware</li> <li>8) Sleaford Quality Foods Limited</li> </ol> |



| Name, Designation and Qualification | Experience and expertise in specific functional areas   | Other Company Directorships, Committee Memberships, Trustee, Proprietor, Partner etc.   |
|-------------------------------------|---|---|
|                                     | <p>He is widely travelled &amp; travels all over the world for continued market development and extension to both Developing Countries the JISL Business Model of Sustainable Development &amp; Uplift of the Entire Community, based of which each of JISL's Products &amp; Services are developed.</p> <p>Under his able direction JISL has signed MOU with Governments in India and abroad, wherein JISL has been given the mandate for developing a total Country Plan for achieving Food &amp; Water Security. Mr. Atul Jain has a passion to build complete solution around water at country and city levels.</p> | <p>9) Sleaford Food Group Limited<br/>10) Arnolds Quick Dried Foods Limited<br/>11) Jain International Foods Limited<br/>12) Ex-cel Plastics Limited<br/>13) Jain Farm Fresh Holdings SPRL<br/>14) Innovatrading BVBA<br/>15) Innovafood N.V.<br/>16) Ex-cel Plastic Piping Systems</p> |
|                                     |   | <b>Partner</b>  |
|                                     |   | 1) Jalgaon Udyog<br>2) Jain Computer and Allied Services<br>3) Jalgaon Metals and Bricks Manufacturing Co.  |
|                                     |   | <b>Proprietorship</b>   |
|                                     |   | 1) Jain Sons & Investment Corporation   |
|                                     |   | <b>Trust</b>  |
|                                     |   | 1) Bahinabai Chaudhari Memorial Trust<br>2) Anubhuti Scholarship Foundation<br>3) Jain Family Holding Trust<br>4) Jain Family Investment Trust<br>5) Jain Family Enterprises Trust<br>6) Jain Family Investment Management Trust<br>7) Jain Family Trust                                |
|                                     |   | <b>Committee Membership:</b>  |
|                                     |   | <b>Member</b>   |
|                                     |   | i) Operations Review Committee<br>ii) Risk Management Committee<br>iii) Corporate Social Responsibility Committee   |
|                                     | <b>Designation</b>  | <b>Period</b>   |
|                                     | Executive Director  | 30.09.2005 to 01.09.2009  |
|                                     | Executive Director (Reappointment)  | 01.09.2009 to 05.09.2011  |
|                                     | Joint Managing Director (Reappointment)   | 05.09.2011 to 30.09.2012  |
|                                     | Joint Managing Director (Reappointment)   | 01.10.2012 to 25.09.2014  |
|                                     | Joint Managing Director (Reappointment as KMP)  | 26.09.2014 to 09.11.2017  |
|                                     | Redesignated as Chief Financial Officer   | w.e.f. 10.11.2017   |
|                                     | Joint Managing Director and Chief Financial Officer   |   |

### 3) Audit Committee

- i) The Audit Committee meetings are generally conducted just before the Board Meeting. The Audit Committee has the following powers:
- To investigate any activity within its terms of reference
  - To seek information from any employee
  - To obtain outside legal or other professional advice
  - To secure attendance of outsiders with relevant expertise, if it considers necessary

Brief description of terms of reference of the Audit Committee includes following

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor/Internal Auditor/Cost Auditors and the fixation of audit fees.
- Review Internal Audit Reports and discussion with internal auditors regarding any significant findings and follow up there on.
- Reviewing with the management the annual financial statements before submission to the Board for approval, with particular reference to:

- i) Change, if any, in accounting policies and practices and reasons for the same.
- ii) Compliance with listing and other legal requirement relating to financial statements.
- iii) Qualifications in the draft audit report.
- iv) Disclosure and approval of related party transactions as come up during the course of the year.
- v) Statutory liabilities (Direct/indirect taxes) of the Company.
- e) Financial reporting to all Stakeholders: The Management is responsible for financial reporting and internal control in the Company. The Statutory Auditors are responsible for performing audit of the Company's financial statements in accordance with the generally accepted audit practices and issue reports based on such audits. The Audit Committee is responsible for supervising the financial reports, Statutory Audit and Internal Audit to ensure accurate and appropriate disclosures that maintain and enhance quality of financial reporting.
- f) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
- g) Compliance with listing and other legal requirements relating to financial statements;
- h) Reviewing and monitoring the auditors independence and performance, and effectiveness of audit process Approval or any subsequent modification of transactions of the Company with related parties
- i) Scrutiny of inter-corporate loans and investments Valuation of undertakings or assets of the Company, wherever it is necessary.
- j) Evaluation of internal financial controls and risk management systems.
- k) The Management Discussion and Analysis of financial condition and results of operations;
- l) Formulating the scope, functioning, periodicity and methodology for conducting the internal audit, reviewing the adequacy of internal audit function, if any, reporting structure coverage and frequency of internal audit, discussion with internal auditors of any significant findings and follow-up thereon.
- m) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- n) To review the functioning of the Vigil Mechanism and Whistle Blower Mechanism.
- o) Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 2018.
- p) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- q) Compliance Certificate certifying compliance with all laws as applicable to the Company
- r) To Review Show cause, demand, prosecution notices and penalty notices, which are materially important
- s) To Review any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company
- t) To Review status of business risk exposures, its management and related action plans

## ii) Composition of Audit Committee:

The Committee's composition meets with requirements of Section 177 of the Act, and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. Members of the Audit Committee possess financial/accounting expertise/exposure.

The following are the members of the Audit Committee, as on 31<sup>st</sup> March 2021:

| Sr. No. | Name of Director                          | Designation                | Skill Sets                             |
|---------|---|----------------------------|--|
| 1       | Shri. Ghanshyam Dass                      | Chairman                   | Ex-Banker                              |
| 2       | Mr. Johannes Bastiaan Boudewijn Mohrmann* | Member (w.e.f. 01.08.2020) | Ex-International Financial Institution |
| 3       | Dr. Narendra Damodar Jadhav*              | Member (w.e.f. 01.08.2020) | Ex-Dy. Governor RBI                    |
| 4       | Ms. Nancy Marie Barry*                    | Member                     | Ex-World Bank                          |
| 5       | Mr. Uday Ramakant Garg*                   | Member                     | Financial Analyst                      |
| 6       | Smt. Radhika Madhukar Dudhat**            | Member (upto 31.07.2020)   | Corporate Lawyer                       |
| 7       | Dr. Harishchandra Prasad Singh**          | Member (upto 31.07.2020)   | Scientist                              |
| 8       | Mr. Anil B Jain*                          | Member (01.08.20 onwards)  | Commerce Graduate, Lawyer              |

\* Appointed on 31.07.2020 (re-constitution Audit Committee)

\*\* Retired on 31.07.2020 (re-constitution Audit Committee)

The Company Secretary is the Secretary and Convener of the Committee.

The Statutory Auditors were present in all five Audit Committee meetings held during the FY 2020-21.

**iii) Audit Committee meetings and attendance**

Dates of Audit Committee Meetings in FY 2020-21 are as follows:

| Sr. No. | Date       |
|---------|------------|
| 1)      | 31.07.2020 |
| 2)      | 15.09.2020 |
| 3)      | 10.11.2020 |
| 4)      | 06.12.2020 |
| 5)      | 12.02.2021 |

**Presence at Audit Committee Meetings:**

| Name of Directors                         | Designation | Category                          | Total meetings | Meetings Attended |
|---|-------------|-----------------------------------|----------------|-------------------|
| Shri. Ghanshyam Dass                      | Chairman    | Independent Director              | 5              | 3                 |
| Mr. Anil B Jain*                          | Member      | Vice Chairman & Managing Director | 5              | 4                 |
| Mr. Johannes Bastiaan Boudewijn Mohrmann* | Member      | Independent Director              | 5              | 4                 |
| Dr. Narendra Damodar Jadhav*              | Member      | Independent Director              | 5              | 4                 |
| Ms. Nancy Marie Barry*                    | Member      | Independent Director              | 5              | 3                 |
| Mr. Uday Ramakant Garg*                   | Member      | Nominee Director                  | 5              | 4                 |
| Smt. Radhika Madhukar Dudhat**            | Member      | Independent Director              | 5              | 1                 |
| Dr. Harishchandra Prasad Singh**          | Member      | Independent Director              | 5              | 1                 |

\* Appointed on 31.07.2020 (re-constitution Audit Committee)

\*\* Retired on 31.07.2020 (re-constitution Audit Committee)

**iv) General**

The representatives of Statutory Auditors are permanent invitees to the Audit Committee meetings. The statutory auditors were present in all five Audit Committee meetings held during the FY 2020-21. Executives of accounts department, finance department, corporate secretarial department and internal audit department and representatives of internal auditors attend the Audit Committee meetings. The internal auditor reports directly to the Audit Committee.

The Chairman of the Audit Committee was present at the last Annual General Meeting, held on 30<sup>th</sup> December, 2020.

**v) Subsidiary Companies****The Company has the following direct wholly owned subsidiaries:**

- a) JISL Overseas Ltd., Mauritius
- b) Jain International Trading BV, Netherlands
- c) Jain Processed Foods Trading and Investments Pvt. Ltd.,  
The Company has the following unlisted Indian subsidiaries
  - i) Jain Farm Fresh Foods Limited.
  - ii) Dripteck India Private Limited

Shri. Ghanshyam Dass, Independent Director was nominated on the Board of Jain Farm Fresh Foods Ltd on 30<sup>th</sup> May 2016 as Nominee of the Board of the Company.

**The Company monitors performance of its all subsidiary companies, inter alia, by the following means:**

- Financial statements, in particular investments made by the subsidiary companies, are reviewed quarterly by the Company's Audit Committee.
- A statement containing all significant transactions and arrangements entered into by subsidiary companies is placed before the Company's Board.
- Copy of minutes of Jain Farm Fresh Foods Limited and Dripteck India Private Limited are placed before the Board of Directors of the Company at periodic intervals.
- Copy of minutes of board meetings, audit committee meetings held by subsidiary companies are placed before the Board of Directors of the Company at periodic intervals.

## 4) Nomination and Remuneration Committee

### i) Brief description of terms of reference:

The Nomination and Remuneration Committee ("NRC") is formulated for determining qualification, positive attributes and independence of a Director while appointing new members to Board of Directors and recommend to the Board the policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees,

The Committee's composition meets with requirements of Section 178 of the Act, and the SEBI (LODR) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The NRC considers and recommends the appointment and remuneration of Executive Directors, Non-Executive Directors and KMP's in the Company, the allotment/devolution of ESOP's under approved ESOP Scheme 2011. The following meetings held during the year 2020-21.

| Sr. No. | Date                        |
|---------|-----------------------------|
| 1)      | 31 <sup>st</sup> July, 2020 |

### ii) Composition:

Committee consists of following persons as on 31<sup>st</sup> March, 2021:

| Sr. No. | Name of Director               | Designation |
|---------|--------------------------------|-------------|
| 1       | Smt. Radhika Pereira           | Chairperson |
| 2       | Shri. Ashok B. Jain            | Member      |
| 3       | Shri. D R Mehta**              | Member      |
| 4       | Dr. Harishchandra Prasad Singh | Member      |
| 5       | Ms. Nancy Marie Barry*         | Member      |

\* Appointed on 31.07.2020 (re-constitution Nomination and Remuneration Committee)

\*\* Retired on 31.07.2020 (re-constitution Nomination and Remuneration Committee)

The Company Secretary is the Secretary and Convener of the Committee.

### iii) Presence at Nomination and Remuneration Committee Meetings during the year FY 2021 is as follows:

| Name of Directors              | Designation | Category             | Total meetings | Meetings Attended |
|--------------------------------|-------------|----------------------|----------------|-------------------|
| Smt. Radhika Madhukar Dudhat   | Chairperson | Independent Director | 1              | 1                 |
| Dr. Harishchandra Prasad Singh | Member      | Independent Director | 1              | 1                 |
| Shri. D. R. Mehta**            | Member      | Independent Director | 1              | 1                 |
| Shri. Ashok B. Jain            | Member      | Whole Time Director  | 1              | 1                 |
| Ms. Nancy Marie Barry*         | Member      | Independent Director | 1              | 0                 |

\* Appointed on 31.07.2020 (re-constitution Nomination and Remuneration Committee)

\*\* Retired on 31.07.2020 (re-constitution Nomination and Remuneration Committee)

### iv) Criteria for evaluation of Independent Directors:

Director's Vision, Business & Industry Knowledge, expertise, Director's Business Commitment & Organizational Leadership, Director's engagement at the Board deliberations, integrity & honesty, etc..

### v) Remuneration Policy

#### Appointment and Remuneration Policy

- In accordance with Section 178 of the Act, and the Regulations, Nomination and Remuneration Committee is constituted and the Board on its recommendation has framed Appointment and Remuneration Policy in FY 2016-17 which was amended during the year FY 2019 and revised Appointment and Remuneration Policy was made effective from 01.04.2019.
- NRC meets once in at least six months and minutes are submitted to the Board.
- Persons to be appointed as Directors should be persons of integrity; meet regulatory requirements and possess requisite knowledge/expertise/skills/experience. NRC would decide whether their qualifications, expertise and other attributes are adequate for the position.



- Remuneration payable to Executive Directors ("ED's") would be comparable with ED's of other companies, which have comparable level of business. Fixed remuneration would include perquisites and allowances and other perquisites like car and telephone, among others, as per the Company's policy. Variable pay is based on performance. Stock option will be on the basis of Stock Option Plan as per law in existence. Increment would be based on the Company's policy. No sitting fees will be paid to Whole Time Directors.
- The overall limits (including the Schedules) prescribed under the Companies Act 2013, shall be as laid down in the Act.
- Chief Financial Officer and Company Secretary should have requisite qualifications, experience and attributes commensurate with the position. Fixed remuneration will include perquisites and allowances, other retirement benefits, car and telephone, among others.
- Independent Directors ("ID's") should meet the regulatory requirements. They should have general qualification and attributes adequate for the position. Besides, honesty and integrity is a must.
- IDs' would be entitled to sitting fees and commission, as a percentage of net profit, depending upon profits of the Company and regulatory provisions of the Companies Act, 2013.
- The appointment and removal of Directors, and KMP's will be considered by NRC and recommended to the Board, after due evaluation of the performance of personnel.
- Board diversity shall be considered from a number of aspects including but not limited to gender, cultural and educational background, geographical location, industry experience/expertise and skills. However, all appointments will be based on meritocracy and the Company's requirements.
- For orderly succession for appointment to the Board and to senior management, the NRC formulates policies, institutes processes which enable the identification of individuals who are qualified to become Directors and who may be appointed in senior management position.
- The criteria for performance evaluation of the Independent Directors included aspects on contribution to the Board and Committee meetings, like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.
- The Service Contracts are executed with Executive Directors and the tenure of office of Executive Directors is 5 (five) years from their date of appointment and can be terminated by either party by giving 60 days' notice.
- There are no stock options issued (at discount) live at the moment.
- The securities of the Company are not suspended from trading during FY 21.

#### vi) Remuneration to Directors

The remuneration paid or payable to the Directors for services rendered during FY 2020-21 is given hereunder:

##### A) Executive Directors

(Amount in ₹)

| Sr. No.      | Name                 | Designation                                     | Remuneration      | Perquisites*      | Total              | Commission | Sitting Fees | Total              |
|--------------|----------------------|---|-------------------|-------------------|--------------------|------------|--------------|--------------------|
| 1            | Shri Ashok B. Jain   | Whole Time Director                             | 15,238,800        | 15,273,121        | 30,511,921         | -          | -            | 30,511,921         |
| 2            | Shri Anil B. Jain    | Vice Chairman & Managing Director               | 15,238,800        | 15,273,121        | 30,511,921         | -          | -            | 30,511,921         |
| 3            | Shri Ajit B. Jain    | Jt. Managing Director                           | 15,238,800        | 15,273,121        | 30,511,921         | -          | -            | 30,511,921         |
| 4            | Shri Atul B. Jain    | Jt. Managing Director & Chief Financial Officer | 15,238,800        | 15,273,121        | 30,511,921         | -          | -            | 30,511,921         |
| 5            | Shri. R. Swaminathan | Executive Officer                               | 5,203,200         | 3,177,512         | 8,380,712          | -          | -            | 8,380,712          |
| <b>Total</b> |                      |   | <b>66,158,400</b> | <b>64,269,996</b> | <b>130,428,396</b> | <b>-</b>   | <b>-</b>     | <b>130,428,396</b> |

**B) Non-Executive Directors**

(Amount in ₹)

| Sr. No. | Name                                       | Designation                  | Remuneration      | Perquisites       | Total              | Commission | Sitting Fees     | Total               |
|---------|--|------------------------------|-------------------|-------------------|--------------------|------------|------------------|---------------------|
| 1)      | Smt. Radhika Pereira                       | Independent Director         | -                 | -                 | -                  | -          | 5,50,000         | 5,50,000            |
| 2)      | Shri. Ghanshyam Dass                       | Independent Director         | -                 | -                 | -                  | -          | 4,00,000         | 4,00,000            |
| 3)      | Shri. Devendra Raj Mehta                   | Independent Director         | -                 | -                 | -                  | -          | 4,00,000         | 4,00,000            |
| 4)      | Dr. Harishchandra Prasad Singh             | Independent Director         | -                 | -                 | -                  | -          | 5,00,000         | 5,00,000            |
| 5)      | Shri. Johannes Bastiaan Boudewijn Mohrmann | Independent Director         | -                 | -                 | -                  | -          | 5,00,000         | 5,00,000            |
| 6)      | Dr. Narendra Damodar Jadhav*               | Independent Director         |                   |                   |                    |            | 4,50,000         | 4,50,000            |
| 7)      | Ms. Nancy Marie Barry*                     | Independent Director         |                   |                   |                    |            | 3,50,000         | 3,50,000            |
| 8)      | Shri. Mukul Abinash Sarkar*                | Nominee Director (Exim Bank) |                   |                   |                    |            | 1,50,000         | 1,50,000            |
| 9)      | Mr. Uday Ramakant Garg*                    | Nominee Director (Mandala)   |                   |                   |                    |            | 4,00,000         | 4,00,000            |
|         | <b>Total</b>                               |                              | -                 | -                 | -                  | -          | <b>37,00,000</b> | <b>37,00,000</b>    |
|         | <b>Grand Total A+B</b>                     |                              | <b>66,158,400</b> | <b>64,269,996</b> | <b>130,428,396</b> | -          | <b>37,00,000</b> | <b>13,41,28,396</b> |

\*Appointed as Additional Directors on 31.07.2020 and as Independent/Nominee on 30.12.2020 in 33rd Annual General Meeting.

There are no transactions with Non Executive/Independent Directors of the Company except sitting fees as disclosed above.

**vii) Terms of Appointment of Executive Directors:**

| Sr. No. | Name                 | Period                             | Basic Remuneration Per annum (₹)<br>From 1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2021 | Commission |
|---------|----------------------|------------------------------------|--|------------|
| 1)      | Shri. Ashok B. Jain  |                                    | 15,238,800   | NIL        |
| 2)      | Shri. Anil B. Jain   | Reappointed w.e.f. 1 <sup>st</sup> | 15,238,800   | NIL        |
| 3)      | Shri. Ajit B. Jain   | October, 2018 to 30th              | 15,238,800   | NIL        |
| 4)      | Shri. Atul B. Jain   | September, 2023                    | 15,238,800   | NIL        |
| 5)      | Shri. R. Swaminathan |                                    | 5,203,200  | NA         |

Perquisites: (Common to all above)

- Contribution to the Provident Fund, Superannuation Fund, Annuity Fund and /or Gratuity;
- Gratuity not exceeding half-month salary for each year of completed service under this appointment;
- Leave encashment, if any, as per Company's policy applicable.

Additional perquisites for Shri. Ashok B. Jain, Shri. Anil B. Jain, Shri. Ajit B. Jain and Shri. Atul B. Jain.

**a) Housing:** Rent free furnished accommodation or house rent allowance in lieu thereof upto 15% of salary or Actual Rent per month, whichever is lower;

**b) Medical Expenses Reimbursement:** Reimbursement of all medical expenses incurred for self and family (family means spouse and the dependent children of the appointee) at actuals (including domiciliary and medical expenses) and insurance premium for medical and hospitalization policy as applicable as per Company's policy;

**c) Leave Travel Expenses:** Leave Travel Expenses for self and family in accordance with the policy of the Company and Income Tax Rules;

**d) Club Fees:** Fees of Clubs subject to a maximum of two clubs.

**e) Personal accident insurance premium:** Personal accident insurance under Group Personal Accident Policy of the Company;

**f) Car:** Car with driver shall be provided for use on Company's business and the same will not be considered as perquisite; use of car for private purposes shall however, be billed by the Company, if any;

- g) **Telephone:** Telephone at residence and mobile telephones will be provided and the same will not be considered as perquisite;
- h) Coverage under Keyman Insurance Scheme as may be deemed fit by Nomination and Remuneration Committee/ Board of Directors.
- i) Contribution upto 10% of salary into National Pension Scheme.
- j) **Other Allowances/ benefits, perquisites** - any other allowances, benefits and perquisites as per the Rules applicable to the Higher Management and Key Managerial Personnel(s) of the Company and/ or which may become applicable in the future and/ or any other allowance, perquisites as the Board/ Nomination and Remuneration Committee may from time to time decide.

## 5) Stakeholders Relationship Committee

The 'Stakeholders' Relationship Committee' ("SRC") was constituted by the Board on 11th August, 2014 by change of name of Shareholders Grievances Committee. The SRC is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading. The SRC's composition and the terms of reference meet with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of Section 178 of the Act.

### The scope of the committee is as follows:

- Oversee and review all matters connected with the transfer of the Company's Ordinary Equity/DVR Equity Shares
- Approve issue of the Company's duplicate share certificates.
- Consider, resolve and monitor redressal of investors'/ shareholders' grievances related to transfer of Shares non-receipt of Annual Report, non-receipt of declared dividend etc.
- Oversee the performance of the Company's Registrars and Transfer Agents
- Recommend methods to upgrade the standard of services to investors
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification/ amendment or modification as may be applicable
- Perform such other functions as may be necessary or appropriate for the performance of its duties
- Two meetings of SRC were held on 31<sup>st</sup> July, 2020 and 10th November, 2020 during the year FY 2020-21.

### i) Stakeholders Relationship Committee (SRC) comprises of the following as on 31<sup>st</sup> March, 2021:

| Sr. No. | Name of Member                 | Designation                    |
|---------|--------------------------------|--------------------------------|
| 1)      | Smt. Radhika Madhukar Dudhat** | Chairperson (upto 31.07.2020)  |
| 2)      | Dr. Narendra Damodar Jadhav*   | Chairperson w.e.f.01.08.2020 # |
| 3)      | Shri. Ajit B. Jain             | Member                         |
| 4)      | Dr. Harishchandra Prasad Singh | Member                         |
| 5)      | Shri. R. Swaminathan*          | Member                         |

\* Appointed on 31.07.2020 (re-constitution Stakeholders Relationship Committee (SRC) Committee)

\*\* Retired on 31.07.2020 (re-constitution Stakeholders Relationship Committee (SRC) Committee)

# He was unable to attend 33<sup>rd</sup> AGM due to prior commitment being a RAJYA SABHA Member.

The Company Secretary is the Secretary and convener of this Committee.

Presence at Stakeholders Relationship Committee (SRC) meeting:

| Name of Directors              | Designation                   | Category             | Total meetings | Meetings Attended |
|--------------------------------|-------------------------------|----------------------|----------------|-------------------|
| Smt. Radhika Madhukar Dudhat   | Chairperson (upto 31.07.2020) | Independent Director | 2              | 1                 |
| Dr. Narendra Damodar Jadhav*   | Chairperson w.e.f.01.08.2020  | Independent Director | 2              | 1                 |
| Dr. Harishchandra Prasad Singh | Member                        | Independent Director | 2              | 2                 |
| Shri. Ajit B. Jain             | Member                        | Executive Director   | 2              | 2                 |
| Shri. R. Swaminathan*          | Member                        | Executive Director   | 2              | 2                 |

\* Appointed on 31.07.2020 (re-constitution Stakeholders Relationship Committee (SRC) Committee)

\*\* Retired on 31.07.2020 (re-constitution Stakeholders Relationship Committee (SRC) Committee)

**ii) Compliance Officer: Shri. A. V. Ghodgaonkar- Company Secretary**

**iii) Shareholders queries received, solved and pending during the year ended 31st March 2021**

| Sr.No. | Nature of Complaints                      | Op. Balance | Received  | Resolved  | Balance  |
|--------|---|-------------|-----------|-----------|----------|
| 1      | Non-receipt of Shares after transfer      | -           | 1         | 1         | -        |
| 2      | Non-receipt of dividend                   | -           | 7         | 7         | -        |
| 3      | Non-receipt of Annual Report              | -           | 1         | 1         | -        |
| 4      | Non Receipt of Exchange Share Certificate | -           | 1         | 1         | -        |
| 5      | About Share Price                         | -           | 1         | 1         | -        |
|        | <b>Total</b>                              | <b>-</b>    | <b>11</b> | <b>11</b> | <b>-</b> |

**SEBI Complaints Redressal System (SCORES):** The investor complaints are processed in an centralized web-based complaints redressal system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATR's) by the Company/RTA and online viewing by investors of actions taken on the complaint and its current status. The Company has received and resolved 11 complaints during the year through scores.

## 6) Risk Management Committee

**i) Brief description of the Risk Management Committee**

The Risk Management Committee was constituted by the Board of Directors of the Company as on 10th August, 2015, as per the provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. Risk Management Committee dwells upon the potential risks associated with the business and their possible mitigation plans. The Risk Management Committee has met on 31<sup>st</sup> July, 2020.

**ii) Composition**

The composition of the Committee meets the legal requirements. Committee consists of following persons as on 31st March, 2021.

| Sr. No. | Name of Member               | Designation                |
|---------|------------------------------|----------------------------|
| a)      | Shri. Ghanshyam Dass         | Chairman                   |
| b)      | Shri. Ajit B. Jain           | Member (w.e.f. 31.07.2020) |
| c)      | Shri. Atul B. Jain           | Member                     |
| d)      | Smt. Radhika Madhukar Dudhat | Member                     |
| e)      | Shri. D.R. Mehta             | Member (w.e.f. 31.07.2020) |
| f)      | Shri. Bastiaan Mohrmann      | Member (w.e.f. 31.07.2020) |
| g)      | Shri. Uday Garg              | Member (w.e.f. 31.07.2020) |

The Company Secretary is the Secretary and convener of this Committee.

Presence at Committee (RMC) meeting:

| Name of Directors            | Designation                | Category             | Total meetings | Meetings Attended |
|------------------------------|----------------------------|----------------------|----------------|-------------------|
| Shri. Ghanshyam Dass         | Chairperson                | Independent Director | 1              | 1                 |
| Shri. Ajit B. Jain           | Member (w.e.f. 01.08.2020) | Executive Director   | 1              | Nil               |
| Shri. Atul B. Jain           | Member                     | Executive Director   | 1              | 1                 |
| Smt. Radhika Madhukar Dudhat | Member                     | Independent Director | 1              | 1                 |
| Shri. D R Mehta              | Member (w.e.f. 01.08.2020) | Independent Director | 1              | Nil               |
| Shri. Bastiaan Mohrmann      | Member (w.e.f. 01.08.2020) | Independent Director | 1              | Nil               |
| Shri. Uday Garg              | Member (w.e.f. 01.08.2020) | Nominee Director     | 1              | Nil               |

\* Appointed on 31.07.2020 (re-constitute Risk Management Committee)

\*\* Retired on 31.07.2020 (re-constitute Risk Management Committee)

**iii) Role(s) of the Committee**

- To assess the Company's risk profile and key areas of risk in particular.
- To recommend the Board and adoption of risk assessment and rating procedures.
- To articulate the Company's policy for the oversight and management of business risks.
- To examine and determine the sufficiency of the Company's internal processes for reporting on and managing key risk areas.
- To assess and recommend the Board acceptable levels of risk.
- To develop and implement a risk management framework and internal control system.



- To review the nature and level of insurance coverage.
- To have special investigations into areas of corporate risk and break-downs in internal control.
- To review management's response to the Company's auditors' recommendations those are adopted.
- To report the trends on the Company's risk profile, reports on specific risks and the status of the risk management process.
- To over see risk mitigation plans and strategy.

## 7) Operations Review Committee

The Board has since 2010 constituted Operations Review Committee, which undertakes the work of approving (within the borrowing powers approved by Board) individual sanction letters and delegates authority for completing documentation related to such borrowing, review the operational areas, delegation of authority for additional areas in view of increase in the size of operations, timely decisions for operational efficiency and effectiveness.

The Committee consists of the following persons as on 31<sup>st</sup> March, 2021.

| Sr.No. | Name                 | Designation | Meetings held | Meetings Attended |
|--------|----------------------|-------------|---------------|-------------------|
| a)     | Shri. Anil B. Jain   | Chairman    | 22            | 22                |
| b)     | Shri. Ajit B. Jain   | Member      | 22            | 22                |
| c)     | Shri. Atul B. Jain   | Member      | 22            | 22                |
| d)     | Shri. R. Swaminathan | Member      | 22            | 22                |

\*Being abroad for a large part to look into business issue of the subsidiary companies.

The Operations Review Committee has met 22 times during the FY 2020-21.

## 8) General Meetings

### a) Annual General Meeting

**i) The details of the location, date and time for last three Annual Meetings are given as below:**

| Year    | Location   | Date        | Time     |
|---------|--|-------------|----------|
| 2017-18 | Jain Plastic Park, N H No. 6, Bambhori, Jalgaon – 425001   | 28.09.2018  | 11.00 AM |
| 2018-19 | Jain Plastic Park, N H No. 6, Bambhori, Jalgaon – 425001   | 30.09.2019* | 11.00 AM |
| 2019-20 | Jain Plastic Park, N H No. 6, Bambhori, Jalgaon – 425001 Through Video Conferencing/Audio Visual Means | 30.12.2020  | 11.00 AM |

\* Adjourned and held on 27<sup>th</sup> December, 2019 and completed for the item of Dividend declaration on Equity and DVR Equity Shares of the Company.

### ii) Special Resolutions passed:

| Date of Meeting   | Matter of Special Resolution   |
|---|--|
| 31 <sup>st</sup> AGM held on 28 <sup>th</sup> September, 2018 | Mortgage/ Charge on select Immovable Properties/ Movable properties of the Company<br>Amendments to JISL ESOP 2011 and related issues<br>Issue of Secured Non-Convertible Debentures (NCD's) upto ₹ 5,000 million on Private Placement basis.  |
| 32 <sup>nd</sup> AGM held on 30 <sup>th</sup> September, 2019 | Re-appointment of Dr. Harish Chandra Prasad Singh (DIN: 06387125) as an Independent Director<br>Re-appointment of Shri. Ghanshyam Dass (DIN: 01807011) as an Independent Director<br>Re-appointment of Smt. Radhika Madhukar Dudhat (DIN: 00016712) as an Independent Director<br>Appointment of Shri. Johannes Bastiaan Boudewijn Mohrmann (DIN: 08574511) as an Independent Director |
| 33 <sup>rd</sup> AGM held on 30 <sup>th</sup> December, 2020  | Alteration in Articles of Association.   |

### b) Extra Ordinary General Meeting: None

#### i) Extra Ordinary General Meeting held: None

#### ii) Special Resolution(s) passed through Postal Ballot

The Company passed Special Resolution through Postal Ballot in meeting and through E-voting w.r.t. "Alteration in Articles of Association."

iii) Whether any special resolution is proposed to be conducted through Postal Ballot: None

iv) Procedure for Postal Ballot:

- Shareholders holding Shares in Physical mode: Company has dispatched Postal Ballot Form and procedure for voting to all Shareholders holding Shares in physical mode and having no mail Id.
- Shareholders holding Shares in electronic mode: Company has appointed Central Depository Services (India) Limited for conducting e-Voting by the members of the Company.

## 9) Disclosures

### i) Management Discussion and Analysis:

34<sup>th</sup> Annual Report has a detailed chapter on Management Discussion and Analysis.

### ii) Related Party Transaction (RPT):

The Company has not entered into materially significant RPT that may have potential conflict with the interest of the Company at large. However, the RPT's do first get approval of the Audit Committee. The Company does have trading relations with some of its trading wholly-owned subsidiary entities. The Audit Committee and Board on 29<sup>th</sup> June, 2021 and 30<sup>th</sup> June 2021 respectively approved on an omnibus basis RPT of ₹ 5,000 million under the provisions of Section 188 of the Act.

The details of related party transactions are given in detail in Note No. 36 of the Standalone Financial Statements of the Company for the year ended 31<sup>st</sup> March 2021.

The Company has in place the policy on materiality and dealing with Related Party Transactions, which is uploaded on the website of the Company.

The Company has disclosed the related party transactions on a consolidated basis under regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended 31<sup>st</sup> March, 2021.

### iii) Details of non-compliance by the Company:

**a) Capital Market Compliance:** There were no cases of non-compliance during the year with stock exchange where the shares of the Company are listed, SEBI regulations or any other statutory bodies nor any cases of penalties imposed by them for any non-compliance related to the capital market compliances during the last three years.

**b) Compliance under Companies Act:** There were no cases of non-compliance of applicable provisions of Companies Act, 2013 or any cases of penalties imposed by the Department of Corporate Affairs or the registrar of companies or any other statutory bodies for any non-compliance related to the Company Law provisions during the last three years.

**c) Insider Trading:** In terms of provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has formulated a 'code of internal procedure & conduct for prevention of insider trading' in shares of the Company. The code of conduct has been explained and circulated to the employees and is implemented by Compliance Officer, who reports to the Managing Director.

### iv) Whistle Blower Policy:

The Company has a Whistle Blower Policy and no personnel have been denied access to the Audit Committee.

### v) Policy for determining "material" subsidiaries:

The Company has a policy for determining "material" subsidiaries which is also uploaded on the website of the Company.

### vi) Secretarial Audit

The Company's Board of Directors appointed V Laxman & Co., Practicing Company Secretaries Firm, to conduct secretarial audit of its records and documents for the Financial Year 2021-22. V. Laxman & Co., Practicing Company Secretaries. N.L.Bhatia and Associates have been appointed as Secretarial Auditors for the Company's material subsidiary incorporated in India i.e Jain Farm Fresh Foods Limited to conduct secretarial audit of its records and documents for the financial year 2020-21.

The secretarial audit report confirms that the Company and its subsidiary i.e Jain Farm Fresh Foods Limited have certain qualifications and not complied with all applicable provisions of the Companies Act, 2013, Secretarial Standards, Depositories Act 1996, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended and all other regulations and Regulations of SEBI as applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.

### vii) Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The disclosure regarding prevention of Sexual harassment is given in the Board's Report.

The details relating to the number of complaints received and disposed of during the financial year 2020-21 are as under:

- |   |     |
|---|-----|
| a) Number of complaints filed during the financial year :         | Nil |
| b) Number of complaints disposed of during the financial year :   | Nil |
| c) Number of complaints pending as on end of the financial year : | Nil |

**viii) Total fees paid to Statutory Auditors of the Company:**

Total fees of ₹ 75,80,000 (Rupees Seventy Five Lakhs and Eighty Thousand Only) for FY 2020-21, for all services, was paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.

| Particulars                    | Amount (₹ in Lac) |
|--------------------------------|-------------------|
| Statutory Audit                | 65                |
| Limited Review                 | -                 |
| Tax Audit                      | -                 |
| Certification and other matter | 10.8              |
| <b>Total</b>                   | <b>75.8</b>       |

**ix) Details of preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the Listing Regulations.**

The Company has not raised funds through preferential allotment or qualified institutional placement.

**x) Recommendations of Committees of the Board**

There were no instances during the financial year 2020-21, wherein the Board had not accepted recommendations made by any committee of the Board.

**xi) Directors and Officer's Insurance**

The Company has taken Directors and Officer's Insurance for all its independent directors on Board. All Directors, Officers and Key Managerial Personnel are covered under the Director's and Officer's Liability Insurance policy. The policy amount appropriately covers the quantum and risk of all its directors, officers and key managerial personnel.

**xii) Director skills, expertise, competencies and attributes:**

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's aforesaid business(es) for it to function effectively and those available with the Board as a whole.

- i) General management/Governance:** Strategic thinking, decision making and protect interest of all stakeholders
- ii) Financial skills:** Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc.
- iii) Technical skills and professional skills and knowledge including legal and regulatory aspects.**

| Sr. | Name                    | Designation   | Skill Sets   |
|-----|-------------------------|---|--|
| 1   | Shri. Ashok B. Jain     | Chairman  | He is one of the promoters and has experience of 38 years. He is B.Com   |
| 2   | Shri. Anil B. Jain      | Vice Chairman and Managing Director                 | He is one of the promoters and has experience of 36 years. He is Lawyer and B.Com. He is a veteran professional with over 30 years of experience in core strategic areas such as finance and banking, domestic and international marketing, strategic planning, horizontal and vertical expansion, and change management.  |
| 3   | Shri. Ajit B. Jain      | Joint Managing Director                             | He is one of the promoters and has experience of 36 years. He is Mechanical Engineer by profession   |
| 4   | Shri. Atul B. Jain      | Joint Managing Director and Chief Financial Officer | He is one of the promoters and has experience of 29 years. He is B.Com Graduate.   |
| 5   | Shri. R. Swaminathan    | Director-Executive                                  | He is B.Tech (Chemical). He has been associated with the Company since inception   |
| 6   | Shri. Devendra R. Mehta | Director-Independent                                | He was the Chairman of Securities and Exchange Board of India (SEBI), an apex regulatory body that deals with the regulation and development of the capital market in India and Ex.Dy. Governor, Reserve Bank of India. He has been credited with transforming the capital market in India into a modern, efficient, safe, vibrant and a very investor friendly one. |
| 7   | Shri. Ghanshyam Dass    | Director-Independent                                | He has had an outstanding career in domestic, international banking and capital markets for over 32 years, during which he developed a firm understanding of the complexities of international markets and NASDAQ representative in India.   |

| Sr. | Name                                 | Designation                                       | Skill Sets  |
|-----|--------------------------------------|---|---|
| 8   | Ms. Radhika Dudhat                   | Director-Independent                              | She has worked on a wide range of transactional work in the areas of regulatory advisory, real estate, intellectual property rights, projects and project financing, corporate advisory and documentation and legal risk management advisory.   |
| 9   | Shri. Harishchandra Prasad Singh     | Director-Independent                              | In his career spanning 42 years, he has outstandingly contributed to research, education and development of horticulture and agriculture.   |
| 10  | Johannes Bastiaan Boudewijn Mohrmann | Director-Independent                              | He has over 35 years of multi-disciplinary experience across private sector, development, SME development, environmental sustainability and program management. He is Ex-International Financial Corporation.   |
| 11  | Dr.Narendra Jadhav                   | Director-Independent (w.e.f. 01.08.2020)          | He holds distinguished positions including Member, Planning Commission, Member, National Advisory Council (NAC), Vice- Chancellor of University of Pune and the Chief Economist, Dy. Governor, Reserve Bank of India.   |
| 12  | Shri. Mukul Sarkar                   | Nominee Director Of Exim Bank (w.e.f. 01.08.2020) | He is a Graduate [B.Tech] in Mechanical Engineering from Indian Institute of Technology, Kharagpur, and an MBA from Indian Institute of Management, Calcutta. He has over 30 years of experience in Indian financial sector mainly in the area of investment banking, corporate banking, trade finance and risk management.                               |
| 13  | Ms.Nancy Barry                       | Director-Independent (w.e.f. 01.08.2020)          | She is currently the President and CEO of NBA Enterprise Solutions to Poverty since 2006 and Ex-World Bank  |
| 14  | Mr. Uday Ramakant Garg               | Nominee Director Of Mandala (w.e.f. 01.08.2020)   | He founded Mandala Capital in 2008 and has since been dedicated exclusively to developing the business with a focus on the Food and Agribusiness sector. Since the firm's inception, he has been involved in all areas of the business and was instrumental in developing its strategy and vision, as well as raising the current funds under management. |

## 10) Modes of Communication

### i) Quarterly Results

All financial quarterly results of the Company are forthwith communicated to stock exchanges (where the Company's equity shares are listed) as soon as they are approved and taken on record by the Board of Directors of the Company. Further, the results are published in a Lokmat & Navshakti Marathi newspapers circulated over Jalgaon district and Free Press Journal financial newspapers published on an all India basis. These results are simultaneously posted on the website of the Company (<http://www.jains.com>)

### ii) Press Release and Investor Presentation

Official news releases, and investor presentation are sent to Stock Exchanges, posted on the website of Company (<http://www.jains.com>)

### iii) Quarterly Results are published in News Paper : Free Press Journal (English), Navshakti & Lokmat (Marathi)

| Sr.No. | Date of Meeting | Date of Publishing Quarterly Results |
|--------|-----------------|--------------------------------------|
| 1      | 15.09.2020      | 17.09.2020                           |
| 2      | 10.11.2020      | 11.11.2020                           |
| 3      | 13.02.2021      | 14.02.2021                           |
| 4      | 30.06.2021      | 01.07.2021                           |

### iv) Annual Report

The Annual Report containing, inter alia, Audited Financial Statement, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis Report forms part of the Annual Report and is displayed on the Company's website ([www.jains.com](http://www.jains.com)).



Presentations to institutional investors/analysts

Detailed presentations are made to institutional investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results. These presentations are also uploaded on the Company's website (www.jains.com).

**Website:** The Company's website (www.jains.com) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a downloadable form.

#### **NSE Electronic Application Processing System (NEAPS):**

The NEAPS is a web-based application designed by NSE for corporates. The Company is regularly submitting all periodical compliance filings like shareholding pattern, corporate governance report and media releases, among others electronically on NEAPS.

#### **BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):**

BSE's Listing Centre is a web-based application designed for corporates. The Company is regularly submitting all periodical compliance filings like shareholding pattern, corporate governance report and media releases, among others electronically on the Listing Centre.

The Company has complied with the applicable mandatory requirements of the Regulations.

### **11) i) General Shareholders Information**

|       |  |  |                                    |
|-------|--|--|------------------------------------|
| i)    | Annual General Meeting: Day, Date, Time & Venue                                      | 34 <sup>th</sup> Annual General Meeting at, 09.00 AM on Wednesday, 29 <sup>th</sup> September, 2021 at Registered Office at Jain Plastic Park, N H No. 6, Bambhori, Jalgaon-425001 and electronically  |                                    |
| ii)   | Financial Year   | 1 <sup>st</sup> April 2020 to 31 <sup>st</sup> March 2021  |                                    |
| iii)  | Book Closure Dates   | 20 <sup>th</sup> day, September, 2021 to 30 <sup>th</sup> day, of September, 2021 (both days inclusive)  |                                    |
| iv)   | Dividend payment date  | NA   |                                    |
| v)    | Listing of Shares on Stock Exchanges   | BSE Ltd, Mumbai, National Stock Exchange of India Ltd., Mumbai   |                                    |
| vi)   | Stock Codes  | Ordinary Equity Shares   | DVR Equity Shares                  |
|       | The Bombay Stock Exchange, Mumbai  | 500219<br>JISLJLEQS  | 570004<br>JISLDVREQS               |
| vii)  | Corporate Identification Number (CIN)  | L29120MH1986PLC042028  |                                    |
| viii) | Registered Office  | Jain Plastic Park, N H No. 6, Bambhori, Jalgaon – 425001   |                                    |
| ix)   | ISIN No.   | Ordinary Equity Shares:<br>INE175A01038  | DVR Equity shares:<br>IN9175A01010 |
| x)    | Depositories   | National Securities Depository Ltd.<br>Central Depository Services (India) Ltd.  |                                    |
| xi)   | Address for correspondence   | Jain Plastic Park, N H No. 6, Bambhori, Taluka- Dharangaon, District- Jalgaon-425001.(Maharashtra)   |                                    |
| xii)  | Disclosure of commodity price risks and foreign exchange risk and hedging activities | The raw material of the Plastic Division (polymer consumption 107,976MT for FY 2020-21) is derivative of crude oil and price of polymer fluctuate with the fluctuation in the price of crude oil. The net exposure to foreign currency risk (liabilities) is hedged partially against derivatives and partially against exports. |                                    |

### **ii) Market Price Data (in ₹) During FY 2020-21**

#### **a) Ordinary Equity Shares Quotations**

| Month  | Bombay Stock Exchange |       |            |       | National Stock Exchange |       |            |       |
|--------|-----------------------|-------|------------|-------|-------------------------|-------|------------|-------|
|        | Date                  | High  | Date       | Low   | Date                    | High  | Date       | Low   |
| Apr-20 | 30.04.2020            | 7.57  | 01.04.2020 | 3.21  | 30.04.2020              | 7.00  | 01.04.2020 | 3.20  |
| May-20 | 08.05.2020            | 9.60  | 22.05.2020 | 6.35  | 11.05.2020              | 9.25  | 22.05.2020 | 6.35  |
| Jun-20 | 30.06.2020            | 12.76 | 01.06.2020 | 7.21  | 30.06.2020              | 12.70 | 01.06.2020 | 7.20  |
| Jul-20 | 03.07.2020            | 14.75 | 17.07.2020 | 9.56  | 03.07.2020              | 14.60 | 17.07.2020 | 9.70  |
| Aug-20 | 21.08.2020            | 13.37 | 03.08.2020 | 9.53  | 21.08.2020              | 13.35 | 03.08.2020 | 9.55  |
| Sep-20 | 17.09.2020            | 17.25 | 01.09.2020 | 10.75 | 18.09.2020              | 17.25 | 01.09.2020 | 10.70 |
| Oct-20 | 30.10.2020            | 15.38 | 13.10.2020 | 12.89 | 30.10.2020              | 15.30 | 13.10.2020 | 12.90 |
| Nov-20 | 24.11.2020            | 20.95 | 04.11.2020 | 13.55 | 24.11.2020              | 20.95 | 04.11.2020 | 13.45 |
| Dec-20 | 15.12.2020            | 20.30 | 22.12.2020 | 16.55 | 15.12.2020              | 20.25 | 22.12.2020 | 16.70 |
| Jan-21 | 12.01.2021            | 24.30 | 04.01.2021 | 18.60 | 12.01.2021              | 24.30 | 04.01.2021 | 18.50 |
| Feb-21 | 01.02.2021            | 21.70 | 22.02.2021 | 18.50 | 01.02.2021              | 21.65 | 23.02.2021 | 18.45 |
| Mar-21 | 09.03.2021            | 26.35 | 01.03.2021 | 18.25 | 09.03.2021              | 26.35 | 01.03.2021 | 18.20 |

## b) DVR Shares Quotations

| Month  | Bombay Stock Exchange |       |            |       | National Stock Exchange |       |            |       |
|--------|-----------------------|-------|------------|-------|-------------------------|-------|------------|-------|
|        | Date                  | High  | Date       | Low   | Date                    | High  | Date       | Low   |
| Apr-20 | 30.04.2020            | 7.58  | 01.04.2020 | 3.31  | 30.04.2020              | 6.95  | 01.04.2020 | 3.30  |
| May-20 | 08.05.2020            | 9.54  | 26.05.2020 | 6.17  | 11.05.2020              | 9.10  | 22.05.2020 | 6.30  |
| Jun-20 | 30.06.2020            | 12.86 | 01.06.2020 | 7.40  | 30.06.2020              | 12.90 | 01.06.2020 | 7.40  |
| Jul-20 | 03.07.2020            | 14.87 | 31.07.2020 | 9.11  | 03.07.2020              | 14.85 | 31.07.2020 | 9.15  |
| Aug-20 | 24.08.2020            | 13.24 | 03.08.2020 | 9.09  | 24.08.2020              | 12.95 | 03.08.2020 | 9.05  |
| Sep-20 | 18.09.2020            | 13.28 | 24.09.2020 | 10.23 | 18.09.2020              | 13.35 | 25.09.2020 | 10.25 |
| Oct-20 | 15.10.2020            | 11.49 | 09.10.2020 | 9.40  | 01.10.2020              | 11.25 | 09.10.2020 | 9.25  |
| Nov-20 | 24.11.2020            | 13.93 | 11.11.2020 | 9.30  | 24.11.2020              | 13.90 | 11.11.2020 | 9.00  |
| Dec-20 | 15.12.2020            | 13.30 | 22.12.2020 | 10.70 | 15.12.2020              | 13.35 | 22.12.2020 | 10.30 |
| Jan-21 | 12.01.2021            | 17.38 | 05.01.2021 | 12.00 | 12.01.2021              | 17.40 | 05.01.2021 | 12.00 |
| Feb-21 | 09.02.2021            | 13.94 | 26.02.2021 | 12.17 | 15.02.2021              | 13.95 | 22.02.2021 | 12.25 |
| Mar-21 | 09.03.2021            | 15.43 | 19.03.2021 | 12.05 | 09.03.2021              | 15.45 | 31.03.2021 | 11.95 |

## iii) Sensex and Nifty

| Month        | Sensex    |           | Nifty     |           |
|--------------|-----------|-----------|-----------|-----------|
|              | High      | Low       | High      | Low       |
| Apr-20       | 33,887.25 | 27,500.79 | 9,889.05  | 8,055.80  |
| May-20       | 32,845.48 | 29,968.45 | 9,598.85  | 8,806.75  |
| Sep-20Jun-20 | 35,706.55 | 32,348.10 | 10,553.15 | 9,544.35  |
| Oct-20Jul-20 | 38,617.03 | 34,927.20 | 11,341.40 | 10,299.60 |
| Aug-20       | 40,010.17 | 36,911.23 | 11,794.25 | 10,882.25 |
| Sep-20       | 39,359.51 | 36,495.98 | 11,618.10 | 10,790.20 |
| Oct-20       | 41,048.05 | 38,410.20 | 12,025.45 | 11,347.05 |
| Nov-20       | 44,825.37 | 39,334.92 | 13,145.85 | 11,557.40 |
| Dec-20       | 47,896.97 | 44,118.10 | 14,024.85 | 12,962.80 |
| Jan-21       | 50,184.01 | 46,160.46 | 14,753.55 | 13,596.75 |
| Feb-21       | 52,516.76 | 46,433.65 | 15,431.75 | 13,661.75 |
| Mar-21       | 51,821.84 | 48,236.35 | 15,336.30 | 14,264.40 |

## iv) Registrar and Transfer Agents

The contact details of new RTA are as follows:

Link Intime India Private Limited, C101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400083

Phone: 02249186000 Fax: 02249186060, Mail Id: Mumbai@linkintime.co.in and rnt.helpdesk@linkintime.co.in

Web: www.linkintime.co.in

The Stakeholders are requested to send queries or inquire about shares, dividend, annual report or any other related matters to Link Intime India Private Limited at above address quoting folio number(s).

You are also requested to update your e-mail address/bank mandate with your Depository Participant.

## v) Share Transfer System:

**a) Electronic Transfer of Shares:** Through National Securities Depository Ltd and Central Depository Services (India) Ltd.

**b) Physical:** Through R&T Agent i.e. Link Intime India Private Limited, C101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400083. Phone: 02249186000, Fax: 02249186060, Mail-Id: Mumbai@linkintime.co.in and rnt.helpdesk@linkintime.co.in Web: www.linkintime.co.in

**Share Transfer/ Demat data as on 31<sup>st</sup> March, 2021**

### Ordinary Equity Shares

| Month  | Physical       |               | Demat (NSDL)  |               | Demat (CDSL)  |               |
|--------|----------------|---------------|---------------|---------------|---------------|---------------|
|        | No of transfer | No the shares | No of request | No the shares | No of request | No the shares |
| Apr-20 | -              | -             | 2             | 895           | 2             | 350           |
| May-20 | -              | -             | 2             | -             | -             | -             |
| Jun-20 | -              | -             | -             | 270           | 1             | 30            |
| Jul-20 | -              | -             | -             | -             | -             | -             |
| Aug-20 | -              | -             | -             | -             | -             | -             |

| Month        | Physical       |               | Demat (NSDL)  |               | Demat (CDSL)  |               |
|--------------|----------------|---------------|---------------|---------------|---------------|---------------|
|              | No of transfer | No the shares | No of request | No the shares | No of request | No the shares |
| Sep-20       | -              | -             | 1             | 250           | 1             | 575           |
| Oct-20       | 1              | 250           | -             | -             | 1             | 355           |
| Nov-20       | 1              | 175           | 2             | 500           | 4             | 1,495         |
| Dec-20       | -              | -             | 1             | 175           | 2             | 500           |
| Jan-21       | -              | -             | 2             | 230           | 3             | 1,300         |
| Feb-21       | -              | -             | 2             | 1,025         | 1             | 5             |
| Mar-21       | 1              | 5             | 4             | 1,275         | 1             | 175           |
| <b>Total</b> | <b>3</b>       | <b>430</b>    | <b>16</b>     | <b>4620</b>   | <b>16</b>     | <b>4785</b>   |

**DVR Equity Shares**

| Month        | Physical       |               | Demat (NSDL)  |               | Demat (CDSL)  |               |
|--------------|----------------|---------------|---------------|---------------|---------------|---------------|
|              | No of transfer | No the shares | No of request | No the shares | No of request | No the shares |
| Apr-20       | -              | -             | 1             | 12            | 1             | 8             |
| May-20       | -              | -             | -             | -             | -             | -             |
| Jun-20       | -              | -             | 1             | 1             | -             | -             |
| Jul-20       | -              | -             | 1             | 32            | -             | -             |
| Aug-20       | -              | -             | -             | -             | -             | -             |
| Sep-20       | -              | -             | 1             | 12            | 1             | 8             |
| Oct-20       | -              | -             | -             | -             | 1             | 17            |
| Nov-20       | 1              | 8             | 2             | 24            | -             | -             |
| Dec-20       | -              | -             | 1             | 12            | 1             | 8             |
| Jan-21       | -              | -             | 1             | 8             | 2             | 55            |
| Feb-21       | -              | -             | 1             | 8             | -             | -             |
| Mar-21       | -              | -             | 4             | 32            | 8             | 166           |
| <b>Total</b> | <b>1</b>       | <b>8</b>      | <b>13</b>     | <b>141</b>    | <b>14</b>     | <b>262</b>    |

**vi) Distribution of Shareholding: As at 31st March, 2021****a) Ordinary Equity Shares**

| Shareholding of Shares Nominal Value (₹) | No of Shares holders | % of Total Shareholders | Number of Shares    | Value in ₹          | % of Total Share Capital |
|--|----------------------|-------------------------|---------------------|---------------------|--------------------------|
| Upto 500                                 | 1,60,404             | 75.65                   | 2,47,55,564         | 4,95,11,128         | 4.99                     |
| 501-1000                                 | 22,581               | 10.65                   | 1,86,33,586         | 3,72,67,172         | 3.75                     |
| 1001 - 2000                              | 12,542               | 5.92                    | 1,94,50,922         | 3,89,01,844         | 3.92                     |
| 2001 - 3000                              | 4,993                | 2.35                    | 1,29,18,065         | 2,58,36,130         | 2.60                     |
| 3001 - 4000                              | 2,294                | 1.08                    | 83,06,152           | 1,66,12,304         | 1.67                     |
| 4001 - 5000                              | 2,162                | 1.02                    | 1,03,03,476         | 2,06,06,952         | 2.08                     |
| 5001 - 10000                             | 3,546                | 1.67                    | 2,70,52,886         | 5,41,05,772         | 5.45                     |
| 10001 & Above                            | 3,505                | 1.65                    | 37,49,45,402        | 74,98,90,804        | 75.54                    |
| <b>Total</b>                             | <b>2,12,027</b>      | <b>100.00</b>           | <b>49,63,66,053</b> | <b>99,27,32,106</b> | <b>100.00</b>            |

**b) DVR Equity Shares**

| Shareholding of Nominal Value (₹) | No of Shareholders | % to Total Numbers | Number of Shares   | Value in ₹         | % of Total    |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|---------------|
| Upto 500                          | 44,112             | 92.60              | 24,23,500          | 48,47,000          | 12.56         |
| 501 - 1000                        | 1684               | 3.53               | 14,14,128          | 28,28,256          | 7.33          |
| 1001 - 2000                       | 872                | 1.83               | 13,44,822          | 26,89,644          | 6.97          |
| 2001 - 3000                       | 327                | 0.69               | 8,40,320           | 16,80,640          | 4.36          |
| 3001 - 4000                       | 148                | 0.31               | 5,43,178           | 10,86,356          | 2.82          |
| 4001 - 5000                       | 153                | 0.32               | 7,35,658           | 14,71,316          | 3.81          |
| 5001 - 10000                      | 178                | 0.37               | 13,36,926          | 26,73,852          | 6.93          |
| 10001 & Above                     | 164                | 0.34               | 1,06,55,772        | 2,13,11,544        | 55.23         |
| <b>Total</b>                      | <b>47,638</b>      | <b>100.00</b>      | <b>1,92,94,304</b> | <b>3,85,88,608</b> | <b>100.00</b> |

**vii) Physical & Dematerialisation Shares as on 31<sup>st</sup> March, 2021**

**Jisl Equity Shareholding as on 31.03.2021**

| Type               | Shares              | Members         | %             |
|--------------------|---------------------|-----------------|---------------|
| CDSL               | 18,57,32,536        | 98,982          | 32.42         |
| NSDL               | 30,90,88,277        | 1,06,054        | 62.27         |
| <b>Demat Total</b> | <b>49,48,20,813</b> | <b>2,05,036</b> | <b>99.69</b>  |
| Physical           | 15,45,240           | 6,991           | 0.31          |
| <b>Grand Total</b> | <b>49,63,66,053</b> | <b>2,12,027</b> | <b>100.00</b> |

**JISL DVR Shareholding as on 31.03.2021**

| Type               | Shares             | Members       | %             |
|--------------------|--------------------|---------------|---------------|
| CDSL               | 64,54,856          | 14,504        | 34.49         |
| NSDL               | 1,25,26,142        | 24,735        | 64.92         |
| <b>Demat Total</b> | <b>1,91,80,998</b> | <b>39,239</b> | <b>99.41</b>  |
| Physical           | 1,13,306           | 8,399         | 0.59          |
| <b>Grand Total</b> | <b>1,92,94,304</b> | <b>47,638</b> | <b>100.00</b> |

**viii) Trading of Shares (₹ in Lacs)**

**i) Ordinary Equity shares**

| Months | BSE, Mumbai         |               |                       | National Stock Exchange |               |                      |
|--------|---------------------|---------------|-----------------------|-------------------------|---------------|----------------------|
|        | No. of Transactions | No. of Shares | Turn Over (₹ in Lacs) | No. of Transactions     | No. of Shares | Turnover (₹ in Lacs) |
| Apr-20 | 4,038               | 1,58,09,655   | 1,020.49              | 10,061                  | 1,70,43,367   | 811.66               |
| May-20 | 12,918              | 1,54,90,423   | 1,291.21              | 26,994                  | 2,26,32,999   | 1678.11              |
| Jun-20 | 15,697              | 1,31,00,685   | 1,322.84              | 70,038                  | 5,08,00,630   | 4876.29              |
| Jul-20 | 15,828              | 1,21,56,775   | 1,466.42              | 51,445                  | 4,14,94,095   | 4797.71              |
| Aug-20 | 18,684              | 1,74,72,951   | 2,087.29              | 76,470                  | 7,00,53,140   | 8257.34              |
| Sep-20 | 27,311              | 2,74,03,797   | 3,951.63              | 83,200                  | 9,32,60,501   | 13429.05             |
| Oct-20 | 13,845              | 68,07,796     | 968.16                | 53,230                  | 5,05,35,944   | 7175.15              |
| Nov-20 | 26,339              | 1,77,17,724   | 3,139.78              | 1,02,394                | 10,35,68,940  | 18085.97             |
| Dec-20 | 25,806              | 1,53,90,075   | 2,892.30              | 99,068                  | 7,97,36,330   | 15027.99             |
| Jan-21 | 25,810              | 1,64,86,057   | 3,600.82              | 1,18,367                | 10,20,59,532  | 22102.15             |
| Feb-21 | 13,037              | 59,39,684     | 1,201.48              | 61,682                  | 4,27,56,448   | 8645.60              |
| Mar-21 | 25,953              | 1,55,88,533   | 3,542.43              | 1,50,577                | 10,60,14,407  | 23810.78             |

**ii) DVR Equity Shares**

| Months | BSE Mumbai          |               |                      | National Stock Exchange |               |                      |
|--------|---------------------|---------------|----------------------|-------------------------|---------------|----------------------|
|        | No. of Transactions | No. of Shares | Turnover (₹ in Lacs) | No. of Transactions     | No. of Shares | Turnover (₹ in Lacs) |
| Apr-20 | 923                 | 7,12,487      | 47.78                | 1,059                   | 7,47,018      | 45.46                |
| May-20 | 2,152               | 13,53,929     | 113.47               | 1,917                   | 11,60,642     | 91.61                |
| Jun-20 | 1,511               | 5,97,579      | 58.25                | 4,548                   | 21,97,771     | 215.82               |
| Jul-20 | 1,788               | 7,20,636      | 84.15                | 4,270                   | 15,45,291     | 176.06               |
| Aug-20 | 2,215               | 7,79,464      | 89.41                | 6,388                   | 22,23,488     | 257.98               |
| Sep-20 | 2,269               | 4,79,790      | 56.78                | 6,721                   | 21,48,173     | 255.72               |
| Oct-20 | 1,070               | 1,75,572      | 17.96                | 3,554                   | 6,54,939      | 66.99                |
| Nov-20 | 1,982               | 4,29,822      | 50.36                | 7,403                   | 19,62,155     | 227.69               |
| Dec-20 | 1,894               | 4,10,487      | 51.05                | 6,267                   | 15,40,049     | 191.60               |
| Jan-21 | 2,541               | 6,95,748      | 103.14               | 8,600                   | 30,11,891     | 454.52               |
| Feb-21 | 750                 | 2,00,908      | 26.21                | 1,730                   | 4,11,538      | 53.42                |
| Mar-21 | 1,064               | 3,91,080      | 53.47                | 3,309                   | 13,37,580     | 181.34               |

**ix) Outstanding GDR's/ ADR's /Convertible instruments conversion date and impact on Equity**

- a) Out of a total of 13,48,300 (post-Split 67,42,500) European Depositary Receipts (EDR's) issued by the Company in 1994 represented by underlying Equity Shares all except 2,750 EDR's represented by underlying Equity Shares have been cancelled and converted into underlying Equity Shares of ₹ 2/- each as on 31<sup>st</sup> March 2021. However the conversion into underlying Equity Shares does not impact the Share capital in any manner whatsoever.



- b) The Shareholders of the Company approved in the 24th AGM held on 30th September 2011 a new Employees Stock Option Plan as per the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations 1999 (the 'SEBI Regulations') the Companies Act 1956 (the 'Act') and other applicable law and in order to issue options and Ordinary Equity Shares to whole-time directors and permanent employees of the Company and its subsidiaries (in India and abroad) 'Eligible Employees' so as to ensure commitment retain and attract good talent through ownership and financial motivation.
- i) The total number of options that may in the aggregate be granted to the Eligible Employees of the Company shall be 43,56,000 Ordinary Equity Shares of face value ₹ 2/- each.
- ii) The total number of options that may in the aggregate be granted to the Eligible Employees of the subsidiaries of the Company shall be 10,00,000 Ordinary Equity Shares of face value ₹ 2/- each.

## x) Additional Information

### a) Nomination facility

The Shareholder of the Company who wants to make a nomination may do so by submitting duly filled form SH-13 for nomination. The nomination can be made by individuals only applying/holding Shares on their own behalf singly or jointly. A holder of Shares can nominate a minor and in that event the name and address of the guardian shall be given by the holder. The nomination stand cancelled upon transfer of shares.

The intimation regarding nomination/nomination form shall be filed with Company or R & T Agent of the Company quoting Client ID/DP ID and/or Folio No.:

Link Intime India Private Limited

C101 247 Park LBS Marg

Vikhroli West Mumbai-400083

Phone: 02249186000 Fax: 02249186060 Mail-id: mumbai@linkintime.co.in and rnt.helpdesk@linkintime.co.in

Web: www.linkintime.co.in.

### b) Unclaimed Dividend: The details of unclaimed dividend are as follows as on 31<sup>st</sup> March 2021

| Sr. No. | Financial Year | Date of declaration | Last day for claiming unpaid Dividend | Unclaimed amount as on 31.03.2021 (₹) | Due date for transfer to IE & PF (on or before) |
|---------|----------------|---------------------|---------------------------------------|---------------------------------------|---|
| 1)      | 2012-13        | 27.09.2013          | 26.09.2020                            | 11,51,551.00                          | 01.11.2020                                      |
| 2)      | 2013-14        | 26.09.2014          | 25.09.2021                            | 14,10,387.00                          | 02.11.2021                                      |
| 3)      | 2014-15        | 29.09.2015          | 28.09.2022                            | 15,03,164.00                          | 03.11.2022                                      |
| 4)      | 2015-16        | 30.09.2016          | 29.09.2023                            | 13,51,767.50                          | 04.11.2023                                      |
| 5)      | 2016-17        | 28.09.2017          | 27.09.2024                            | 17,25,081.00                          | 02.11.2024                                      |
| 6)      | 2017-18        | 28.09.2018          | 27.09.2025                            | 21,40,570.00                          | 02.11.2025                                      |

Members who have not yet encashed their dividend warrant(s) are requested to lodge their claims to the Company immediately. The unclaimed/unpaid dividend data are also uploaded on the Company's web site.

The IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules 2012 (IEPF Rules) were notified by the Ministry of Corporate Affairs (MCA) on 10th May 2012 which are applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. (In terms of the said IEPF Rules the Company has uploaded the information in respect of the Unclaimed Dividends for the financial years from 2012-13 as on the date 30<sup>th</sup> September, 2021 on the website of the Company viz. [www.jains.com](http://www.jains.com) under 'Investors Section'.

Pursuant to the provisions of Section 124 (6) of the Companies Act 2013 read with the Investor Education and Protection Fund Authority (Accounting Audit Transfer and Refund) Rules 2016 which have come into effect from September 7, 2016 (said Rules) the Company is mandatorily required to transfer all shares in respect of which dividend(s) has not been paid or claimed by the shareholders for 7 (Seven) consecutive years or more to the demat account of Investor Education and Protection Fund Authority (IEPF Authority).

Members who have not claimed/encashed their dividend for last seven consecutive years commencing from the unpaid dividend(s) on Ordinary Equity shares and on DVR Equity Shares for the financial year 2012-13 are requested to claim the said dividend(s) by making an application to Company or Registrar and Transfer Agent (RTA) of the Company M/s Link Intime India Private Limited C101 247 Park LBS Marg Vikhroli West Mumbai-400083 Phone: 02249186000 Fax: 02249186060 email id: iepf.shares@linkintime.co.in. Please provide following details in your application for claiming the dividend: 1. Name of the Company 2. Folio no. or DP ID Client ID 3. Name of

Shareholder 4. Contact no. and 5. Email ID. Also provide your self-attested KYC documents like PAN cancelled cheque leaf and latest utility bill as address proof.

- a) In case of shares held in physical form: Duplicate share certificate(s) will be issued and transferred to the Demat Account of the IEPF Authority as and when applicable. The original share certificate(s) which stand registered in your name and held by you will stand automatically cancelled and be deemed cancelled on transfer to Authority.
- b) In case of shares held in electronic form: Your demat account will be debited for the shares liable for transfer as above.

Please note that post the transfer of shares to demat account of IEPF Authority you may claim both the unclaimed dividend amount and the Ordinary Equity/DVR shares from IEPF Authority by making an application in prescribed Form IEPF-5 available on the website of IEPF at [www.iepf.gov.in](http://www.iepf.gov.in).

Please note that no claim shall lie against the Company in respect of unclaimed dividend amount and shares transferred to IEPF Authority pursuant to the said provisions of the Companies Act 2013 read with Rules.

- c) Designated Exclusive email-id: The Company has designated the following email-ids exclusively for investor servicing:

For queries on Annual Report: [investor.corr@jains.com](mailto:investor.corr@jains.com)

For queries in respect of shares in physical mode: [investor.corr@jains.com](mailto:investor.corr@jains.com)

Transfer of Ordinary Equity shares to IEPF

| Sr. No. | IEPF 4 - Transfer of Ordinary Equity shares | Remarks                            |
|---------|---|------------------------------------|
| 1       | 5,60,527                                    | Transfer of shares in Dec - 2017   |
| 2       | 77,849                                      | Transfer of shares in March - 2019 |

**13) Non Mandatory Requirements:** The Company is also currently meeting the non mandatory requirements as under

- a) The Company has no executive/non executive Chairman and hence the requirement to maintain Chairman's office by non-Executive Chairman is not applicable.
- b) The half yearly declaration of financial performance including summary of the significant events mailed to Shareholders.
- c) The financial statements of the Company are unqualified and unmodified.
- d) The Company has separate post of Chairman and Managing Director/Chief Executive Officer.
- e) The internal auditor reported directly to the Audit Committee.

**14) The disclosure of compliance with corporate governance requirements**

| Particulars   | Regulation Number      | Compliance status (Yes/No/NA) refer note below |
|---|------------------------|--|
| Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility' | 16(1)(b) & 25(6)       | Yes  |
| Board composition   | 17(1) 17(1A) & 17(1B)  | Yes  |
| Meeting of Board of directors   | 17(2)                  | Yes  |
| Quorum of Board meeting   | 17(2A)                 | Yes  |
| Review of Compliance Reports  | 17(3)                  | Yes  |
| Plans for orderly succession for appointments   | 17(4)                  | Yes at Board Level                             |
| Code of Conduct   | 17(5)                  | Yes  |
| Fees/compensation   | 17(6)                  | Yes  |
| Minimum Information   | 17(7)                  | Yes  |
| Compliance Certificate  | 17(8)                  | Yes  |
| Risk Assessment & Management  | 17(9)                  | Yes  |
| Performance Evaluation of Independent Directors   | 17(10)                 | Yes  |
| Recommendation of Board   | 17(11)                 | Yes  |
| Maximum number of directorship  | 17(A)                  | Yes  |
| Composition of Audit Committee  | 18(1)                  | Yes  |
| Meeting of Audit Committee  | 18(2)                  | Yes  |
| Composition of nomination & remuneration committee  | 19(1) & (2)            | Yes  |
| Quorum of Nomination and Remuneration Committee meeting   | 19(2A)                 | Yes  |
| Meeting of nomination & remuneration committee  | 19(3A)                 | Yes  |
| Composition of Stakeholder Relationship Committee   | 20(1) & (2) and 20(2A) | Yes  |
| Meeting of stakeholder relationship committee   | 20(3A)                 | Yes  |
| Composition and role of risk management committee   | 21(1)(2)(3)(4)         | Yes  |

| Particulars   | Regulation Number        | Compliance status (Yes/No/NA) refer note below |
|---|--------------------------|--|
| Meeting of Risk Management Committee  | 21(3A)                   | Yes  |
| Vigil Mechanism   | 22                       | Yes  |
| Policy for related party Transaction  | 23(1)(1A)(5)(6)(7) & (8) | Yes  |
| Prior or Omnibus approval of Audit Committee for all related party transactions                                   | 23(2) (3)                | Yes  |
| Approval for material related party transactions  | 23(4)                    | NA   |
| Disclosure of related party transactions on consolidated basis  | 23(9)                    | Yes  |
| Composition of Board of Directors of unlisted material Subsidiary   | 24(1)                    | Yes  |
| Other Corporate Governance requirements with respect to subsidiary of listed entity                               | 24(2)(3)(4)(5) & (6)     | Yes  |
| Annual Secretarial Compliance Report  | 24(A)                    | Yes  |
| Alternate Director to Independent Director  | 25(1)                    | Yes  |
| Maximum Tenure  | 25(2)                    | Yes  |
| Meeting of independent directors  | 25(3) & (4)              | Yes, held on 13 <sup>th</sup> February, 2021   |
| Familiarization of independent directors  | 25(7)                    | Yes  |
| Declaration from Independent Director   | 25(8)&(9)                | Yes  |
| D & O Insurance for Independent Directors   | 25(10)                   | Yes  |
| Memberships in Committees   | 26(1)                    | Yes  |
| Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel | 26(3)                    | Yes  |
| Disclosure of Shareholding by Non- Executive Directors  | 26(4)                    | Yes  |
| Policy with respect to Obligations of directors and senior management   | 26(2) & 26(5)            | Yes  |

## 15) Chief Executive Officer/Managing Directors' declaration

As required by Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the Chief Executive Officer/Managing Directors' declaration is given as an annexure to this Report

## 16) PCS's Certificate on Corporate Governance

As required by Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the Practicing CS Certificate is given as an annexure to this Report.

## 17) Plant Locations in India (including Subsidiaries) Jalgaon:

- i) **Jain Plastic Park** N.H.No. 6 P.O. Box: 72 Village – Bambhori Taluka – Dharangaon District – Jalgaon - 425001. Maharashtra.
- ii) **Jain Agri Park** Jain Agri Park, Jain Hills, Shirsol Road, District- Jalgaon- 425001 Maharashtra.
- iii) **Jain Food Park** Jain Food Park, Jain Valley, Shirsol Road, District- Jalgaon 425001 Maharashtra.
- iv) **Jain Energy Park** Jain Energy Park, Jain Hills, Shirsol Road, Jalgaon Dist. Jalgaon - 425001 Maharashtra.
- v) **Chittoor Food Plant** - Unit No. 01, 100 Gollapali Gangadhara Village, Nellore (Mandal), Dist. Chittoor- 517 125.
- vi) **Food Plant Unit** No. 02, Avalkonda Road, Gangadhara Village, Nellore (Mandal), Dist. Chittoor- 517 125.
- vii) **Kondamadgu** S.No.587 & 588, Kondamadgu (Village), Bibi Nagar (Mandal), Nalgonda Dist. (A.P)- 508 126.
- viii) **Udumalpet** S.F. No 248/2, 3, Ellayamuthur village, Udumalpet, Tirupur District, Tamilnadu – 642154 India
- ix) **Vadodara** Jain Food Park, Village - Dhobikuva, Post: Muvad, Tal. Padra, Dist. Vadodra.
- x) **Alwar** Plot No. SP-1, Matsya Industrial Area, Alwar- 301001 (Rajasthan)

### Demo and Research & Development Farms

- i) **Jain Agri Park** Jain Hills, P.O.Box: 72, Jalgaon-425 001.
- ii) **Jain Tissue Park** At. Takarkheda, Post. Kadholi, Tal. Erandol, Dist.Jalgaon- 425001.
- iii) **Kulu Angora Breeding Farm** Village Pirdi, Tal. Mahol, Dist. Kulu (H.P.)
- iv) **Udumalpet** Site No. 258-90, Ellaymuthur Village, Udumalpet-642 154 Dist. Coimbatore, Tamilnadu.

## 18) Plants Location - Overseas

- i) **Jain Irrigation Inc. [Drip Irrigation System]**  
2851, East Florence Avenue, Fresno, California, CA.93721 USA.  
3777, State Road, 544, East Haines City, Florida, 33844 USA.  
2060, East Francis Street, Ontario, CA 91761 USA

- ii) **Chapin Watermatics Inc. [Drip Irrigation System]**  
740, Water street, Water town, NY 13601
- iii) **Cascade Specialties Inc. [Onion Dehydration]**  
P.O. Box 583 1 Cascade, Way Boardman Oregon 97818 USA
- iv) **White Oaks Frozen Foods [Food Processing]**  
2525 Cooper Ave, Merced, CA, 95348 USA
- v) **NuCedar Mills Inc. – [Plastic Building Products]**  
1000 Sheridan, St. Chicopee, MA 01022.
- vi) **Sleaford Quality Foods Ltd. [UK] [Canned & Dehydrated Food]**  
Woodbridge Road, East Road, Industrial Estate, Sleaford, Lincolnshire NG3471X – UK
- vii) **Jain Sulama Sistemleri Sanayi Ve Ticaret [Turkey – Adana Plant] [Drip & Sprinkler Irrigation]**  
Sabanci organize sanayi bolgesi, Ataturk Bulvari, No. 48, Adana
- viii) **Excel Plastics Ltd.**  
Derrylavin, Kingscourt Road (R-179), Carrickmacross, County, Monaghan, Ireland
- ix) **NaanDanJain Irrigation System Ltd. [Israel] [Drip & Sprinkler Irrigation]**  
Post Naan 7682900, Israel  
Post Dan 1224500, Israel
- x) **NaanDan Do Brasil Participacoes Ltd. [Brazil] [Drip & Sprinkler Irrigation]**  
NaanDanJain Brasil Industria E Comercio DE Equipamentos Para Irrigacao Ltda  
CNPJ 60.991.965/0001-15, Av.Ferdinando, Marchi1000, Distrito Industrial LEME-SP, CEP-1 - 410 Brazil
- xi) **NaanDan Jain Iberica S.C. [Spain] [Drip & Sprinkler Irrigation]**
- xii) **Gavish Control System**  
Givat Brenner, 60948, Israel, Tel: +972-8-9443961 Fax: +972-8-9443357 E-mail: info@gavish.org.il
- xiii) **Dansystems S.A. [Chile]**  
Carretera Gral, San Martin, 16.500 Sitio 31 Loteo Los Libertadores, Colina, Santiago, Chile

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# DECLARATION FROM THE MANAGING DIRECTOR

(Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of Jain Irrigation Systems Ltd.,

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the Board members and the senior management personnel of the Company have affirmed compliance with the Company's code of conduct for the year ended 31<sup>st</sup> March 2021. The Company has also complied with the provisions of the SEBI (LODR) Regulations, 2015 as applicable to it during the year ended 31<sup>st</sup> March 2021.

**For Jain Irrigation Systems Limited**

Sd/-

Anil B. Jain

**Vice Chairman and Managing Director**

Date : **7<sup>th</sup> September 2021**  
Place : **Mumbai**



# CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

(Under the SEBI Listing Obligation and Disclosure Requirements) Regulations, 2015.)

To  
The Members of  
Jain Irrigation Systems Limited,  
N H No 6 Bambhori,  
Jain Plastic Park,  
Jalgaon, Maharashtra, 425 001

- 1) This Certificate is issued in accordance with the terms of communication dated August 25, 2021 relating to our engagement.
- 2) We have examined the compliance of conditions of Corporate Governance by Jain Irrigation Systems Limited having **CIN : L29120MH1986PLC042028 ('the Company')** for the year ended on March 31, 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), as amended from time to time.
- 3) The compliance of provisions of corporate governance and other applicable regulations in this regard, and maintenance of secretarial records is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.
- 4) We have examined the relevant records and documents maintained by the Company and made available to us for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company. We have obtained requisite information and explanations about the compliance of provisions of corporate governance, other applicable regulations and happening of certain events etc. which to the best of our knowledge and belief were necessary for the purpose of this certification.
- 5) We have examined relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on compliance of Corporate Governance requirements by the Company.
- 6) We conducted our examination on test check basis and in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Company Secretaries of India ("**ICSI**"), in so far as applicable for the purpose of this certificate
- 7) Based on our examination, as above, and to the best of information and explanations provided to us and representations provided by the management of the Company, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2021 *save and except that the Chairman of the Stakeholders Relationship Committee of the Board of Directors of the Company could not attend the Annual General Meeting of the Company held on December 30, 2020 as provided under Regulation 20(2A) of the Listing Regulations.*
- 8) We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- 9) The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose.

Place: **Mumbai**  
Date: **7<sup>th</sup> September 2021**

UDIN : **F005079C000910511**

For **Amrita Nautiyal & Associates**

**CS Amrita Nautiyal**

FCS No. 5079

CP No. 7989

# ANNEXURE V

## MANAGEMENT DISCUSSION AND ANALYSIS

As the world population approaches 9 billion in the next one to two decades, there will be an increase in demand for basic services including water, food, energy and infrastructure. With many water adequate countries shifting their status to water stressed countries, water becomes an important commodity in this context. There are global reports showing drastic shortfall of water availability in most parts of the world by 2030. Water is required for drinking, growing & processing food, for public health, and for the production of goods. Water is also required throughout the energy value chain. The need for conscious and judicious usage of the vital resources have become both more obvious and urgent, given that agriculture consumes more than 70% of the ground water resources globally.

Indian economy continues to be predominantly agrarian with the majority of its workforce remaining involved in agriculture and allied sectors. Government has set a vision to double the farmers' income over the next few years. To achieve this target a number of interventions and actions are required. Some of these measures include; increasing farm productivity, rationalization of water and agri-inputs through resource use efficiency, integrated farming systems, easing the access to finance & market, value addition and certain focused policy regulatory changes like minimum support price, etc followed by regulatory measures. Integrated water resource management and increasing water use efficiency substantially among all sectors, are among the key solutions required to de-stress the water supply and demand cycle.

All United Nations Member States have adopted the Sustainable Development Goals (SDG's) in 2015, as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. Water, food and energy security are the key focus under this framework having separate goals defined for each sector. SDG 6 emphasizes 'ensuring availability and sustainable management of water and sanitation for all'. Achieving food security, ending hunger, improving nutrition, and promoting sustainable agriculture are the objectives of SDG 2. The targets under this goal further aims at doubling the agricultural productivity and incomes of small-scale food producers through equal access to inputs, knowledge, financial services, markets and opportunities.

As a corporate, we have embedded food, water and energy security in our goals four decades ago. With our hi-tech micro-irrigation products and extension efforts we have been working to provide access of knowledge and technology to the most remote agrarian communities in the country. We have also invested substantially in research

and development in the area of renewable energy. Through our solar and biogas based renewable energy solutions, we facilitate access to clean energy technology to farmers and to rural and urban populations.

### Overall economic scenario

The following are the parameters of growth inflation, Forex rates and fiscal deficit in the last 3 years.

| Parameter                        | 2020-21 | 2019-20 | 2018-19 |
|----------------------------------|---------|---------|---------|
| GDP Growth %                     | (8.0)   | 4.0     | 6.5     |
| CPI inflation (Average, %)       | 4.88    | 5.58    | 7.66    |
| 10-year G-sec (Year-end, %)      | 5.998   | 6.643   | 7.708   |
| ₹ / US\$ (Year-end)/ Quarter End | 73.20   | 75.32   | 69.17   |
| Fiscal Deficit (as a % of GDP)   | 9.3     | 4.59    | 3.4     |

### Economy

India moved up by 14 places in the World Bank's Ease of Doing Business Index 2020, ranking 63rd in the world. This is attributed to 6 reforms last year- starting a business, getting electricity, construction permits, getting credit, paying taxes and trading across borders. GST has caused an increase in tax base, easier movement of goods across state borders and reduction in tax rate from 28% to 18% for several products. The monthly collection of GST crossed the ₹ 1 lakh crore mark few times in FY 21 and current fiscal. The Monetary Policy Report (April 2021) has estimated the GDP growth to improve from 7.0 per cent in 2018-19 to 7.2 per cent in 2019-20, The COVID-19 has impacted economic activity severely and is reflected in GDP numbers. With inflation stubbornly above comfort levels the GDP estimate for the current year hover around 7 to 8% for full year.

### Agriculture / Water

It is a stated goal to achieve the ambition of doubling farm income by 2022. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. India is expected to be self-sufficient in pulses in the coming few years due to concerted efforts of scientists to get early-maturing varieties and the increase in minimum support price.

Some of the recent major government initiatives in the Agriculture sector are as follows:

- 1) The Agriculture Export Policy, 2018 approved by the Government of India in December 2018, aims to increase India's agricultural exports to US\$ 60 billion by 2022 and US\$ 100 billion in the next few years with a stable trade policy regime.
- 2) The Government of India has set target to cover 1 crore ha, under Micro Irrigation in the next five years starting from 2019-20. To Celebrate Mahatma Gandhi's 150<sup>th</sup> Birth Anniversary starting from 2nd Oct, 2019 to 2nd Oct, 2020, 300 Districts have been identified in which 150 farmers may be selected in each district to adopt MIS from present system of flood irrigation.
- 3) With an aim to boost innovation and entrepreneurship in agriculture, the Government of India is introducing a new AGRI-UDAAN programme to mentor start-ups and to enable them to connect with potential investors.
- 4) The Government of India has launched the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) with an investment of ₹ 50,000 crore aimed at development of irrigation sources for providing a permanent solution from drought.
- 5) The Government of India has allowed 100 per cent FDI in marketing of food products and in food product e-commerce under the automatic route.

## **1) Overview of Business**

Jain Irrigation Systems Limited (JISL) is the flagship Company with operating subsidiary companies (Including fellow subsidiaries) with diverse businesses across the globe and aggregate revenues of over ₹ 58.132 billion. The Company is a leading agribusiness enterprise, present in the entire value-chain. It is the second largest micro-irrigation Company globally, and is largest manufacturer of micro irrigation systems in India. It is also the largest manufacturer of Mango pulp, puree and concentrate in the world, and the second largest manufacturer of dehydrated onions. JISL is also India's largest manufacturer of polyethylene pipes, one of the 3 leading PVC pipe manufacturer, and is also the world's largest manufacturer of Tissue Culture banana plants. The Company is additionally into hybrid & grafted plants; greenhouses, poly and shade houses, bio- fertilizers, biogas and green energy (solar), solar water heating systems, solar panels, solar water pumps and plastic sheets. Most of its plants are ISO 50,000 & HACCP certified, and meet International FDA requirements. JISL renders consultancy for complete or partial project planning and implementation, e.g. watershed or wasteland and/or crop selection, and rotation.

Each of our products is an outcome of an effort to conserve nature's precious resources, through substitution or value addition. This is the legacy of a

deliberate and conscious endeavor that stems from a deep-rooted concern for nature with a consistent focus for development and growth of agriculture, resulting in higher income for farmers.

## **2) The Strategy**

Our objective is to leverage our strengths to continue to expand our business in long term as well as in the short to medium term. We intend to be the best water, food & natural resource management Company while creating value in entire chain across three areas of water, energy and food security.

The principal elements of our current strategy are:

### **a) Expand the geographic markets and product offering**

The Company continues to expand the geographic reach of its operations in India and overseas. While sales of the MIS products and piping systems in India have historically been focused primarily in the Western and Southern parts of the country, Company continues efforts to increase its sales in other regions by expanding the reach of its distribution network and leveraging the existing distribution capabilities. In addition, by further diversifying the revenue stream geographically, Company believes will reduce concentration risks, such as foreign exchange related risks, weather and crop-related risks and economic risks associated with the countries where it operates.

Company also continues efforts to capitalize on growth opportunities and further strengthen its market position through the expansion of its product offering. Company continues to leverage its R&D capabilities to diversify the application of the MIS products in India, from staple crops (like sugarcane, cotton, vegetables and fruits), to applications for wheat and rice. Company believes this constitutes a significant opportunity for horizontal expansion to increase the sales of its MIS products. Company also continues to expand its processed fruit products offering by commencing the manufacture of processed citrus pulps and concentrates. In addition, it has commenced the manufacture of processed spices made from turmeric, chili, pepper, garlic, coriander, ginger etc. for both the B2B and retail markets, in India and overseas. Now in Europe the production of Mediterranean herbs and spices has also begun in FY 21 in Turkish manufacturing facility. Company has recently been approved and received certification for processing of organic food products at its food processing factories in Jalgaon. This will open avenues of expansion into the organic products market which is showing high growth rates in global markets. Company will also introduce organic range of Retail products catering to the health and environment conscious consumers soon.

In addition, the Company continues to maintain its position as a leading agricultural technology player. Company continues to develop its current portfolio of high technology irrigation monitoring devices and software products to add features which enable data collection, processing and analysis which Company continues to sell as a service to its customers. Company believes these services would provide significant analytical tools for farmers to optimize planting strategies to improve productivity, cut operational costs and minimize environmental impact.

#### **b) Expand the retail product portfolio**

Company's subsidiary Jain Farm Fresh Foods Limited (JFFFL) intends to expand its retail product portfolio of agro-processed products in order to capture opportunities to produce value. Company has commenced the production and marketing of convenient and healthy fruit snacks in India under an in-house brand (FRUSH). Company will continue to use the processed fruit pulps that it produces as raw materials for the manufacturing of such value added processed fruit snacks. Company has introduced additional retail fruit products, such as frozen fruit puree made from jamun, strawberry and mango under the brand "FRUZEN" as well as straight and blended spices under the "Valley Spice" Brand.

#### **c) Implement prudent financial strategy**

Company seeks to optimize its capital structure by assessing the benefits and suitability of utilizing different funding sources. In addition, Company intends to reduce the working capital requirements by continuing to implement the cash and carry policy for the sales of MIS products to dealers in India, which has resulted in reduction of the gross credit days for the sales of MIS products over last few years, this year FY 21 being an exception due to liquidity constraints faced by the Company. The Company also continues to leverage its relationship with Banks and rural credit institutions, to bolster the liquidity position, providing upfront cash for the purchases of its products. Company continues these measures to increase its free cash flow, enabling it to better pursue the development of the business even though currently there is a challenging situation on Government project related receivables, which is temporary in nature.

#### **d) Debt Restructuring Plan and Resolution Plan updates of Company and its Subsidiary.**

Details of same have been provided in past C of Board Report.

### **3) Competitive Strengths**

We believe that the following are our principal competitive strengths

#### **a) Strong brand and leadership position in our businesses in India.**

We are one of India's leading manufacturers of micro irrigation systems, piping systems and agro-processed products. Our MIS products are customised to assist in meeting the special requirements of our customers in India. We have worked with farmers to provide them training and introduce them to more advanced processes and technology as well as with Indian state governments and international organisations to develop technology and support new initiatives to assist farmers. We have maintained our leadership position with extensive research and development in plant, in lab and on farm to improve our products. We have built an extensive and loyal distribution and dealership network throughout semi-urban and rural India, selling flagship brands such as Jain Drip, Jain Sprinklers, Jain Pipes, Chapin and Jain Farm Fresh, which are well known in the Indian and international markets.

#### **b) International reach of the products**

The international reach of our agro-processed products segment comprises operations in the United States and Europe. In addition, Frozen Ingredients division (Formerly White Oak) produces reduced moisture frozen vegetable products, which it sells to multi-national food companies located in the United States. Our subsidiary in the United Kingdom, Sleaford, distributes spices and other blends of food ingredient products, which provides us with direct access to the United Kingdom food service and institutional markets.

#### **c) Total solution provider across the agricultural value chain and relationship with the farmer.**

We have utilised our agriculture expertise and relationships to participate across the agricultural value chain and diversify our revenue. In addition to our micro and sprinkler irrigation systems, plastic piping and solar pumps which are used in irrigation, we also supply bio-tech tissue culture plantlets, which help farmers in disease control, reduce growing time and create higher crop yields. In addition, we work with our customers on a turnkey basis providing engineering, soil and water analysis, water resource estimation, crop planning, irrigation and fertigation scheduling, marketing assistance and other agronomical and technical support and training. We purchase onions, tomatoes and other vegetables for vegetable dehydration from our contract farmers. We



are a major consumer of mangoes, bananas and other tropical fruits for our fruit processing operations. We believe that being involved across the value chain leverages our knowledge, relationships, brand name and strong distribution network to provide total solutions for farmers. Our unique relationship with the farmer helps us provide last mile traceability for customers looking more for sustainability and the increasing stringent requirements for food safety norms across the world.

**d) Strong R&D capabilities and intellectual property**

Company has strong competence in R&D in each of its business segments. Company focuses its R&D operations in the development of new products and improvement of existing products. Company's R&D team is also responsible for developing new and more efficient production processes and the enhancement of existing production processes. Company believes that providing timely and cost-effective improvements in product quality is a key factor in ensuring customer satisfaction and retention. Company has gained significant product development expertise, which has enabled it to create a portfolio of innovative products. For instance, Company has the R&D capabilities to develop agro-processed products for the retail markets. In addition, Company began the production of irrigation monitoring devices and software, which monitor and analyze soil moisture, nitrogen, nutrient and weather conditions, under the "Puresense" brand in the United States, positioning it as a leading agricultural technology player in the United States. Company's "Puresense" products provide technology and software for farmers to monitor irrigation requirements at crop's root levels on a real time basis. In addition, Company has developed a wireless sprinkler \*with modifiable water flow and pattern under the "Genesys" brand.

56 products / process are applied for patent by the Company and its subsidiaries worldwide including in the United States, Europe, Israel, Australia, Canada and India which are granted in some countries and in process of granting in other countries.

**e) Strong product quality and internal quality controls**

The Company has implemented a comprehensive quality management program and adheres to a strict quality control system over its entire manufacturing operations. Company believes its strong product quality and internal quality controls allow it to operate its manufacturing facilities efficiently by reducing defects and waste and have fostered the trust of its customers in the products that it manufactures. For instance, Company's operations in India possess the certifications which allow its product to access export

markets. With respect to its agro-processed products, Company also implements "Jain Good Agricultural Practices (JAINGAP) and Sustainable Agricultural Codes" to promote traceability, food safety, worker welfare, hygiene, sanitation as well as environmental and biodiversity protection, conservation and enhancement. In addition, Company's manufacturing facilities of MIS products utilises equipment which automatically rejects defective products.

**f) Experienced board and management team**

Our senior management team has deep experience in the industries in which we operate. We believe that the experience of our management team in the agriculture sector and international markets will help us increase our penetration internationally and expand the range of our product offerings. Our management team also has long-standing relationships with many of our major customers, distributors/dealers and suppliers. Further, we have one of the largest pools of committed agricultural scientists, technicians and engineers in the private sector in India, comprising over 1,000 agricultural scientists, technicians and engineers. Our after sales support, training and other services are one of our main selling points.

**4) Subsidiary Operations**

**A) Overseas Holding Companies**

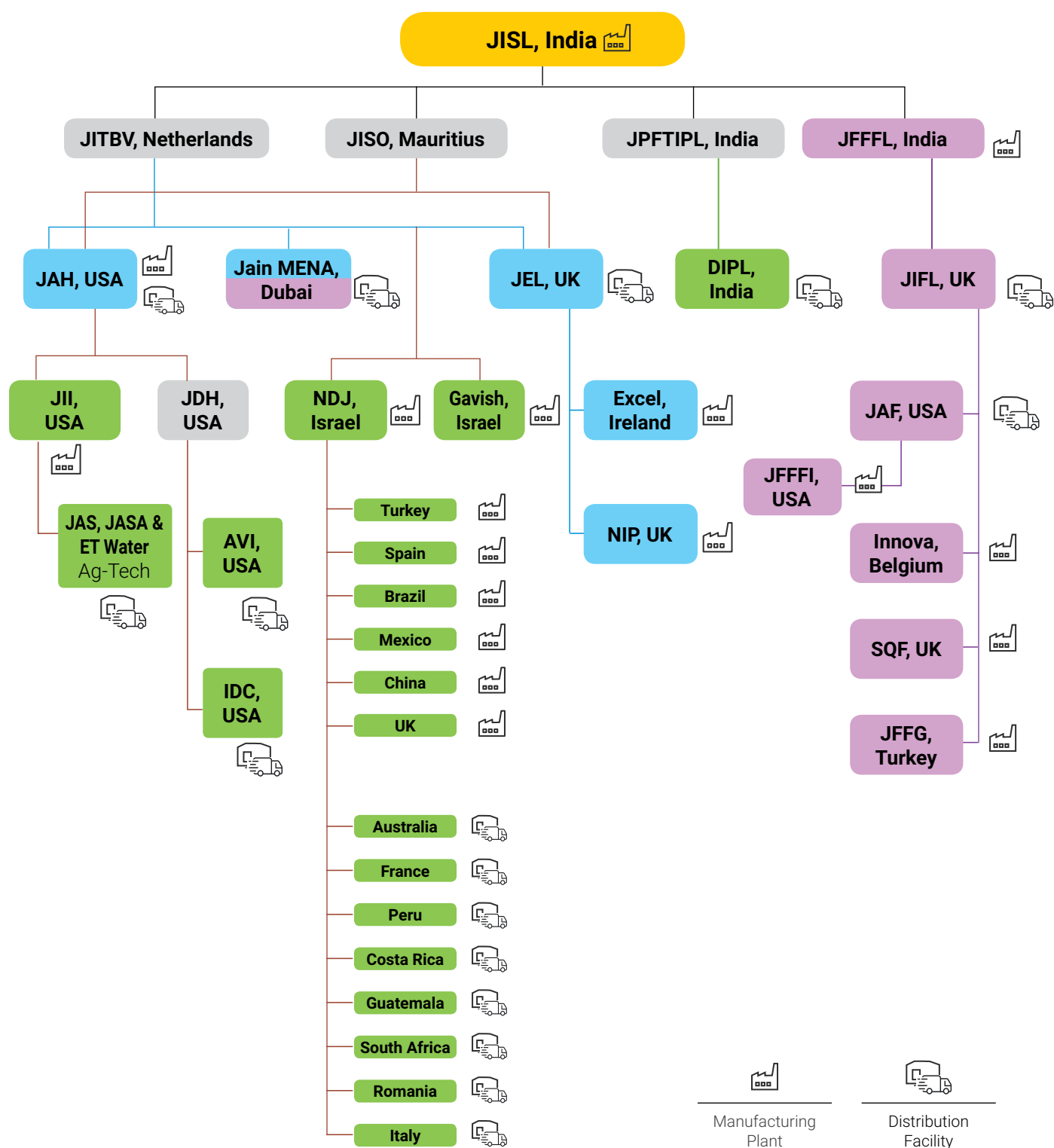
**a) JISL Overseas Ltd., Mauritius ("JISO")** is a wholly owned subsidiary of JISL India and was incorporated in 1994 under the laws of Mauritius. JISO acts as a holding Company for the UK and USA based overseas subsidiaries. It holds 54.53 % in Jain (Europe) Ltd., and 69.45% in Jain America Holdings Inc., USA. It has made a net loss of US\$ 406,605 in FY 2020-21 against net loss of US\$ 415,534 in FY 2019-20.

**b) Jain International Trading B.V., ("JITBV")** is a wholly owned subsidiary of JISL India and incorporated in March 2010 under the laws of The Netherlands. It holds 45.47 % in Jain (Europe) Ltd., and 30.55% in Jain America Holdings Inc., USA. JITBV had a net loss of US\$ 1,390,951 in FY 2020-21 against net loss of US\$ 1,121,677 in FY 2019-20.

**c) Jain Overseas B.V., The Netherlands ("JOBV")** is a wholly owned subsidiary of the Jain International Trading BV, and was incorporated under the laws of The Netherlands. It is in Business since 2007. JOBV has a net loss of US\$ 1,309,397 in FY 2020-21 against net loss of US\$ 746,711 in FY 2019-20 primarily on account of higher interest Payable during the year to parent company / related parties on funds borrowed.

**d) Jain (Israel) B.V., The Netherlands ("JIBV")** is a wholly owned subsidiary of the Jain Overseas B.V., The Netherlands and was incorporated under the laws of The Netherlands. It is in business since 2007. JIBV had a net loss of US\$ 4,632,806 in FY 2020-21

## Simplified Corporate Structure



against net loss of US\$ 4,576,523 in FY 2019-20, primarily on account of higher interest payable during the year to parent company / related parties on funds borrowed.

- e) **JISL Global SA, Switzerland ("JGSA")** is a wholly owned subsidiary of the Jain Overseas B.V., The Netherlands and was incorporated under the laws of Switzerland. It is a holding company since 2007. JGSA had a net loss of CHF 14,498 in FY 2020-21 against net loss of CHF 11,589 in FY 2019-20.
- f) **JISL Systems SA, Switzerland ("JSSA")** is a wholly owned subsidiary of the JISL Global SA., Switzerland and was incorporated under the laws of Switzerland. It is in business since 2007. JSSA had a net profit of CHF 6,463,544 in FY 2020-21 against net loss of CHF 8,138 in FY 2019-20. Profit in FY 2020-21 mainly on account of sale of subsidiary company. During the year JSSA has sold its investment in The Machines Yvonand SA to private firm.
- g) **Jain Netherlands Holding I B.V., The Netherlands ("JNHBV I")** is a wholly owned subsidiary of the Jain Overseas B.V., The Netherlands and was incorporated under the laws of The Netherlands in 2020. JNHBV I had a net profit of US\$ 3,936 in FY 2020-21 against net loss of USD 14,254 in FY 2019-20.
- h) **Jain Netherlands Holding II B.V., The Netherlands ("JNHBV II")** is a wholly owned subsidiary of the Jain Overseas B.V., The Netherlands and was incorporated under the laws of The Netherlands in 2020. JNHBV II had a net profit of US\$ 4,689 in FY 2020-21 against net loss of USD 14,254 in FY 2019-20.

## B) Overseas Sales and Distribution Companies

- a) **Jain (Europe) Ltd., UK ("JEL")** is a wholly owned subsidiary of the Company and was incorporated in 1996, under English laws. Jain (Europe) Ltd. is our marketing and distribution arm in the UK and other EU countries. The sales of the company declined by 23.3% from GBP 1.19 million in FY 2019-20 to GBP 0.91 million in FY 2020-21. This was as a result of the impact of the COVID-19 pandemic on demand & a re-alignment within the Group of sales from the parent company in India directly to customers in major markets. The company continues to play critical role in identifying opportunities of new customers in UK / Europe for the parent company.
- b) **Jain International Foods Ltd., UK ("JIFL")** [Erstwhile SQF 2009 Ltd., UK] is a wholly owned subsidiary of the Jain Farm Fresh Foods Ltd., India ("JFFFL") and incorporated under English laws. The sales of the company declined in FY2020-21 by 22.1% on yoy basis. In FY 2019-20 sales was GBP 22.55 million and in FY 2020-21 GBP 17.58 million. The company is a sales and distribution arm for JFFFL, India, servicing main export markets in Europe. Company performance during the year was impacted primarily

by COVID-19 pandemic and material availability from India, which had an adverse effect on ability to service main customers in Europe. Despite the fall in sales in FY20-21, profitability performance remained comparable to earlier years due to cost saving measures taken by the company.

- c) **Jain America Foods Inc., USA ("JAF")** [Erstwhile Jain (Americas) Inc., USA] is a wholly owned subsidiary of the Company and was incorporated in 1998, under the laws of Ohio, USA. It is the sales, distribution and investment arm in the United States for the food business. The sales of the company declined from US\$ 0.83 million in FY 2019-20 to US\$ 0.76 million in FY 2020-21. Company performance during the year was impacted primarily by COVID-19 pandemic and material availability from India, which had an adverse effect on ability to service main customers in USA. FY 2020-21 was positively impacted by a gain on the sale of the Jain Farm Fresh Foods, Inc. USA Dehydrated Ingredients Division totalling US\$ 11.17 million.
- d) **Jain America Holdings Inc., USA ("JAH")** is a wholly owned subsidiary of the Company and was incorporated in February 2016, under the laws of Delaware, USA. It is the key marketing, distribution and investment arm in the United States for Plastic sheet & Hi-tech agri business. The sales of the company have declined by 23.2% from US\$ 17.45 million in FY 2019-20 to US\$ 13.41 million in FY 2020-21. JAH sales were negatively impacted by COVID-19, for both divisions, as a result of (1) temporary closure of businesses due to being considered non-essential; (2) supply shortages and disruptions; and (3) labor shortages. The first half of FY 2020-21 required reduced staffing to help mitigate the impacts. During the second half of the year, JAH was able to improve sales as customer buying recovered, although not enough to achieve the expected growth. Despite the lower sales, the operating loss decreased as a result of cost reductions and operational efficiencies.
- e) **Jain MENA DMCC, Dubai ("JMENA")** is a wholly owned subsidiary of Jain International Trading B.V., The Netherlands and was incorporated in 2017, registered in Dubai Multi Commodities Center, Dubai. JMENA is marketing and distribution arm in the Dubai and other neighbouring countries. The sales of the company has decreased from AED 0.91 million in FY 2019-20 to AED 0.47 million in FY 2020-21.

## C) Operating Overseas Subsidiary Companies

- a) **NaanDanJain Irrigation Ltd., Israel ("NDJ")** is a wholly owned subsidiary of the Company through the Jain (Israel) B.V. & Jain Overseas B.V. The Company is engaged in the manufacturing of drip / sprinkler irrigation. NaanDanJain has manufacturing facilities in Israel, Brazil, Turkey, Spain and Mexico. Despite of Covid-19 pandemic, the company has registered the sales at the same level in FY 2020-21 as in the

previous year i.e. ILS 493.76 million in FY 2019-20 to ILS 489.50 million in FY 2020-21.

During FY2020-21, NDJ Group of companies had gone through multiple challenges such as COVID-19, exchange rate instability and logistic disruptions worldwide, etc. In spite of these challenges the company's performance improved substantially and posted record levels of profits. However, policies of many governments have been supportive to the agriculture sector and had positive impacts on business growth.

In Israel, the business was stable in spite of COVID-19 related restrictions but the restructuring of human resources in Israel contributed to better operational efficiency and resulted in good profitability. In Brazil, the sales revenue grew due to the higher investments into agriculture by the farmers, whereby the profitability in the Brazilian entity was higher compared to prior years. In Mexico and Peru the business was stable. In Costa Rica and Guatemala, the sales revenues were higher than prior years and contributed to overall profitability in the consolidated results. The subsidiary in France has grown in sales substantially and improved its profitability. In Spain, Italy and Romania the business remained stable and profitable like earlier years. The new subsidiaries in South Africa and China grew in revenues. The newly established manufacturing activity in China has been stabilized with support from other group companies and resulted in better revenues and profits. The entity in the UK has seen growth in sales and profitability and contributed well to the consolidated results of NDJ Group.

**b) Jain Irrigation Inc.,USA ("JII")** (Including Jain Agricultural Services-erstwhile PureSense Environment, Inc., Jain Agriculture Services Australia Pty Ltd erstwhile Observant Pty Ltd and ET Water Systems, Inc) (collectively the "Company"). JII is a wholly owned subsidiary of Jain America Holdings Inc., Delaware, USA. JII is engaged in the design, manufacture and distribution of drip tape, fittings and other plastic products for drip irrigation systems used in agriculture, commercial and residential landscape and other applications.

Jain Agricultural Services, LLC ("JAS") was formed in February 2015 for the purpose of purchasing the assets of PureSense Environment, Inc. JAS sells a moisture monitoring system and associated subscription for agricultural use.

Jain Agriculture Services Australia Pty Ltd ("JASA") was formed in February 2017, for the purpose of purchasing the assets from Observant Pty Ltd, an Australian Company. Jain Agriculture Services Australia Pty Ltd is owned 100% by Jain Agriculture Services, LLC which is owned 100% by Jain Irrigation, Inc. JASA is engaged in the business of hardware and

software development for farm weather and irrigation management.

ET Water Systems, Inc. ("ETW") was acquired in September 2018 via Jain ETW Merger Subsidiary, Inc., which was merged into ET Water Systems, Inc. at the time of the acquisition. ETW sells hardware and software for commercial and residential landscaping systems. These are wholly owned subsidiaries of JII through the Jain America Holdings Inc.

The consolidated sales of the Company has slightly declined from US\$ 60.15 million in FY 2019-20 to US\$ 57.28 million in FY 2020-21. During FY 2020-21, the Company was adversely affected by COVID-19 via (1) disruptions to supply chains for products coming from India and China due to global factory shutdowns; (2) costs of resins, which doubled during the fiscal year; and (3) freight containers were not available and global freight pricing has increased. Resins were also impacted by a major gulf weather event and subsequent resin supplier's force majeure events causing difficulty sourcing resins. The Company has increased prices to the extent possible to cover the increase in resins, although not all of the increase in cost was able to be passed on to the customer. While the freight and supply chain issues continue to impact the business, the Company has obtained supply where possible and sales have begun to improve. Despite the lower sales levels, the Company was able to maintain profitability levels year over year as a result of cost cutting measures and improved operational efficiencies. Net income for the Company was US\$ 0.41 million in FY 2020-21 and US\$ 0.32 million in FY 2019-20.

**c) Jain Distribution Holdings Inc, USA ("JDH")** is a wholly owned subsidiary of Jain America Holdings Inc, Delaware, USA and incorporated in 2017 under the laws of Delaware, USA. JDH is wholly owned subsidiary of Jain America Holdings, Inc. JDH acquired two of the largest Micro Irrigation Dealers "Agri- Valley Irrigation LLC." ("AVI") & "Irrigation Design and Construction LLC" ("IDC") in May 2017. JDH, through its AVI and IDC subsidiaries, sells irrigation materials and supplies, as well as installation and maintenance of irrigation systems predominately for agricultural applications. Consolidated sales of JDH including AVI & IDC for FY 2019-20 was US\$ 108.75 million and US\$ 108.24 million in FY 2020-21. During FY 2020-21, the Company was adversely affected by COVID-19 primarily as a result of supply chain disruptions at suppliers; labor availability and costs; and an overall reduction of food consumption in the hospitality industry. These impacts have resulted in a disruption to the agricultural markets and uncertainty on the part of farmers leading to temporary reductions in spending and investments being made in long term irrigation projects. The Company has begun experiencing improvements in sales as farmer



uncertainty dissipates. Availability issues of PVC, Steel, Cement, Lumber and Polyethylene as well as rapid price inflation further negatively impacted profitability. Despite sales being relatively flat, the Company was able to improve profitability levels year over year as a result of cost cutting measures, improved operational efficiencies and reduced interest as a result of the restructuring of former owner obligations. Net income for the Company was US\$ 1.95 million in FY2020-21 and a net loss of US\$ 1.75 million in FY2019-20.

**d) Gavish Control Systems Ltd., Israel ("GAVISH")** is owned to the extent of 51% through the Jain (Israel) B.V. It is engaged in the manufacturing of software and computer equipment for agriculture applications. The sales of the company declined by 35% from ILS 3.23 million in FY 2019-20 to ILS 2.10 million in FY 2020-21. Sales in Gavish were negatively impacted due to both internal and external challenges. The Company's offerings in terms of Hardware and Software needed upgrades and investments for such upgrades are being planned. Company also faced Covid-19 challenges in terms of logistics issues related to its hardware suppliers.

**e) Ex-cel Plastics Ltd., Ireland ("EPL")** is a company limited by shares and was incorporated in 2013 under the laws of Republic of Ireland. The company is engaged in manufacturing of Plastic sheets products. EPL is one of the leading manufacturer of the highly technical product PVC Foam Sheets in Europe. The sales of the company has declined by 31.8% from EUR 21.75 million in FY 2019-20 to EUR 14.84 million in FY 2020-21 due to COVID-19 situation and major decline in demand for plastic sheet products. Despite the fall in revenue in the year, the company remained positive on EBITDA performance due to cost saving measures taken and availing support schemes. The company has been exploring new markets in order to diversify its customer base to limit the impact of the pandemic. The main sectors in which PVC Foam Sheets are used such as Retail, Advertising, Exhibitions, Point of Sales (POS) were severely impacted however new applications were quickly identified to partly compensate the impact. EPL was a key supplier to protect against COVID-19 by supplying PVC Sheets to create partitions in public areas such as hospitals, restaurants, retail malls etc. EPL was given the essential category status and the plant was operational throughout the pandemic. EPL supplied PVC Foam Sheets for construction of vaccination booths all across Europe. During the year company enhanced their product range and are one of the few players manufacturing PVC Foam Sheets from 1 mm – 30 mm thick sheets and would eventually be extending this upto 40 mm thick sheets. This would open opportunities in Building & Construction sector applications. The company has a

strong R&D capability and collaborate with technical labs in Europe thereby ensuring to stay ahead of competition in Product Development. Following the relaxation of COVID-19 restrictions in various major markets, demand is expected to return during FY21-22 with a recovery in revenue..

**f) Northern Ireland Plastics Ltd. ("NIP")** is owned 100% through the Jain (Europe) Ltd., UK. The Company is engaged in manufacture and distribution of Polypropylene (PP) twin-walled plastic sheets under the well-known brand name CORRIBOARD. Company was acquired to expand the product range, extend the presence at key European distributors, expand the markets for plastic products and provide a plastic manufacturing base in the United Kingdom to service that market. Company is one of largest manufacturers of Polypropylene Twin Wall Sheets in Europe, and has an excellent reputation for product quality and service. Company also employs the latest extrusion technology at its plant in Northern Ireland, and complements our existing plastic sheet operations in the Republic of Ireland. The company services three main industries – Sign & Graphics, Packaging & Building Construction. With the increase in online sales of products the company is focussing on the Packaging sector. The sales of the company have declined by 20.4% from GBP 12.24 million in FY 2019-20 to GBP 9.74 million in FY 2020-21 due to COVID-19 situation and major decline in demand of plastic sheet products. Following the relaxation of COVID-19 restrictions in various major markets, demand is expected to recover during FY21-22 with a recovery in revenues. Despite the fall in revenue in the year, the company remained positive on EBITDA performance due to sourcing activities, cost saving measures taken and availing support schemes.

**g) Excel Plastic Piping Systems SAS, France ("EPPL")** Company was formed in March 2017, for the purpose of assets purchase of Unistar Europe, France. Excel Plastic Piping Systems SAS is owned 100% by Jain (Europe) Ltd., UK. The company is engaged in the distribution of plastic fittings and pipes in various countries worldwide. In December 2019, the company ceased activity at its warehouse in France and moved to a direct invoicing and distribution model for products manufactured by parent company in India. The company has successfully continued to service its major customers under this new model and the revenue for plastic fittings and pipes in Europe has grown as a result.

**h) Sleaford Quality Foods Ltd., UK ("SQF")** is based in Sleaford town in Lincolnshire County in the East Midlands region of England. Primary nature of its business is blending, repacking, trading & distribution of food ingredients. The sales of the company declined by 30.7% from GBP 48.81 million in FY 2019-20 to GBP 33.81 million in FY 2020-21 due to COVID-19

situation and lower demand in hospitality, institutional sale and its food service business. Performance was also effected by availability of material from main markets and by market price fluctuations. The company took various cost saving measures as a result of performance and the COVID-19 pandemic and availed of support schemes that were available. The company's profitability was severely affected by these factors, and it is now engaged in a full review of business activity to focus upon the most profitable sectors, improve sourcing activity and further reduce cost where possible.

**i) Jain Farm Fresh Foods. Inc ("JFFFI, USA")** [Erstwhile Cascade Specialties Inc. USA] (Including its business division White Oak Frozen Foods) is a wholly owned subsidiary of the Company through Jain America Foods Inc., USA. During the year, JFFFI, USA sold its assets related to its Dehydrated Ingredients Division ("DID") (which primarily includes account receivable, inventory, customer contracts, customer list, real estate, fixed assets and manufacturing equipment, employees and business knowledge and relationships) to a private firm. JFFFI, USA remaining division is engaged in the frozen vegetables and frozen foods business. The sales from continuing operation of the company has declined by 10.5% from US\$ 38.14 million in FY 2019-20 to US\$ 34.12 million in FY 2020-21. During the first 6 months of the FY 2020-21, JFFFI, USA's Frozen Ingredients Division ("FID") experienced a significant decline in sales as a result of the uncertainty surrounding COVID-19 within the underlying food industry. While FID did not recoup the loss of sales during this time, sales rebounded for FID during the remainder of the year to normal levels. Despite the lower sales levels, FID improved profitability through increased average selling prices of products, operational efficiencies and cost reduction measures.

**j) Jain Farm Fresh Holdings SPRL, Belgium ("JFFH")** is a wholly owned subsidiary of Jain International Foods Ltd., UK and incorporated in 2018 under the laws of Belgium. JFFH has acquired 100% stake in Innovafoods N.V. Belgium. Innovafood is a leading importer, stockist and distributor of food ingredients and has become one of the leading players in the dehydrated vegetables, spices and other food ingredients in Belgium, Netherlands, France and other neighbouring countries. Consolidated sales of the JFFH including Innovafoods for FY 2019-20 was EUR 22.93 million and FY 2020-21 is EUR 20.48 million. The sales of the company during the year were impacted to some part by the COVID-19 pandemic in certain sectors, but the company was largely resilient to the main effects of the restrictions implemented in the major markets it operates. The company also faced issues with sourcing products from Far East which has an effect on sales.

**k) Jain Farm Fresh Gida Sanayi Ve Ticaret Anonim Sirketi, Turkey ("JFFG")** is a wholly owned subsidiary of Jain International Foods Ltd., UK and incorporated in 2019 under the laws of Turkey. JFFG is a leading processor, importer, stockist and distributor of food ingredients, especially Mediterranean herbs and spices. The sales of the company was US\$ 2.37 million in the year 2019-20 and US\$ 7.74 million in 2020-21. As the company only commenced manufacturing during 2019, FY20-21 was the first full year of trading. The company was able to successfully setup the manufacturing plant well within expected timescales in FY19-20, and expand into new markets during FY20-21 as the plant stabilised operations and capacity increased. Company is a primary supplier to the UK foodservice market via its sister company, Sleaford Quality Foods. Overall performance was effected in some part by the COVID-19 pandemic, even though company was able to successfully avoid the main impact and continued manufacturing through the year.

## D) Indian Subsidiary Companies

**a) Jain Farm Fresh Foods Ltd., India ("JFFFL")** company incorporated in April-2015 and is owned to the extent of 88.81% by JISL India & JPFTIPL. JISL had sold its Indian Food Business to JFFFL by way of slump sale including all assets, liabilities, employees, customers, IP, brands, etc. in FY 2016. The Standalone revenue of the company is ₹ 4,287.56 million in FY 2020-21 as against ₹ 7,622.26 million during the FY 2019-20.

Combined performance of JFFFL (stand-alone basis) consisted of three main divisions of dehydrated vegetables, fruit purees, concentrates, IQF and a basket of India spices. Each division has its own dedicated sourcing, supply chain, agricultural seasonality, manufacturing, distribution, and sales mechanism. While there were many common challenges faced by these three divisions, each one also had its unique set of issues.

Company's Dehydrated Vegetable Division fared relatively well year on year basis despite high raw material price during Kharif & Late Kharif. Issues related to farm labour migration during pandemic, market closures, yield losses in some growing areas due to adverse weather and overall less supply during the second half of financial year brought cost pressures. Division ended the fiscal year with strong order book going into fiscal year 2021-22.

Company's Fruit division bore the brunt of COVID-19 and bad mango crop season. Overall crop failure, high raw material prices, less arrivals in mandis, etc. were contributing factors. Both export and domestic revenue also saw a dip due to huge reduction in demand faced by beverage manufacturers who are our large customers.

Company's Spice division too was impacted by COVID-19 supply chain challenges. Positive for the division is that our process and our products continue to see good demand and the Company is trying its best to capture these opportunities.

**b) Jain Processed Foods Trading & Investments Pvt. Ltd., India ("JPFTIPL")** is a wholly owned subsidiary of the Company. JPFTIPL holds 74% of Driptechn India Pvt Ltd. & 7.16 % in JFFFL.

**c) DripTech India Pvt. Ltd., India ("DripTech")** is owned to the extent of 74% by JPFTIPL and 1% by JISL. The Company produces affordable, high quality irrigation systems designed for small-plot farmers. The Company caters to both domestic and international markets. Revenue of the company has increased by 5% from ₹ 110.74 million in FY 2019-20 to ₹ 116.72 million in FY 2020-21.

## 5) Overview of Segments

### [A] Hi Tech Agri Input Products Division:

Revenue from domestic sales of Hi-Tech Agri Input Products has increased by 18.6% in FY 2021 to ₹ 12,254 million from ₹ 10,331 million of FY 2020 mainly due to increase in MIS sale. Export of Hi-Tech Agri Input Products has increased by 25.3% to ₹ 1,655 million in FY 2021 from ₹ 1,321 million of FY 2020, mainly due to increase in MIS retails sales.

#### a) Micro and sprinkler irrigation

##### i) Industry

The Indian micro irrigation market majorly consists of drip irrigation systems in terms of revenue. It is highly competitive, with the presence of large and small scale drip and sprinkler irrigation equipment producers and marketers across numerous states of India. The other component is sprinkler irrigation systems, where the industry segment is small but niche; our Company is present and leader in both the segments.

##### ii) Performance

MIS Revenue has increased by 23.6% in FY 2021 to ₹ 12,743 million from ₹ 10,309 Million in FY 2020. The Domestic Revenue shown growth of 23.4% to ₹ 11,088 million in FY 2021 from ₹ 8,988 million in FY 2020. The export revenue has increased by 25.3% to ₹ 1,655 million in FY 2021 from ₹ 1,321 million in FY 2020. The Business contributed over 59.1% the Company's total turnover.

##### iii) Opportunity & Outlook

The main objective of the agricultural fund is to facilitate the States in mobilizing the resources for expanding coverage of Micro Irrigation by taking up special and innovative projects and also for incentivizing micro irrigation beyond the provisions

available under Per Drop More Crop (PDMC) component of Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) to encourage farmers to install micro irrigation system.

The Ministry of Agriculture has notified that they will cover 150 farmers in each of 300 districts across India to set a target of 1 crore Ha in 5 years starting from 2019 for MIS coverage instead of traditional method. This plan has been implemented and can potentially be a big opportunity for the Company.

The recent initiatives announced by the Government in the areas of agriculture and indigenization gives us many opportunities in the sector to scale up. The mood in the Company is to work with gusto like a young Company, which has also a rich legacy. We have a good order book and our focus in FY 2022 is to find ways and means to minimize working capital, reduce cost, build volumes and recover the receivables. One such initiative is the **Agriculture Infrastructure Fund**, Govt in July 2020 had approved the setting up of an agri-infra fund with a corpus of ₹ 1 lakh crore to extend subsidised credit for farm infrastructure projects. PM will also release 6<sup>th</sup> installment of ₹ 17,000 crores fund to 8.5 crores farmers under PM-KISAN scheme. The agri-infra fund was part of the over ₹ 20 lakh crore stimulus package announced in response to the COVID-19 crisis. The Agriculture Infrastructure Fund, the duration of which will be 10 years till 2029, aims to provide medium-to-long term debt financing facility for investment in viable projects for post-harvest management infrastructure and community farming assets through interest subvention and financial support.

#### iv) Risks & Challenges

Micro-irrigation requires pressure for water delivery in delivery lines, it requires pumps regardless of whether the source of water is surface or groundwater, hence it is facing problem of Energy Crisis. Water leakage from a sprinkler system caused by the inadequate repair of components defeats the purpose of saving water on Indian farms. Farmers now have to invest further to replace obsolete components of drip/sprinkler systems such as filters, clogged pipe network, electrical/electronic components, pumps, silted water bodies etc., all of which are not covered in any of the governments' financial schemes.

Agriculture is among those sectors which have been continuing to post retarded growth since the latter half of the last fiscal year. Rural consumption was affected because of the loan waivers, which in turn resulted in the inability of farmers to get new loans to buy irrigation systems. Drought affected many regions, especially during the second half of the monsoon resulting in reduced demand for micro-irrigation products during the Rabi season.

We are closely monitoring our receivables which have remained on the higher side for the last couple of quarters. This looks higher optically but is due to reduction in the revenues during the year FY20, & FY 21 as compared to earlier years, otherwise the absolute number is lower. Since agriculture and water are the state subjects, major portion of our micro-irrigation and piping business has exposure to government projects in the various states. The response of concerned departments slowed down due to the shift of focus on the health infrastructure post onset of the pandemic of Covid 19. However, we expect a normalcy in due course of the time. Taking a lesson from this we intend to reduce exposure of our projects to the State Governments. Accordingly, We have planned to partner/ enter into joint ventures with other such market players as an equipment and technical know-how supplier and have initiated steps in this direction and we have received a constructive response from the market / stakeholders/ customers in this regard. Simultaneously, we are working internally to take all necessary steps which are within our control.

## **b) Biotech Tissue Culture**

### **i) Industry**

Currently, the global demand for clean, healthy planting material for agriculture, horticulture, forestry, and floriculture is estimated at more than 16 trillion plants, which equals USD 4 trillion. However, the annual production of tissue culture plants is only about 1.5 billion to 2 billion, with an expected annual growth rate between 5% and 10%. The huge gap between the total demand for planting material and current supply of tissue culture products will encourage the industry to expand further.

Plant tissue culture saplings significantly outperform conventional vegetative propagation materials in terms of uniformity, earliness, yield, and quality. The superior performance of tissue culture plantlets and rising global food demand has boosted demand for tissue culture planting materials.

An example to illustrate the potential for tissue culture is the banana production in India. India has the largest cultivation area and production for banana crops (about 830,000 hectares). If one-third of the banana plants could be propagated by tissue culture, a minimum of 900 million plantlets would be needed. However, the current annual production is only 100-150 million plantlets. The Department of Biotechnology in India expects the annual growth in demand for tissue-cultured banana plants to increase at a rate of 25%. Biotech research application segment is anticipated to grow at the highest CAGR over the upcoming period, due to rising number of biotechnological research and studies supported by government initiative.

### **ii) Performance**

The Business contributed about 5.4% to the Company's corporate turnover. The Tissue Culture Revenue has decreased by 13.1% in FY 2021 to ₹ 1,166 million from ₹ 1,343 Million in FY 2020.

### **iii) Opportunity & Outlook**

In addition to production of disease free, true to type, quality plants through tissue culture, the technology has also been used for crop improvement by the production of useful soma clonal and gametoclonal variants, cell line selection, protoplast fusion etc. which leads to the development of commercially important and improved varieties.

### **iv) Risks & Challenges**

Uncertainty of the precipitation is the major risk while predicting demand of planting material and running production program well in advance. Seasonal plant demand, long propagation cycle, requirement of skilled manpower and high production costs per unit seem to be the main challenge for extending tissue culture applications. Tissue culture industry is looking for other ways to reduce costs per plantlet, like automation. It is becoming increasingly important to develop low cost, automated, mass propagation systems for producing tissue culture plantlets and to develop automated, robotized, and efficient transplant production methods.

## **[B] Plastic Products:**

Revenue from domestic business of Plastic Products division has decreased by 5.0% in FY 2021 to ₹ 6,571 million from ₹6,919 million in FY 2020. The revenue from export of Plastic division has decreased by 25.0% in FY 2021 to ₹884 million from ₹ 1,178 million of FY 2020.

### **a) PVC Piping**

#### **i) Industry**

The Indian PVC Pipes Market size was valued at \$3,346 million in 2018 and is anticipated to expand at a CAGR of 10.2% to reach \$6,224 million by 2023. Polyvinyl chloride (PVC) is the third largest selling plastic commodity after polyethylene & polypropylene. It is beneficial over other materials, owing to its chemical resistance, durability, low cost, recyclability, and others; thus, it can replace wood, metal, concrete, and clay in different applications. PVC pipes are manufactured by extrusion method in a variety of dimensions such as solid wall or cellular core construction. They are corrosion resistant, cost-effective, flame resistant, easy to install & handle, and environmentally sound, with long service life.

#### **ii) Performance**

During FY 2021, this business contributed about 19.9% to the Company's turnover. The revenue from



PVC has increased by 1.3% to ₹ 4,286 million in FY 2021 from ₹ 4,231 million in FY 2020. The revenue from domestic of PVC Pipe has increased by 3.3% in FY 2021 to ₹ 4046 million from ₹ 3918 million in FY 2020.

### **iii) Opportunity & Outlook**

PVC pipes have captured a greater share in the market because of their sturdiness and superior quality. In India, about 70% of the demand for plastic pipes is expected to come from the agricultural sector. The other 30% would be from the non-agricultural segments such as construction, plumbing and sewage systems. Increased demand for these pipes across the globe is majorly due to forthcoming replacement projects.

In view of robust government plans, major global projects, replacement needs in the foreign market, this is the right time for Company to tap the under-penetrated pipe industry. The increasing focus of government towards agriculture as well as housing will be the major demand driver for the Indian pipe industry. Urbanization will create the demand with rising construction and building of infrastructure. In the wake of expected exponential growth of the pipe industry, stringent quality controls, international standard certifications, and technological advancements are the only tools with which the Company can withstand the competitors in the industry.

The government is planning an aggressive target of providing piped water to all households by 2024 under its scheme "Nal Se Jal - Piped water for all". This indeed is a massive task given the sheer numbers involved i.e. 150 million households across 5,00,000+ villages need to be brought under the scheme over the next five years. As per the study of various water supply projects and proposals from the past, the estimated per capita spending for piped water projects could be ₹ 8,000-9,000, which means that for complete coverage, the spending on the water network would be at least doubled in FY 2024-25 as compared to FY 2014-19.

Jal Shakti Ministry combines major water/river related activities across prior two ministries (Ministry of Drinking Water and Sanitation and Ministry of Water Resources, River Development and Ganga Rejuvenation), over 144 million rural households are to be connected under "Nal Se Jal" project.

### **iv) Risks & Challenges**

India's plastics market depends on labor intensive equipment which has adversely impacted the productivity. Unreliable power and high energy costs in India as compared with other countries are also constraints which hamper capacity utilization.

Transportation of piping products sometimes becomes big hurdle for business. Maintaining good quality of products has been a challenge for the industry.

## **b) PE Piping**

### **i) Industry**

The Indian PE pipe market is forecast to grow at a CAGR of 10.4% from 2018 to 2022. The major growth drivers for this market are the growth of government infrastructure spending, increasing residential and commercial construction, industrial production, irrigation sector, and replacement of aging conventional metal pipelines.

### **ii) Performance**

This business contributed about 12.1% to the Company's corporate turnover. The revenue from PE Piping has decreased by 17.0% to ₹ 2,606 million in FY 2021 from ₹ 3,141 million in FY 2020. The revenue from export of PE Piping has decreased by 28.0% in FY 2021 to ₹ 158 million from ₹ 220 million in FY 2020.

### **iii) Opportunity & Outlook**

PE pipe market is expanding owing to increasing water development infrastructure, increasing awareness on water conservation and aim to become 100% open defecation free nation. The major aim of the government project(s) is to make sure that every citizen of India has optimum access to safe and hygienic drinking water. The government of India has been focusing on providing housing to each and every citizen of India by 2022. Rise in number of houses in the country will increase the need for constructing pipe infrastructure to transport water. Many irrigation projects and dams are under construction to aid the pipe market in India. Increasing population rate, rising FDI in construction and development, high investment in improving gas distribution network and increasing number of housing units are some other key factors that may have positive impact on the market creating additional and replacement demand in the future.

The new Government has set up 'Jal Shakti Ministry' to emphasis on clean drinking water for every household ("Har Ghar Jal") by 2024. We are already world leaders in Micro-Irrigation and Agri-Tech and over the last few decades, we have also gained leading position in 24\*7 drinking water supply projects. We are providing clean drinking water supply to the residents of more than 15 cities across the Country including metropolitan cities like Pune. We are optimistic that a good monsoon and the various initiatives announced by the new Government in water infrastructure and irrigation sectors would give us enough opportunities to serve the economy in the medium and long term in a sustainable manner.

As per a report of Petroleum and Natural Gas Regulatory Board (PNGRB) gas consumption of India is expected to grow by 0.5% every year till 2040 and to promote gas usage the PNGRB has proposed Capital Grant for Transmission Pipelines to connect Eastern India. Central Government has laid foundation of City Gas Distribution (CGD) Projects in 65 Geographical Areas in 129 districts. Around 96 cities and districts in different parts of the country were covered for development of CGD network.

Having an enviable track record of over 20 years of timely supplies of quality Silicoat HDPE ducts, micro ducts and bundled (multi) micro ducts, double walled corrugated ducts, JISL is catering the Intensifying demand for silicoat HDPE cable ducts and accessories as per demanding delivery schedules from its 3 strategically located production units in India, viz. mother plant at Jalgaon (Maharashtra), Hyderabad (Telangana) and Alwar (Rajasthan). It has till date supplied around 5,00,000 km of HDPE ducts to various telecom operators and has the plans for further expansion of its production capacity in all the locations.

#### **iv) Risks & Challenges**

Delay in implementation of projects remains the major risk faced by the business. Lack of awareness about quality needs at the customer's end provide significant challenge. Also conversion of HDPE from steel or concrete still sometimes becomes difficult due to unwillingness to change old specifications at engineering levels, though we are experiencing the shift of mind-set on large scale now and which is a positive sign.

#### **c) PVC Sheets**

##### **i) Industry**

The furniture, doors and interiors Panel market by the day is moving towards adoption of high quality, moisture resistant, excellent machinability and Green building rated qualifying material. The market is strongly looking at superior substitutes to Plywood and Wood; PVC Sheets/WPC Sheets qualify for the same, thus being able to drive this new product growth in market. Hence, there is a considerable YOY growth in demand of PVC sheets for Retail branding and visibility through Signage's and POS displays across all major growing markets.

##### **ii) Performance**

The business contributed about 2.6% to the Company's corporate turnover. This business has degrown by 22.3% to ₹ 564 million in FY 2021 from ₹ 726 million of FY 2020. The export revenue has decreased by 24.7% to ₹ 486 million in FY 2021 from ₹ 646 million in FY 2020.

#### **iii) Opportunity & Outlook**

This segment has been commercialized and used in consumer products, industrial products, agriculture products and construction. The global plastic films and sheets market is fragmented and markets such as North America and Europe are mature. However, Asia-Pacific market shows a huge potential for growth. The rising disposable income of middle class in India and China is expected to drive the plastic films and sheets market in the upcoming years.

#### **iv) Risks & Challenges**

The threat of substitute products is high in the market. This is primarily due to the availability of a large number of substitute products such as glass and metal, MDF, Plywood etc

#### **[C] Others**

Other division includes Solar Water Heating systems, Solar Photovoltaic Systems, and Agricultural products. Revenues from other division has decreased by 29.80 % in fiscal 2021 to ₹ 199.80 million from ₹ 284.60 million of FY 2020 mainly due to de-growth in solar division as a part of planned strategy.

### **6) Risks and concerns at corporate level**

The Company has significant experience in managing risks related to farming, weather, seasonality, global markets, currency fluctuation and impact of government policy. During last few very volatile years, this experience and expertise has helped the Company to navigate turbulent times in a smooth manner, to result in sustained growth, improved margins and increased market share, despite financial meltdown and violent disruption of all types of global/domestic markets and economy.

The risk management, inter alia, provides for periodical review of the procedures to ensure that executive management controls the risks through a properly defined framework. The Company has identified the risks and their owners within the organization and the following risks have emerged as the top 6 risks:

#### **Commodity Price Risk**

- Seasonality in agriculture and monsoon
- Foreign Currency Exchange Rate Risk
- Lower capacity utilization
- Volatile and Uncertain regulatory environment.
- Liquidity risk and Borrowing Risk
- Commodity Price Risk

The Company is exposed to fluctuations in prices of polymers and resins and fruits, vegetables which are used by it as raw materials. These products are commodities whose prices are determined by the supply and demand in the Indian and international markets for those products and indirectly by the price of petroleum. The prices for these commodities are volatile

and this volatility has an effect on Company's income and net profit. Company depends on certain key raw materials including materials derived from petroleum. Consequently, its business, financial condition and results of operations may be materially and adversely affected by increases/decreases in the price of these raw materials. Company currently does not hedge against market risk resulting from fluctuation in prices of these commodities mainly due to the lack of traded futures and other hedging instruments for its plastic resin and fruit and vegetable materials.

### Seasonality in agriculture

The Company's performance is also dependent on the seasonality in agriculture sector. Our manufacturing of agro-processed products varies over the course of each year, reflecting seasonal changes in the availability of raw materials and their prices. The effects of the monsoon and weather in India, including flooding, droughts and subsequent damage to crops, significantly affect the success of crop harvesting and can be more severe in India than in other countries.

### Foreign Currency Exchange Rate Risk

Currency risk is the risk that changes the market prices such as foreign exchange rates, interest rates and equity prices etc. The Company's operations involve foreign exchange transactions including import, export as well as financing and investment transactions and are exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US\$, EUR, GBP and CHF. Foreign currency risk arises from future commercial transactions and recognised in assets and liabilities denominated in foreign currency that is not Company's functional currency (i.e., ₹). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the ₹ cash flows of a high probable forecast transactions. The exports of Company and operations of its subsidiaries provide natural hedge.

### Lower capacity utilization

Sometimes the Company is unable to utilize all of its capacity to the fullest. The dependency of the business on season, competition and possibly because the 5 year PMKSY program didn't take off well, could be a reason for lower capacity utilization of the Company, in addition to working capital related liquidity issues in most of FY 2021.

### Volatile and Uncertain regulatory environment

Change in Government policy/ change in Government decisions, at central and state level may result in declaration of new policies which may not be in favour of Company impacting Company's growth plans. Completion of turnkey projects, subsidy model, drip irrigation contracts may get impacted due to change in Government policies. Similarly, the volatile and ever changing regulatory landscape in the Country is also a major issue and potential risk of non compliance.

### Liquidity and Borrowing Risk

Our financial condition and liquidity has been and will continue to be influenced by a variety of factors, including:

- our ability to generate cash flow from our operating activities and capacity utilization resulting from the same;
- our ability to obtain financing when required and dependency on the lenders;
- the level of our outstanding indebtedness and the interest that we are obligated to pay on our indebtedness, which together affect our overall finance costs;
- prevailing domestic and international interest rates, which affect our debt service requirements;
- cash collection cycle.
- Delays in realization of the government receivables, specially related to subsidy or Projects related.

Our principal cash requirements consist of the following

- operating and working capital requirements;
- the servicing of our indebtedness; and
- purchases of capital equipment.

Even though not mandated the Company has a Risk Management Committee in place which meets as necessary to take a review of risks and mitigation plan for those risks.

| Risk                  |                                   | Risk Mitigation  |
|-----------------------|-----------------------------------|--|
| <b>Operating Risk</b> |                                   |  |
| 1.                    | <b>Operation and Maintenance</b>  | The Company has state-of-the-art facilities and a dedicated & experienced team of personnel at its existing facilities. The Company also has experienced manpower at various levels to carry out the routine operations & maintenance of the Company's various facilities. |
| 2.                    | <b>Raw Material Prices</b>        | The Company currently does not hedge against market risk resulting from fluctuation in prices of these commodities mainly due to the lack of traded futures and other hedging instruments for its plastic resin  |
| 3.                    | <b>Lower Capacity utilization</b> | The dependency of the business on seasons, competition and possibly because the 5-year PMKSY program didn't take off well, could be a reason for lower capacity utilization of the Company. Once liquidity improves after RP the demand is not an issue.                   |

| Risk                        |                                    | Risk Mitigation   |
|-----------------------------|------------------------------------|---|
| Market Risk & Opportunities |                                    |   |
| 4.                          | Demand                             | <p><b>MIS</b></p> <ul style="list-style-type: none"> <li>PMKSY has been approved for implementation of MIS across the country with an outlay of INR 50,000 Crore in five years</li> <li>Har khet ko paani: Fund allocation for government driven projects for increase in area under Micro irrigation integrated</li> </ul> <p><b>Plastic Products</b></p> <ul style="list-style-type: none"> <li>Government of India aims to provide piped water to 150 mn households across 5,00,000+ villages by 2024. Govt initiated schemes such as <ul style="list-style-type: none"> <li>Jal Swarajya Scheme,</li> <li>Jal Nirmal Scheme,</li> <li>Co-operative lift irrigation scheme</li> <li>AMRUT</li> <li>Swachh Bharat Mission</li> <li>Smart cities project</li> </ul> </li> </ul> <p><b>Tissue Culture</b></p> <ul style="list-style-type: none"> <li>A total of ~ 280 Crore saplings are required every year in India of which only ~14-16 Crore is being catered to</li> <li>Only 5% of the total crop being cultivated in India, is cultivated using saplings developed under the tissue culture technique</li> </ul> |
| 5.                          | Interest Rate Risk                 | The interest rates assumed for projections are in line with the current market scenario. Any fluctuation in the interest rate owing to inflation or other external factors may have an impact on the cashflows of the Company.  |
| 6.                          | Payments and Overdue Outstanding's | <p>Many departments of the concerned State Governments make huge delays in disbursement of subsidies. This results in a sharp increase in receivables which is further contributing to increased receivable days and adding pressure on the working capital cycle of JISL. Further, JISL has:</p> <ul style="list-style-type: none"> <li>Switched from subsidy model to the cash and carry model</li> <li>Started taking up integrated community based turnkey irrigation projects only for supply but not turnkey implementation.</li> </ul>   |

## 7) Analysis of the Standalone financial performance

### a) Net sales

(₹ in Million)

| Business                             | 2020-21          | 2019-20          | Change absolute | Change %     |
|--------------------------------------|------------------|------------------|-----------------|--------------|
| Hi Tech Agri Input Products Division | 13,909.30        | 11,651.90        | 2,257.40        | 19.37%       |
| Plastic Division                     | 7,455.10         | 8,097.80         | (642.70)        | (7.94%)      |
| Other Division                       | 199.80           | 284.60           | (84.80)         | (29.80%)     |
| <b>Total Revenue</b>                 | <b>21,564.20</b> | <b>20,034.30</b> | <b>1,529.90</b> | <b>7.64%</b> |
| Domestic                             | 19025.40         | 17514.54         | 1510.86         | 8.63%        |
| Export                               | 2538.84          | 2,488.22         | 19.06           | 0.76%        |

Total revenue of the Company on a standalone basis has increased by 7.64% to ₹ 21564.20- million in FY 2021 vis-a-vis ₹ 20,034.30 million in FY 2020. Company's total domestic revenue has increased by 8.63% for FY 2021 to ₹19025.43 million from ₹ 17514.54 million in FY 2020. The revenue from exports has increased by 0.76% in FY 2021 to ₹ 2538.80 million from ₹ 2519.79 million in FY 2020.

### i) Hi Tech Agri Input Products Division:

Revenue from domestic sales of Hi-Tech Agri Input Products has increased by 18.6% in FY 2021 to ₹ 12,254 million from ₹10,331 million of FY 2020 mainly due to increase in MIS sale. Export of Hi-Tech Agri Input Products has increased by 25.3% to ₹ 1,655 million in FY 2021 from ₹1321 million of FY 2020, mainly due to increase in MIS retail sales.

### ii) Plastic Products:

Revenue from domestic business of Plastic Products division has decreased by 5.0% in FY 2021 to ₹ 6,571 million from ₹6,919 million in FY 2020. The revenue from export of Plastic division has decreased by 25.0% in FY 2021 to ₹884 million from ₹ 1,178 million of FY 2020.

### iii) Other Division:

Other division includes Solar Water Heating systems, Solar Photovoltaic Systems, and Agricultural products. Revenues from other division has decreased by 29.80 % in fiscal 2021 to ₹ 199.80 million from ₹284.60 million of FY 2020 mainly due to de-growth in solar division as a part of planned strategy.

### b) Raw material consumption

(₹ in Million)

| Particulars  | 31 <sup>st</sup> Mar 2021 | 31 <sup>st</sup> Mar 2020 | Change absolute | Change % |
|--|---------------------------|---------------------------|-----------------|----------|
| Polymers, Chemicals & additives, packing material etc. | 11,939.04                 | 11,455.02                 | 484.02          | 4.23%    |



Raw material consumption has increased by 4.23% to ₹11,939.04 million in FY 2021 as compared to ₹ 11,455.02 million of FY 2020, due to change in product mix.

#### c) Other Expenses (₹ in Million)

| Particulars    | 31 <sup>st</sup> Mar 2021 | 31 <sup>st</sup> Mar 2020 | Change absolute | Change % |
|----------------|---------------------------|---------------------------|-----------------|----------|
| Other Expenses | 5,259.92                  | 8,342.12                  | (3,082.20)      | (36.95)% |

Other Expenses have decreased by 36.95% to 5,259.92 million in FY 2021 as compared to ₹ 8,342.12 million of FY 2020, due to decrease, mainly on account of power and fuel (20.83) % ₹653.15 million compared to 825.02 in FY 2020, Agency charges (31.93)% ₹1187.93 million in FY2021 compared to 1745.21 million in FY 2020, Freight Outward (24.41)% ₹417.34 million FY2021 ₹552.11 million FY2020, Processing Charges (50.29)% ₹252.05 million in FY2021 compared ₹506.99 million in FY 2020, Irrecoverable claim, provision and bad debts (77.49)% ₹599.98 million in FY 2021 compared to ₹2665.39 in FY 2020, and decrease in travelling expenses (32.98)% ₹191.10 million in FY2021 and ₹285.12 in FY2020, increase in legal, professional & consultancy fees 101.15% ₹457.87 million in FY 2021 compared to FY 2020 ₹227.63 million and increase in remaining other expenditure 35.93% ₹1706.32 million in FY2021 compared to FY 2020 ₹1255.29 million.

#### d) Employees Benefit Expenses (₹ in Million)

| Particulars                | 31 <sup>st</sup> Mar 2021 | 31 <sup>st</sup> Mar 2020 | Change absolute | Change % |
|----------------------------|---------------------------|---------------------------|-----------------|----------|
| Employees Benefit Expenses | 2,412.49                  | 2,981.53                  | (569.04)        | (19.09)% |

Employee cost has decreased by 19.09% to ₹ 2,412.49 million for FY 2021 as compared to ₹ 2,981.53 million of FY 2020, due to decreased in no. of employee 6,719 in FY 2021 as compare 7,037 in FY 2020 and due to pandemic situation COVID-19.

#### e) Finance Costs (₹ in Million)

| Particulars       | 31 <sup>st</sup> Mar 2021 | 31 <sup>st</sup> Mar 2020 | Change absolute | Change %     |
|-------------------|---------------------------|---------------------------|-----------------|--------------|
| Interest Expenses | 4,327.12                  | 3,816.53                  | 510.59          | 13.38%       |
| Bank Charges      | 123.92                    | 362.91                    | (238.99)        | (65.85)%     |
| <b>Total</b>      | <b>4,451.04</b>           | <b>4,179.44</b>           | <b>271.60</b>   | <b>6.50%</b> |

The Finance Cost has increased by 6.50% to ₹ 4,451.04 million for FY 2021 as compared to ₹ 4,179.44 million of FY 2020, increased due to overdue penal interest charged by lender and provision made on accrual basis against unpaid interest.

#### f) Fixed Assets (₹ in Million)

| Particulars                   | 31 <sup>st</sup> Mar 2021 | 31 <sup>st</sup> Mar 2020 | Change absolute   | Change %       |
|-------------------------------|---------------------------|---------------------------|-------------------|----------------|
| Gross Block (net of disposal) | 45,202.43                 | 44,792.32                 | 410.11            | 0.92%          |
| Less: Depreciation            | 16,522.44                 | 15,003.82                 | 1,518.62          | 10.12%         |
| <b>Net Block</b>              | <b>28,679.99</b>          | <b>29,788.50</b>          | <b>(1,108.51)</b> | <b>(3.72)%</b> |

Gross block of Fixed Assets has increased by ₹ 410.11 million during the year mainly on account of building & accumulated depreciation has increased by ₹ 1,518.62 million during the year.

#### g) Investments (₹ in Million)

| Particulars   | 31 <sup>st</sup> Mar 2021 | 31 <sup>st</sup> Mar 2020 | Change absolute | Change %     |
|---|---------------------------|---------------------------|-----------------|--------------|
| Investment in wholly owned subsidiary (WoS)/ Subsidiary/ Step Down Subsidiary Company | 10949.20                  | 10,949.20                 | -               | -            |
| Other Investment  | 612.49                    | 612.64                    | (0.15)          | (0.02)%      |
| <b>Total</b>  | <b>11561.84</b>           | <b>11559.03</b>           | <b>(0.15)</b>   | <b>0.02%</b> |

There is an decrease of ₹ 0.15 million in investments in associate in Sustainable Agro Commercial Finance Limited.

#### h) Inventories (₹ in Million)

| Particulars | 31 <sup>st</sup> Mar 2021 | 31 <sup>st</sup> Mar 2020 | Change absolute | Change % |
|-------------|---------------------------|---------------------------|-----------------|----------|
| Inventories | 6,612.29                  | 7,472.89                  | (860.60)        | (11.52)% |

The overall inventory has decreased by ₹860.60 million during FY 2021 as compared to FY 2020, primarily due to better control over the inventory.

#### i) Trade Receivables (₹ in Million)

| Particulars                 | 31 <sup>st</sup> Mar 2021 | 31 <sup>st</sup> Mar 2020 | Change absolute | Change %       |
|-----------------------------|---------------------------|---------------------------|-----------------|----------------|
| Gross Receivables           | 25,373.98                 | 25,905.35                 | (531.37)        | (2.05)%        |
| Less: Impairment allowances | 3,941.03                  | 3,579.66                  | 361.37          | 10.10%         |
| <b>Net Receivables</b>      | <b>21,432.95</b>          | <b>22,325.69</b>          | <b>(892.74)</b> | <b>(4.00)%</b> |

The net receivables decreased by 4.00% to ₹ 21,432.95 million for FY 2021 due to realization of project related receivables as compared to ₹ 22,325.69 million of FY 2020.

**j) Short Term Loans and Advances** (₹ in Million)

| Particulars                 | 31 <sup>st</sup> Mar 2021 | 31 <sup>st</sup> Mar 2020 | Change absolute | Change % |
|-----------------------------|---------------------------|---------------------------|-----------------|----------|
| Short Term Loans & Advances | 5,017.55                  | 4,603.65                  | 413.90          | 8.99%    |

Short Term Loans & Advances have increased by ₹ 413.90 million for FY 2021 mainly due to increase in supplier advances 11.70% ₹ 312.32 million ,increase in balance with government authority 22.37% ₹ 149.01 million.

**k) Current Liabilities** (₹ in Million)

| Particulars         | 31 <sup>st</sup> Mar 2021 | 31 <sup>st</sup> Mar 2020 | Change absolute | Change % |
|---------------------|---------------------------|---------------------------|-----------------|----------|
| Current Liabilities | 42,286.01                 | 36,444.85                 | 5,841.16        | 16.03%   |

Current Liabilities have increased by ₹5841.16 million to ₹ 42,286.01 million for FY 2021 from ₹36,444.85 million for FY 2020, mainly due to increase in current borrowings by ₹ 1,953.70 million. Decreased in trade payable by 30.32% ₹1,275.79 million. Increased in other financial liability 73.93% ₹4,929.42 million due to increase in current maturity of loan term borrowing and unpaid interest ₹4,667.19 increase in liability towards employee benefit ₹149.99 million and Increased in security deposit ₹94.33 million. Increase in other current liability ₹ 236.21 million due to increase in statutory liability ₹178.91 million and increase in contract liabilities ₹48.99 million.

**l) Long Term Borrowing** (₹ in Million)

| Particulars  | 31 <sup>st</sup> Mar 2021 | 31 <sup>st</sup> Mar 2020 | Change absolute | Change % |
|--|---------------------------|---------------------------|-----------------|----------|
| Long Term Borrowing (incl. the current maturities) | 7,421.83                  | 7,428.38                  | (6.55)          | (0.09)%  |

The Long Term Borrowing has decreased by 0.09% to ₹ 7,421.83 mn in FY 2021 from ₹ 7,428.38 million in FY 2020. Mainly on account of repayment made of vehicle loan ₹10.20 million.

**m) Shareholders' Funds** (₹ in Million)

| Particulars                              | Equity Capital | Premium Share | Other Reserves | Retained  | Total     |
|--|----------------|---------------|----------------|-----------|-----------|
| Balance as on 1 <sup>st</sup> April 2020 | 1,031.32       | 14,504.65     | 3,897.72       | 22,730.08 | 42,163.77 |
| a) Allotted during the year              | -              | -             | -              | -         | -         |
| b) Share option outstanding              | -              | -             | -              | -         | -         |

| Particulars                                     | Equity Capital  | Premium Share    | Other Reserves  | Retained          | Total             |
|---|-----------------|------------------|-----------------|-------------------|-------------------|
| b) Profits for the year                         | -               | -                | -               | (3,073.19)        | (3,073.19)        |
| c) Dividend paid (incl. dividend tax)           | -               | -                | -               | -                 | -                 |
| d) Adjustments                                  | -               | -                | 40.36           | (5.64)            | 34.72             |
| <b>Sub Total (a to d)</b>                       | -               | -                | <b>40.36</b>    | <b>(3,078.83)</b> | <b>(3,038.47)</b> |
| <b>Balance as on 31<sup>st</sup> March 2021</b> | <b>1,031.32</b> | <b>14,504.65</b> | <b>3,938.08</b> | <b>19,651.25</b>  | <b>39,125.30</b>  |

There is no major change in shareholders fund as at 31-03-2021 except loss reducing and retained earnings.

**n) Dividend**

The Board has not proposed to pay dividend on Ordinary Equity Shares and DVR Equity Shares for the FY 2021.

(₹ in Million)

| Particulars     | 2020-21 | 2019-20 | Change absolute | Change % |
|-----------------|---------|---------|-----------------|----------|
| Equity Dividend | -       | -       | -               | -        |

**Disclaimer**

The Management cautions that some of statements above are directional and forward looking and do not represent correctness of the underlying projections as they are dependent on various factors some of which may be outside control of management.

# ANNEXURE VI - REGISTER OF LOANS, GUARANTEE, SECURITY & ACQUISITION

Made by Jain Irrigation Systems Ltd. (FY 2020-21)

[Pursuant to Section 186(9) of the Companies Act, 2013 and & Rule 12(1) of Companies (Meetings of Board and its Powers) Rules, 2014]

| Nature of transaction (whether Loan/ Guarantee/ Security/ Acquisition) | Date of making Loan/ Acquisition/ Giving Guarantee/ Providing Security | Name and Address of the Person or Body Corporate to whom it is made or given or whose securities have been acquired (Listed / Unlisted entities) | Amount of Loan/ Security/ Acquisition/ Guarantee | Time period for which it is made/ given | Purpose of Loan/ Acquisition/ Guarantee/ Security | % of loan/ acquisition / exposure on guarantee/ security provided to the paid up Capital, Free Reserves and securities Premium account and % of free reserves and securities premium | Date of Passing of Board resolution | Date of passing Special resolution, if required | For Loan         |                  | For Acquisitions          |                                 |   |                             | Selling Price (how the price was arrived at) |
|--|--|--|--|---|---|--|-------------------------------------|---|------------------|------------------|---------------------------|---------------------------------|---|-----------------------------|--|
|  |  |  |  |   |   |  |                                     |   | Rate of Interest | Date of maturity | No and kind of Securities | Nominal Value and paid up value | Cost of Acquisition (in case of Securities how the purchase price was arrived at) | Date of Selling Investments |  |
| NIL  | NIL  | NIL  | NIL  | NIL                                     | NIL   | NIL  | NIL                                 | NIL   | NIL              | NIL              | NIL                       | NIL                             | NIL   | NIL                         | NIL  |

# ANNEXURE VII

## DISCLOSURE ON MANAGERIAL REMUNERATION

**Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given hereunder**

- The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year and
- The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

### A) Executive Directors, Chief Financial Officer and Company Secretary

| Sr. No. | Name                    | Designation                       | Remuneration (₹) | % of Increase* | Ratio of Directors Remuneration to Median (Number of Times) |
|---------|-------------------------|-----------------------------------|------------------|----------------|---|
| 1)      | Shri. Ashok B. Jain     | Whole Time Director               | 30,511,921       | Nil            | 99.57   |
| 2)      | Shri. Anil B. Jain      | Vice Chairman & Managing Director | 30,511,921       | Nil            | 99.57   |
| 3)      | Shri. Ajit B. Jain      | Jt. Managing Director             | 30,511,921       | Nil            | 99.57   |
| 4)      | Shri. Atul B. Jain      | Chief Financial Officer           | 30,511,921       | Nil            | 99.57   |
| 5)      | Shri. R. Swaminathan    | Executive Director                | 83,80,712        | Nil            | 27.35   |
| 6)      | Shri. A. V. Ghodgaonkar | Company Secretary                 | 71,60,000        | -              | -   |

### B) Non-Executive Directors

| Sr. No.      | Name                                      | Designation                  | Remuneration (₹) (Sitting Fees & Commission) | % of Increase** | Ratio of Directors Remuneration to Median (Number of Times) |
|--------------|---|------------------------------|--|-----------------|---|
| 1)           | Shri. D. R. Mehta                         | Independent Director         | 4,00,000                                     | NA              | NA  |
| 2)           | Shri. Ghanshyam Dass                      | Independent Director         | 4,00,000                                     | NA              | NA  |
| 3)           | Shri. H. P. Singh                         | Independent Director         | 5,00,000                                     | NA              | NA  |
| 4)           | Smt. Radhika Pereira                      | Independent Director         | 5,50,000                                     | NA              | NA  |
| 5)           | Shri Johannes Bastiaan Boudewijn Mohrmann | Independent Director         | 5,00,000                                     | NA              | NA  |
| 6)           | Dr. Narendra Damodar Jadhav^              | Independent Director         | 4,50,000                                     | NA              | NA  |
| 7)           | Ms. Nancy Marie Barry^                    | Independent Director         | 3,50,000                                     | NA              | NA  |
| 8)           | Shri Mukul Abinash Sarkar^                | Nominee Director (Exim Bank) | 1,50,000                                     | NA              | NA  |
| 9)           | Mr. Uday Ramakant Garg^                   | Nominee Director (Mandala)   | 4,00,000                                     | NA              | NA  |
| <b>Total</b> |   |                              | <b>37,00,000</b>                             | <b>NA</b>       | <b>NA</b>   |

**^Appointed on 30<sup>th</sup> December, 2020 in 33<sup>rd</sup> AGM.**

- The percentage increase in the median remuneration of employees in the financial year; 0%. The Company has a biennial system for increment and appraisal.
- The number of permanent employees on the rolls of Company; 6,719 Employees as on 31<sup>st</sup> March, 2021.
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year 2021 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration
- Affirmation that the remuneration is as per the remuneration policy of the company.  
Yes, the remuneration of Executive Directors, KMP and rest of Employees is as per the remuneration policy of the Company.



# ANNEXURE VIII

## FORM AOC-2- RELATED PARTY TRANSACTIONS (FY 2020-21)

| Name(s) of the Related Party & nature of relationship               | Nature of contracts/ arrangements/ transaction                       | Duration of the contracts /arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any (₹ In Million) | Date of approval by the Board | Amount paid as advances, if any (₹ in Million) |
|---|--|--|--|-------------------------------|--|
| 1 Naandan Jain Irrigation Ltd, Israel                               | Purchase of goods/ services, Sale of goods                           | Ongoing  | 203.77   | 31/07/2020                    | NA   |
| 2 NaanDan Jain France Sarl., France                                 | Sale of Goods  | Ongoing  | 46.13  | 31/07/2020                    | NA   |
| 3 NaanDan Jain Iberica S.C., Spain                                  | Purchase of goods/ services, Sale of goods                           | Ongoing  | 189.66   | 31/07/2020                    | NA   |
| 4 NaanDan Jain Australia Pty Ltd., Australia                        | Sale of Goods  | Ongoing  | 64.62  | 31/07/2020                    | NA   |
| 5 NaanDan Jain Industria E Comercio de Equipmentos Ltd., Brazil     | Sale of Goods  | Ongoing  | 132.76   | 31/07/2020                    | NA   |
| 6 NaanDan Jain Irrigation Projects S.R.L., Romania                  | Sale of Goods  | Ongoing  | 35.07  | 31/07/2020                    | NA   |
| 7 NaanDan Jain Mexico, S.A. De C.V., Mexico                         | Sale of Goods  | Ongoing  | 126.11   | 31/07/2020                    | NA   |
| 8 NaanDan Jain Peru S.A.C., Peru                                    | Sale of Goods  | Ongoing  | 8.56   | 31/07/2020                    | NA   |
| 9 NaanDan Jain S.R.L., Italy  | Sale of Goods  | Ongoing  | 25.87  | 31/07/2020                    | NA   |
| 10 NaanDanJain (China) Agricultural Science and Technology Co., Ltd | Sale of Goods  | Ongoing  | 45.42  | 31/07/2020                    | NA   |
| 11 NaanDanJain Irrigation SA (Pty) Ltd., South Africa               | Sale of Goods  | Ongoing  | 24.36  | 31/07/2020                    | NA   |
| 12 Ex-cel Plastic, Ireland  | Sale of Goods  | Ongoing  | 26.37  | 31/07/2020                    | NA   |
| 13 Agrologico sistemas Tecnologicos S.A., Costa Rica                | Sale of Goods  | Ongoing  | 4.70   | 31/07/2020                    | NA   |
| 14 Agrologico de Guatemala S.A. , Guatemala                         | Sale of Goods  | Ongoing  | 44.47  | 31/07/2020                    | NA   |
| 15 THE Machine S.A., Switzerland                                    | -  | Ongoing  | -  | 31/07/2020                    | NA   |
| 16 Jain Agricultural Services Australia Pty. Ltd, Australia         | Sale of Goods  | Ongoing  | 0.89   | 31/07/2020                    | NA   |
| 17 Jain Agricultural Services Australia Pty. Ltd, Australia         | Purchase of goods/   | Ongoing  | 0.22   | 31/07/2020                    | NA   |
| 18 Jain America Holdings Inc, USA                                   | Purchase of goods/ services, Sale of goods/Purchase of Capital Goods | Ongoing  | 401.48   | 31/07/2020                    | NA   |
| 19 Jain International Trading B.V., Netherlands                     | Interest on Loans Given  | Ongoing  | 7.01   | 31/07/2020                    | NA   |
| 20 Jain Irrigation Inc, USA   | Sale of Goods  | Ongoing  | 318.04   | 31/07/2020                    | NA   |
| 21 Jain Mena DMCC, Dubai  | Sale of Goods  | Ongoing  | 9.11   | 31/07/2020                    | NA   |
| 22 Jain Agricultural Services , USA                                 | Sale of Goods  | Ongoing  | 0.68   | 31/07/2020                    | NA   |
| 23 New Jain Irrigation Inc, USA                                     | Purchase of goods/   | Ongoing  | 10.43  | 31/07/2020                    | NA   |
| 24 Jain Sulama Sistemleri Sanayi Ve Ticaret Anonim Sirkti, Turkey   | Purchase of goods/ services, Sale of goods                           | Ongoing  | 210.22   | 31/07/2020                    | NA   |
| 25 Gavish Control Systems Ltd., Israel                              | Purchase of goods/   | Ongoing  | 0.18   | 31/07/2020                    | NA   |
| 26 Jain ( Europe ) Ltd., UK   | Sale of goods  | Ongoing  | 76.57  | 31/07/2020                    | NA   |

| Name(s) of the Related Party & nature of relationship   | Nature of contracts/ arrangements/ transaction   | Duration of the contracts /arrange-ments/ transac-tion | Salient terms of the contracts or arrangements or transaction including the value, if any (₹ In Million) | Date of approval by the Board | Amount paid as advances, if any (₹ in Million) |
|---|--|--|--|-------------------------------|--|
| 27 Jain Farm Fresh Foods Ltd.                           | Purchase of goods/Sale of Goods/Sale of Services/ Interest on Loans Given                | Ongoing  | 193.06   | 31/07/2020                    | NA   |
| 28 Jain Processed Foods Trading & Investments Pvt. Ltd. | Interest on Loans Given/ Loan And Advances Taken Repaid/Interest on Loans Given          | Ongoing  | 1.81   | 31/07/2020                    | NA   |
| 29 Sustainable Agro-Commercial Finance Ltd.             | Other expenditure/ Interest on Loans Taken/ Rent Received/Loan And Advances Taken Repaid | Ongoing  | 8.00   | 31/07/2020                    | NA   |
| 30 Gandhi Research Foundation                           | Purchase of goods/   | Ongoing  | 0.02   | 31/07/2020                    | NA   |
| 31 Driptech India Pvt.Ltd.                              | Purchase of goods/Sale of Goods/Rent Expenses/Rent Received                              | Ongoing  | 85.93  | 31/07/2020                    | NA   |
| 32 Drip & Pipe Suppliers                                | Rent Expenses  | Ongoing  | 0.39   | 31/07/2020                    | NA   |
| 33 Bhavarlal and Kantabai Jain Multipurpose Foundation  | Purchase of goods/   | Ongoing  | 0.42   | 31/07/2020                    | NA   |
| 34 Bhavarlal and Kantabai Jain Multipurpose Foundation  | Sale of Goods  | Ongoing  | 0.39   | 31/07/2020                    | NA   |
| 35 Jain Brothers Industries Pvt. Ltd.                   | Rent Expenses  | Ongoing  | 2.09   | 11/08/2014                    | NA   |
| 36 Jain Health Care Services                            | Purchase of goods/Sale of Goods/Rent   | Ongoing  | 2.63   | 11/08/2014<br>31/07/2020      | NA   |
| 37 JAF Products Pvt. Ltd.                               | Rent Expenses  | Ongoing  | 0.08   | 11/08/2014                    | NA   |
| 38 Ashok B. Jain  | Rent Expenses/ Remuneration  | Ongoing  | 21.92  | 11/08/2014<br>13/08/2018      | NA   |
| 39 Anil B. Jain   | Remuneration   | Ongoing  | 15.24  | 13/08/2018                    | NA   |
| 40 Ajit B. Jain   | Rent Expenses/ Remuneration  | Ongoing  | 31.78  | 11/08/2014<br>13/08/2018      | NA   |
| 41 Atul B. Jain   | Rent Expenses/ Remuneration  | Ongoing  | 19.85  | 11/08/2014<br>13/08/2018      | NA   |
| 42 Jyoti Ashok Jain                                     | Rent Expenses  | Ongoing  | 5.64   | 11/08/2014                    | NA   |
| 43 R. Swaminathan                                       | Remuneration   | Ongoing  | 3.61   | 13/08/2018                    | NA   |
| 44 Avdhut V. Ghodgaonkar                                | Remuneration   | Ongoing  | 7.16   | 31/07/2020                    | NA   |
| 45 Nisha Anil Jain                                      | Rent Expenses  | Ongoing  | 13.75  | 11/08/2014                    | NA   |
| 46 Shobhana Ajit Jain                                   | Rent Expenses  | Ongoing  | 0.91   | 11/08/2014                    | NA   |
| 47 Bhavana Atul Jain                                    | Rent Expenses  | Ongoing  | 0.91   | 11/08/2014                    | NA   |
| 48 Devendra R. Mehta                                    | Sitting Fees   | Ongoing  | 0.40   |                               | NA   |
| 49 Ghanshyam Dass                                       | Sitting Fees   | Ongoing  | 0.40   |                               | NA   |
| 50 Radhika C Pereira                                    | Sitting Fees   | Ongoing  | 0.55   |                               | NA   |
| 51 Harishchandra Prasad Singh                           | Sitting Fees   | Ongoing  | 0.50   |                               | NA   |
| 52 Johannes Bastiaan Boudewijn Mohrmann                 | Sitting Fees   | Ongoing  | 0.50   |                               | NA   |
| 53 Dr.Narendra Jadhav                                   | Sitting Fees   | Ongoing  | 0.45   |                               | NA   |
| 54 Mukul Sarkar   | Sitting Fees   | Ongoing  | 0.15   |                               | NA   |
| 55 Ms.Nancy Barry                                       | Sitting Fees   | Ongoing  | 0.35   |                               | NA   |
| 56 Uday R. Garg   | Sitting Fees   | Ongoing  | 0.40   |                               | NA   |
| <b>Total</b>  |  |  | <b>2,431.99</b>  |                               |  |

# ANNEXURE IX

## FORM NO.MR-3 : SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021

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

To,  
The Members  
**JAIN IRRIGATION SYSTEMS LIMITED**  
Jain Plastic Park,  
N.H. No. 6, Bambhori,  
Jalgaon-425 001.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jain Irrigation Systems 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 period covering 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 on 31st March, 2021 according to the provisions of:

- i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **[Not applicable to the Company during the audit period];**
  - f) 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.
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **[Not applicable to the Company during the audit period]; and**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **[Not applicable to the Company during the audit period];**

vi) The Company has identified the following laws specifically applicable to the Company :

- a) Food Safety & Standards Act, 2006;
- b) Export (Quality Control & Inspection) Act, 1963;
- c) APEDA Act, 1985
- d) Boiler Act, 1923;
- e) Environment (Protection) Act, 1986;
- f) Water (Prevention & Control of Pollution) Act, 1974;
- g) The Air (Prevention & Control of Pollution) Act, 1981;
- h) The Legal Metrology Act, 2009;
- i) Petroleum Act, 1934;
- j) Explosives Act, 1884;
- k) Electricity Act, 2003

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

However, during Financial Year 2019-20, the Company has not fully spent 2% of its average net profits made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility Policy in terms of Section 135(5) of the Act and the Rules made thereunder. However, the unspent amount of ₹ 37.54 million for financial year 2019-20 has been duly spent up to 30<sup>th</sup> September, 2020 as allowed by the Ministry of Corporate Affairs vide its Circular No. 10/2020 dated 20<sup>th</sup> March, 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 that took place during the period under review were carried out in compliance with the provisions of the Act.

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.

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

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.

Place : **Mumbai**  
Date : **29<sup>th</sup> August, 2021**

For and on behalf of  
**V. Laxman & Co.,**  
Company Secretaries

UDIN : **F001513C000855949**

Sd/-  
(V. Laxman)  
FCS No. 1513  
C P No. : 744

This Report is to be read with our letter of even date which is attached as Annexure 'A' and forms an integral part of this Report.

# ANNEXURE 'A'

To,

**The Members**

**JAIN IRRIGATION SYSTEMS LIMITED**

Jain Plastic Park,

N.H. No. 6, Bambhori,

Jalgaon-425 001.

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 test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed proved a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
- 4) Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- 7) Physical verification of certain documents could not be completed due to imposition of lockdown on account of COVID 19. The Secretarial Audit Report is prepared on the basis of documents made available online and information provided by the Company.

Place : **Mumbai**

Date : **29<sup>th</sup> August, 2021**

For and on behalf of

**V. Laxman & Co.,**

Company Secretaries

Sd/-

(V. Laxman)

FCS No. 1513

C P No. : 744

UDIN : **F001513C000492135**



# ANNEXURE 'B'

## CERTIFICATE

Based on our verification of books, papers, forms and returns filed and other records maintained by **Jain Irrigation Systems Limited** ("The Company"), and also the information provided by its officers, agents and authorized representatives during the conduct of secretarial audit of the Company, we hereby certify 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 Securities Exchange Board of India, Ministry of Corporate Affairs or any such authority as on 31<sup>st</sup> March, 2021.

Place : **Mumbai**  
Date : **21<sup>st</sup> June, 2021**

For and on behalf of  
**V. Laxman & Co.,**  
Company Secretaries

Sd/-  
(V. Laxman)  
FCS No. 1513  
C P No. : 744

UDIN : **F001513C000492135**

# ANNEXURE X

## BUSINESS RESPONSIBILITY REPORT 2020-21

Jain Irrigation Systems Ltd. presents Business Responsibility Report (BRR) for the Financial Year ended 31<sup>st</sup> March, 2021 in accordance with SEBI LODR 2015. The report is prepared in adherence to The National Guidelines for Responsible Business Conduct, 2018 (NGRBC), released by Ministry of Corporate Affairs, Government of India.

The Company will continue to report on essential indicators which are captured in its existing management systems and are relevant to the core elements of nine principles of the NGRBC's.

### SECTION A: GENERAL DISCLOSURES

The general details of the organization are as follows:

**Table 1- Company Details**

|   |  |
|---|--|
| 1) <b>Name of the Company:</b>  | Jain Irrigation Systems Limited                        |
| 2) <b>Year of registration</b>  | 1986   |
| 3) <b>Corporate Identity Number (CIN) of the Company:</b>                           | L29120MH1986PLC042028                                  |
| 4) <b>Address of the Registered Office:</b>   | Jain Plastic Park, N.H.No. 6, Bambhori, Jalgaon 425001 |
| 5) <b>Website:</b>  | <a href="http://jains.com/">http://jains.com/</a>      |
| 6) <b>Sector(s) that the Company is engaged in (industrial activity code-wise):</b> |  |

The Company is engaged in activities as grouped below:

| Name and Description of main products / services   | NIC CODE |
|--|----------|
| i) Manufacture of other Plastic Products (n.e.c)   | 22209    |
| ii) Manufacture of fruit or vegetable juices and their concentrates squashes and powder and Spices* <sup>[1]</sup> | 10304    |

#### 7) Goods manufactured/services provided (top three by revenue):

| Businesses   | Products/Services  |
|--|--|
| Plastic Business- Plastic Products:  | Micro Irrigation Systems (Drip Irrigation / Sprinkler irrigation) Piping Systems (PE & PVC pipes & fittings) and Plastic sheet |
| Agro-Processed Products Fruit and Vegetable Dehydration and spice processing* <sup>[2]</sup> : | Standard dehydrated Onion products, Frozen fruits, Fruit, Purees, Pulp & Concentrate, and Spices                               |
| Green Energy-Solar Products:   | Photovoltaic Module, Solar Water heater, Solar Pumping Systems and Solar Lighting Appliances                                   |

#### 8) Brands (top five by respective share of market) owned

|      |                 |
|------|-----------------|
| i)   | JainDrip        |
| ii)  | NaanDanJain     |
| iii) | Jain Pipes      |
| iv)  | JainFarmFresh   |
| v)   | JainGreenEnergy |



#### 9) Total number of locations:

We have Twenty Nine manufacturing plants across the Globe. Fourteen manufacturing facilities including four demo farms are within India and fifteen plants are abroad. Our three prominent overseas locations are as follows:

- 1) NaandanJain Irrigation System Ltd., Naan, Israel
- 2) Sleaford Quality Foods, Sleaford, United Kingdom\*<sup>[3]</sup>
- 3) Jain Irrigation Inc., Fresno, USA

[1] Represents subsidiary company Jain Farm Fresh Foods Ltd.

[2] Represents subsidiary company Jain Farm Fresh Foods Ltd.

[3] Represents subsidiary company Jain Farm Fresh Foods Ltd.

Major 5 national locations are:

- 1] Jain Plastic Park, Jalgaon, Maharashtra
- 2] Jain Hi-Tech Agri-Park, Jalgaon Maharashtra
- 3] Jain Farm Fresh Foods Ltd., Jalgaon, Maharashtra\*
- 4] Jain Tissue Culture Park, Takarkheda, Jalgaon, Maharashtra
- 5] Jain Energy Park, Jalgaon, Maharashtra

#### 10) Markets Served by Company:

The company serves customers in over 126 countries across six continents around the globe. It has a Pan India presence with a strong global footprint through a wide network of more than 11,000 dealers and distributors.

**11) Number of Permanent Employees** <sup>[4]</sup> 8568

**12) Contractual Employees** 2719

**13) Temporary employees** Not applicable

#### 14) Percentage of Women

|    |  |  |
|----|--|--|
| a) | On the Governance Structure                    | 10% ( as out of 5 executive and 9 non-executive directors, two are female director ) |
| b) | In top management i.e. business/function heads | 2%   |

#### 15) Information on Subsidiary Company:

The company has 63 subsidiaries/associate companies as on 31<sup>st</sup> March 2021. The list is as follows:

**Table 1.1: Wholly Owned Subsidiary Companies – First Level**

| Sr. | Name of Party   | Relation   | CIN/GLN                |
|-----|---|--|------------------------|
| 1   | JISL Overseas Ltd., Mauritius                                 | Wholly Owned Subsidiary of Jain Irrigation Systems Ltd | NA                     |
| 2   | Jain International Trading BV, Netherlands                    | Wholly Owned Subsidiary of Jain Irrigation Systems Ltd | NA                     |
| 3   | Jain Farm Fresh Foods Ltd.                                    | Wholly Owned Subsidiary of Jain Irrigation Systems Ltd | U15200MH2015PLC26 3338 |
| 4   | Jain Processed Foods Trading and Investment Pvt. Ltd, Jalgaon | Wholly Owned Subsidiary of Jain Irrigation Systems Ltd | U74900MH2015PTC263 378 |

**Table 1.2: Fellow Subsidiary Companies – Second/Multi Level**

| Sr. | Name of Party   | Relation  |
|-----|---|---|
| 1   | Jain America Holdings, Inc (Formerly Jain (Americas) Inc, USA | Subsidiary of JISL Overseas Ltd., Mauritius       |
| 2   | Jain (Europe) Ltd., UK  | Subsidiary of JISL Overseas Ltd., Mauritius       |
| 3   | Jain Overseas B.V., Netherlands                               | WOS of Jain International Trading BV, Netherlands |
| 4   | Jain Mena DMCC, Dubai   | WOS of Jain International Trading BV, Netherlands |
| 5   | Jain Distribution Holdings, Inc                               | Subsidiary of Jain America Holdings, Inc.         |
| 6   | Jain Irrigation Inc, Delaware                                 | WOS of Jain America Holdings, Inc, Delaware       |
| 7   | Pacific Shelf 1218 Ltd,UK                                     | WOS of Northern Ireland Plastics, Ltd U.K.        |
| 8   | Excel Plastic Piping Systems SAS, France                      | WOS of Jain (Europe) Ltd., UK                     |
| 9   | Ex-cel Plastics Ltd., Ireland                                 | WOS of Jain (Europe) Ltd., UK                     |
| 10  | Agri Valley Irrigation, LLC USA                               | Subsidiary of Jain Distribution Holding INC, USA  |
| 11  | Irrigation Design and Construction LLC, USA                   | Subsidiary of Jain Distribution Holding INC, USA  |
| 12  | ET Water System Inc., USA                                     | WOS of Jain Irrigation Inc, Delaware              |
| 13  | Point Source Irrigation Inc., USA                             | WOS of Jain Irrigation Inc, Delaware              |
| 14  | Jain Agricultural Services LLC, USA                           | WOS of Jain Irrigation Inc, Delaware              |
| 15  | Northern Ireland Plastics, Ltd U.K.                           | WOS of Jain (Europe) Ltd., UK                     |
| 16  | Killyleagh Box Co. Ltd, U.K.                                  | WOS of Northern Ireland Plastics, Ltd U.K.        |
| 17  | JISL Global SA, Switzerland                                   | WOS of Jain Overseas B.V. Netherland              |
| 18  | JISL (Israel) BV, Netherland                                  | WOS of Jain Overseas B.V. Netherland              |
| 19  | JISL Systems SA, Switzerland                                  | WOS of JISL Global SA, Switzerland                |
| 20  | THE Machines Yvonand SA, Switzerland                          | WOS of JISL Systems SA, Switzerland               |
| 21  | Gavish Control Systems Ltd., Israel                           | Subsidiary of Jain (Israel) BV, Netherland        |

[4] Includes only Indian Operations – Parent Company Jain Irrigation Systems Ltd. and Subsidiary Company Jain Farm Fresh Foods Ltd.

| Sr. | Name of Party   | Relation  |
|-----|---|---|
| 22  | Naandan Jain Irrigation Ltd., Israel                            | Subsidiary of Jain (Israel) BV, Netherland                              |
| 23  | Pro Tool AG, Switzerland  | Subsidiary of THE Machine Yvonand S.A., Switzerland                     |
| 24  | Jain Agricultural Services Australia Pty. Ltd, Australia        | Subsidiary of Jain Agricultural Services INC, USA                       |
| 25  | NaanDan Jain UK Ltd, U.K.                                       | Subsidiaries of Naandan Jain Irrigation Ltd.                            |
| 26  | NaanDan Jain Iberica S.C., Spain                                |   |
| 27  | NaanDan Jain Austrailia Pty Ltd, Australia                      |   |
| 28  | NaanDan Jain Italia S.R.L., Italy                               |   |
| 29  | K.D.H. International Ltd.,Israel                                |   |
| 30  | Jain Sulama Sistemleri Sanayi Ve Ticaret Anonim Sirkti, Turkey  |   |
| 31  | NaanDanJain Irrigation SA (Pty) Ltd., South Africa              |   |
| 32  | NaanDan Jain Irrigation Projects S.R.L. Romania                 |   |
| 33  | Naan Dan Agro Pro Ltd., Israel                                  |   |
| 34  | NaanDanJain Chile S.A.Chile                                     |   |
| 35  | NaanDan Jain Peru S.A.C, Peru                                   |   |
| 36  | NaanDan Do Brasil Participacoes Ltd, Brazil                     |   |
| 37  | Naandanjain France SAS France                                   |   |
| 38  | Agrologico Sistemas Technologicos, S.A., Costa Rica             |   |
| 39  | Agrologico De Guatemala, S.A. Guatemala                         |   |
| 40  | NaanDan Jain Maxico, S.A. De C.V. Mexico                        |   |
| 41  | NaanDanJain (China) Agricultural Science and Technology Co.,Ltd |   |
| 42  | NaanDan Jain Industria E Comercio De Equipmentos Ltd., Brazil   |   |
| 43  | Briggs (U.K.) Ltd. U.K.   | WOS of NaanDan Jain UK Ltd. U.K.  |
| 44  | ICAA Ltd.S.A. de C.V. 2002,Mexico                               | WOS of NaanDan Agro-Pro Ltd., Israel                                    |
| 45  | Jain America Foods, Inc (Formerly Jain Americas) Inc, USA       | Subsidiary of Jain International Foods Ltd                              |
| 46  | Jain Farm Fresh Foods Inc, USA                                  | WOS of Jain America Foods Inc., USA (Formerly Jain (Americas) Inc. USA) |
| 47  | Jain Irrigation Holding, Inc, Delaware                          |   |
| 48  | Jain International Foods Ltd. (Formerly SQF 2009 Ltd)           | WOS of Jain Farm Fresh Foods Ltd.                                       |
| 49  | Sleaford Food Group Ltd., UK                                    | WOS of Jain International Foods Ltd., (Formerly SQF 2009 Ltd.)          |
| 50  | Sleaford Quality Foods Ltd, UK                                  | WOS of Sleaford Food Group Ltd., UK                                     |
| 51  | Arnolds Quick Dried Foods Ltd., UK                              | WOS of Sleaford Food Group Ltd., UK                                     |
| 52  | Jain Farm Fresh Gida Sanayi Ve Ticarate Anomin Sirketi, Turkey  | WOS of Jain International Foods Ltd., (Formerly SQF 2009 Ltd.)          |
| 53  | JlIO, California  | WOS of Jain Irrigation Holding, Inc, Delaware                           |
| 55  | Jain Farm Fresh Holding SPRL, Belgium                           | Subsidiary of Jain International Foods Ltd.,                            |
| 55  | Innovafood N.V, Belgium   | WOS of Jain Farm Fresh Holding SPRL, Belgium                            |
| 56  | Solution Key Ltd  | WOS of Jain Farm Fresh Holding SPRL, Belgium                            |
| 57  | Driptech India Pvt.Ltd., Jalgaon                                | Subsidiary of Jain Processed Foods Trading and Investment Pvt.Ltd.      |
| 58  | Jain Netherlands Holding I B.V.                                 | Subsidiary Jain Overseas B.V., Netherlands                              |
| 59  | Jain Netherlands Holding II B.V.                                | Subsidiary Jain Overseas B.V., Netherlands                              |

**Table 1.3: Associate Company**

|   |  |           |
|---|--|-----------|
| 1 | Sustainable Ago-Commercial Finance Ltd, Mumbai | Associate |
|---|--|-----------|

**Subsidiary Company participation in BR:**

All our subsidiaries ensure the compliance with the laws, regulations and reporting standards of the geographical territories they operate within. Following 12 (overseas manufacturing) locations of subsidiaries have been reporting to IFC performance standards annually and hence contribute to business responsibility disclosures:

**Table 1.4: Oversease Manufacturing Operations**

| Sr. | Subsidiary Name  | Country                  |
|-----|--|--------------------------|
| 1   | NaandanJain Irrigation System Ltd., City of Leme, State of São Paulo | Brazil                   |
| 2   | Sleaford Quality Foods Ltd, Sleaford, Lincolushire,                  | United Kingdom           |
| 3   | White Oak Frozen Food, Merced, California                            | United States of America |

| Sr. | Subsidiary Name  | Country                  |
|-----|--|--------------------------|
| 4   | JAIN Irrigation Inc - Fresno, California                 | United States of America |
| 5   | Jain Sulama Sistemleri Sanayi Ve Ticaret A. S., Istanbul | Turkey                   |
| 6   | NaandanJain Irrigation System Ltd.                       | Spain                    |
| 7   | THE Machine S.A.   | Switzerland              |
| 8   | Pro Tool AG  | Switzerland              |
| 9   | Excel Plastics Ltd., County Monaghan                     | Ireland                  |
| 10  | NaandanJain Irrigation System Ltd., Naan                 | Israel                   |
| 11  | Jain America Holdings, Chicopee, MA                      | United States of America |
| 12  | Jain Irrigation Inc. Watertown, New York                 | United States of America |

#### 16) CSR Expenditure Details for FY 20-21

The Company conducts its CSR activities on its own and through two MCA registered organizations; Bhavarlal and Kantabai Jain Multipurpose Foundation (BKJMF) and Gandhi Research Foundation (GRF). The project wise CSR expenditure details are as follows:

Total Spending on Corporate Social Responsibility (CSR) as % of average net profit of the Company for last 3 financial years: 5.23 %.

JISL's CSR expenditures have happened in two parts during FY 20-21 (remaining FY19-20 expenditures and required FY 20-21 CSR expenditures). The major part of these expenses has happened on account of COVID-19 relief. The details of the project-wise expenditures and corresponding expenditures are given below.

**Table-1.5: CSR projects and expenditures up to September-2020 (on account of pending amount of FY 19-20)**

| Sr.      | CSR activities carried out   | Linkage to Schedule VII of Companies Act 2013   | Expenditure (₹ Million) |
|----------|--|---|-------------------------|
| <b>1</b> | <b>Rural Development</b>   |   | <b>0.04</b>             |
| a)       | Contribution to Ba-Bapu-150 Project through GRF  | (x) Rural Development Projects  | 0.00                    |
| b)       | Contribution to rural development activities, particularly, creating the water source in nearby villages                             | (i) promoting preventive health care and sanitation and making available safe drinking water  | 0.04                    |
| <b>2</b> | <b>Conservation of natural resources, quality of soil, air, water, etc.</b>  |   | <b>2.90</b>             |
| a)       | Afforestation Activities during world environment day and 'Van Mohtsava' Campaign of Maharashtra Government                          | (IV) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water | 0.001                   |
| b)       | Future Agriculture Leaders of India (FALI) Program for future young agripreneurs.  |   | 0.00                    |
| c)       | Rejuvenation of city gardens by increasing tree cover, waste handling and increasing awareness on environmental and cultural values. |   | 2.90                    |
| <b>3</b> | <b>Promoting Education</b>   |   | <b>1.41</b>             |
| a)       | Contribution to community library in Chopda  | (ii) promoting education, including special education and employment enhancing vocational skills  | 0.00                    |
| b)       | Contribution to Anubhuti English Medium School Cultural Movement - Education Support to Leh and Ladakh Students                      | especially among children, women, elderly, and the differently abled and livelihood enhancement projects.   | 1.41                    |
| <b>4</b> | <b>Promoting Sports</b>  |   | <b>4.56</b>             |
| a)       | Direct Support by Jain Irrigation to Jain Sports Academy for Sports Material, Tournament Fees etc.                                   | (vii) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports  | 0.63                    |
| b)       | Direct support by Jain Irrigation to Jain Sports Academy for expenditures of coaches and players                                     |   | 3.93                    |
| <b>5</b> | <b>Healthcare</b>  |   | <b>0.00</b>             |
| a)       | Direct contribution to cataract eradication mission  | (i) promoting preventive health care and sanitation and making available safe drinking water  | 0.002                   |
| <b>6</b> | <b>COVID-19 Support</b>  |   | <b>29.44</b>            |
| a)       | Providing food to the patients, workers, labours, migrants and their families affected by COVID-19                                   | (i) promoting preventive health care and sanitation and making available safe drinking water (COVID-19 support)   | 10.81                   |
| b)       | Infrastructure improvement support for COVID -19 treating centres and for the patients   |   | 0.03                    |
| c)       | Helping local dispensaries by providing PPE Kits and essential medical supplies to fight COVID-19                                    |   | 4.90                    |



| Sr. | CSR activities carried out   | Linkage to Schedule VII of Companies Act 2013 | Expenditure (₹ Million) |
|-----|--|---|-------------------------|
| d)  | Creating awareness about COVID appropriate behaviour in the community.   |   | 1.33                    |
| e)  | Providing financial support to the local communities amid COVID-19 crisis for diagnosis, medical tests, treatment and post treatment rehabilitation. |   | 12.38                   |
|     | <b>Sub-total</b>   |   | <b>38.36</b>            |

Table-2: CSR projects and expenditures FY 20-21

| Sr.      | CSR activities carried out   | Linkage to Schedule VII of Companies Act 2013   | Expenditure (₹ Million) |
|----------|--|---|-------------------------|
| <b>1</b> | <b>Rural Development</b>   |   | <b>0.20</b>             |
| a)       | Contribution to Ba-Bapu-150 Project through GRF  | (x) Rural Development Projects  | 0.20                    |
| b)       | Contribution to rural development activities, particularly, creating the water source in nearby villages   | (i) promoting preventive health care and sanitation and making available safe drinking water  | 0.00                    |
| <b>2</b> | <b>Conservation of natural resources, quality of soil, air, water, etc.</b>  |   | <b>1.13</b>             |
| a)       | Afforestation Activities during world environment day and 'Van Mohtsava' Campaign of Maharashtra Government  | (IV) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water | 0.00                    |
| b)       | Future Agriculture Leaders of India (FALI) Program for future young agripreneurs.  |   | 0.00                    |
| c)       | Rejuvenation of city gardens by increasing tree cover, waste handling and increasing awareness on environmental and cultural values.                 |   | 1.13                    |
| <b>3</b> | <b>Promoting Education</b>   |   | <b>0.00</b>             |
| a)       | Contribution to community library in Chopda  | (ii) promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.    | 0.00                    |
| b)       | Contribution to Anubhuti English Medium School   |   | 0.00                    |
| <b>4</b> | <b>Promoting Sports</b>  |   | <b>4.78</b>             |
| a)       | Direct Support by Jain Irrigation to Jain Sports Academy for Sports Material, Tournament Fees etc.   | (vii) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports  | 0.60                    |
| b)       | Direct support by Jain Irrigation to Jain Sports Academy for expenditures of coaches and players   |   | 4.17                    |
| <b>5</b> | <b>Healthcare</b>  |   | <b>0.08</b>             |
| a)       | Direct contribution to cataract eradication mission  | (i) promoting preventive health care and sanitation and making available safe drinking water  | 0.08                    |
| <b>6</b> | <b>COVID-19 Support</b>  |   | <b>19.44</b>            |
| a)       | Providing food to the patients, workers, labours, migrants and their families affected by COVID-19   | (i) promoting preventive health care and sanitation and making available safe drinking water (COVID-19 support)   | 8.69                    |
| b)       | Infrastructure improvement support for COVID -19 treating centres and for the patients   |   | 0.24                    |
| c)       | Helping local dispensaries by providing PPE Kits and essential medical supplies to fight COVID-19  |   | 4.14                    |
| d)       | Creating awareness about COVID appropriate behaviour in the community.   |   | 1.16                    |
| e)       | Providing financial support to the local communities amid COVID-19 crisis for diagnosis, medical tests, treatment and post treatment rehabilitation. |   | 5.21                    |
|          | <b>Sub-total</b>   |   | <b>25.62</b>            |

## 17) Contact details of Nodal Officer for this report:

|                          |                         |
|--------------------------|-------------------------|
| Name:                    | Avdhut V. Ghodgaonkar   |
| Designation              | Company Secretary       |
| Email id:                | investor.corr@jains.com |
| Phone:                   | +91-0257-2258011        |
| Financial Year reported: | 2020-21                 |

## SECTIONB: MANAGEMENT AND PROCESS DISCLOSURES

The company's corporate governance framework in all respects complies with the requirements of the revised guidelines on corporate governance stipulated under SEBI LODR 2015. Sustainability committee meets every six months to review the BR performance. The company has in place a comprehensive Code of Conduct for all its senior functionaries <sup>[5]</sup> and every senior functionary is responsible to comply with Code in letter and spirit. This comprises a policy related to the conflict of interest in governance and senior management. The Company Secretary is the Compliance Officer for the purposes of this Code. In terms of provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has also formulated a 'Code of internal procedure & conduct for prevention of insider trading' <sup>[6]</sup> in shares of the company. The code of conduct has been explained and circulated to the employees and is implemented by Compliance Officer who reports to the Managing Director. More information on JISL governance framework, including the role and structure of the Board of Directors and its committees, Articles of Association, Code of Conduct, Corporate Governance guidelines is available at <http://www.jains.com/>.

### Table 2- Governance of BR

#### Details of Director/Directors responsible for BR:

- Sustainability Committee of Board of Directors is responsible for governance related to business responsibility.

#### The role of Sustainability Committee:

- To guide the top management in ensuring responsible business practices across all the operations of the company.
- To implement and monitor the various sustainability initiatives across all the operations of the company.
- To submit Periodical reports to the Board of Director as it may deem fit.

#### Details of the Director/Directors responsible for implementation of the BR policy / policies

| Name                          | Designation  | DIN no.  |
|-------------------------------|--|----------|
| 1) Mr. Ashok Bhavarlal Jain   | Chairman and Executive Director, Promoter-Director                         | 00053157 |
| 2) Mr. Anil Bhavarlal Jain    | Vice Chairman and Managing Director, Executive Director, Promoter-Director | 00053035 |
| 3) Mr. Ajit Bhavarlal Jain    | Joint Managing Director, Executive Director , Promoter-Director            | 00053299 |
| 4) Mr. Atul Bhavarlal Jain    | Joint Managing Director, Executive Director, Promoter-Director             | 00053407 |
| 5) Mr. R. Swaminathan         | Executive Director   | 00060983 |
| <b>Details of the BR Head</b> |  |          |
| 1) DIN Number                 | 00053035   |          |
| 2) Name                       | Mr. Anil Bhavarlal Jain  |          |
| 3) Designation                | Vice Chairman, CEO/MD  |          |
| 4) Telephone number           | +91-257-2258011  |          |
| 5) e-mail id                  | Jisl@jains.com   |          |

Principle-wise BR policies as per NGRBC: The Company has formulated and implemented policies for various management systems adhering to the national and international standards. The policies implemented so also satisfy the requirements of following business responsibility Principles as The National Guidelines for Responsible Business Conduct, 2018 (NGRBC)

- **Principle 1:** Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable. <sup>[P1]</sup>
- **Principle 2:** Businesses should provide goods and services in a manner that is sustainable and safe. <sup>[P2]</sup>
- **Principle 3:** Businesses should respect and promote the well-being of all employees, including those in their value chains. <sup>[P3]</sup>
- **Principle 4:** Businesses should respect the interests of and be responsive to all its stakeholders. <sup>[P4]</sup>
- **Principle 5:** Businesses should respect and promote Human Rights <sup>[P5]</sup>
- **Principle 6:** Businesses should respect, protect, and make efforts to protect and restore the environment <sup>[P6]</sup>
- **Principle 7 :** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent <sup>[P7]</sup>
- **Principle 8:** Businesses should support inclusive growth and equitable development <sup>[P8]</sup>
- **Principle 9:** Businesses should engage with & provide value to their consumers in a responsible manner <sup>[P9]</sup>

The principle wise policy information is outlined in table below:

[5] [http://www.nseprimeir.com/z\\_JISLJALEQS/files/CodeofConductJISL.pdf](http://www.nseprimeir.com/z_JISLJALEQS/files/CodeofConductJISL.pdf)

[6] [http://www.nseprimeir.com/z\\_JISLJALEQS/files/CodeofConduct-InsiderTrading.pdf](http://www.nseprimeir.com/z_JISLJALEQS/files/CodeofConduct-InsiderTrading.pdf)

**Table 3- BR Policy Matrix as Per NGRBC [7]**

| S.N.  | Compliance with NGRBCs  | P1  | P2   | P3   | P4   | P5   | P6  | P7  | P8  | P9   |
|---|---|---|--|--|--|--|---|---|---|--|
| 1   | Status of Policies for NGRBC Principles   | Y   | Y  | Y  | Y  | Y  | Y   | Y   | Y   | Y  |
| 2   | Core elements and materiality assessment  | The core elements as are applicable as stipulated under Business Code of Conduct available at <a href="https://www.nseprimeir.com/z_JSLJALEQS/files/CodeofConductJISL.pdf">https://www.nseprimeir.com/z_JSLJALEQS/files/CodeofConductJISL.pdf</a> . Stakeholder engagement and material issues w.r.t. NGRBC principle are identified and presented below under the description of Principle 4 |  |  |  |  |   |   |   |  |
| 3   | Stakeholders involvement in policy formulation  | Y   | Y  | Y  | Y  | Y  | Y   | Y   | Y   | Y  |
| Note: The policies have been formulated by sectoral experts after having consultation with relevant department heads. During the formal stakeholder consultation process for materiality assessment of sustainability disclosures, the stakeholders' suggestions and comments are sought on Company's policies. |   |   |  |  |  |  |   |   |   |  |
| 4   | Conformance of Policies with National/International Standards apart from the requirements stipulated in NGRBC | Y   | Y  | Y  | Y  | Y  | Y   | Y   | Y   | Y  |
|   |   | We report to Global Reporting Initiative (GRI) and IFC on the ESG performance indicators. Our Ethics (Code of Conduct) Policy is in conformance of IFC Standards and GRI Guidelines   | Policies are in conformance of Environment Management System (ISO 14001:2015) GHG Management Systems (ISO 14064), Water Management System (ISO 14046:2018) and Quality Management System (ISO 9001:2015) | Integrated Management System Policy is in conformance of ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 and Code of Conduct Policy is in conformance of IFC performance standards and GRI Guidelines | Ethics Policy is in conformance of IFC and GRI Standards | Ethics Policy is in conformance of IFC and GRI Standards | Integrated Management System Policy is in conformance of ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 and Ethics Policy is in conformance of IFC performance Standards on ESG | Integrated Management System Policy is in conformance of ISO 9001:2015, and IFC performance Standards and all the relevant national environmental, social and labour laws | We report to Global Reporting Initiative (GRI) and IFC on the ESG performance indicator. Our Ethics Policy is in conformance of IFC Standards | Our Corporate Philosophy embeds total customer satisfaction. In addition Integrated Management System Policy is in conformance of ISO 9001:2015, and IFC performance Standards and all the relevant national environmental, social and labour laws |
| 5   | Approval by Board.  | Y   | Y  | Y  | Y  | Y  | Y   | Y   | Y   | Y  |
|   |   | (Policies signed by Chairman)   | (Policies signed by Chairman)  | (Policies signed by Chairman)  | (Policies signed by Chairman)                            | (Policies signed by Chairman)                            | (Policies signed by Chairman)   | (Policies signed by Chairman)   | (Policies signed by Chairman)   | (Policies signed by Chairman)  |
| 6   | Frequency of review   | Annual review is conducted by top management.   |  |  |  |  |   |   |   |  |
| 7   | Specified committee of the Board/Director/Official to oversee the implementation of the policy                | Y   | Y  | Y  | Y  | Y  | Y   | Y   | Y   | Y  |
|   |   | (Technical-Director)  | (Technical-Director)   | (Technical-Director)   | (Technical-Director)                                     | (Technical-Director)                                     | (Technical-Director)  | (Technical-Director)  | (Technical-Director)  | (Technical-Director)   |
| 8   | Online Reference to the Policies  | Y<br><a href="http://www.jains.com/Company/quality%20policy.htm">http://www.jains.com/Company/quality%20policy.htm</a><br><a href="http://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mV600M5HCcMw==">http://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mV600M5HCcMw==</a>   |  |  |  |  |   |   |   |  |
| 9   | Communication of policy to all relevant internal and external stakeholders                                    | Y   | Y  | Y  | Y  | Y  | Y   | Y   | Y   | Y  |
| 10  | In-house structure to implement the policy/policies.  | Y   | Y  | Y  | Y  | Y  | Y   | Y   | Y   | Y  |
| 11  | Grievance redressal mechanism related to the policies to address stakeholders' grievances                     | Y   | Y  | Y  | Y  | Y  | Y   | Y   | Y   | Y  |
| 12  | Status of audit/evaluation of the working of policies by an internal or external agency                       | Y   | Y  | Y  | Y  | Y  | Y   | Y   | Y   | Y  |
|   |   | (External Agency)   | (External Agency)  | (External Agency)  | (External Agency)  | (External Agency)  | (External Agency)   | (External Agency)   | (External Agency)   | (External Agency)  |

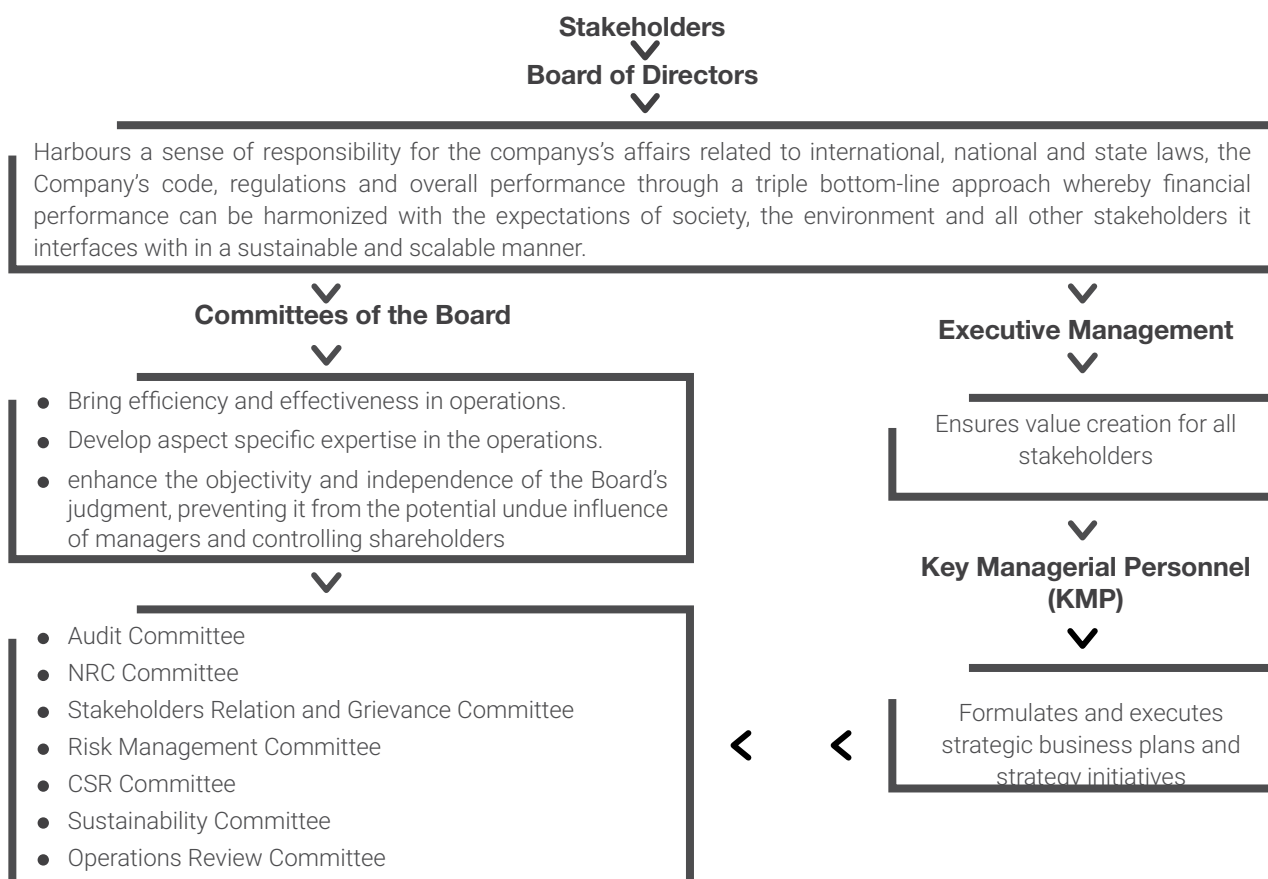
[7] Y stands for Yes and N for NO

## SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURES

### Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.

Adherence to ethics, transparency and accountability at JISL is driven by the apex committee of the Board of Directors. This committee is responsible for governance related to business responsibility. The committee guides the top management on responsible business practices. It further monitors the implementation of various sustainability initiatives across all operations of the company and submits review reports to the Board at regular intervals.

The committee is also responsible for ensuring the company's affairs related to international, national & state laws, the company's code, regulations and overall performance are in line with the triple bottom-line approach (including economic, environmental and social aspects).



The last review meeting of the apex committee was held on 13<sup>th</sup> February 2020.

The table below provides further details of adherence to the principle 1 of NGRBC.

**Table 4- Applicable essential and leadership indicators with respect to principle 1**

| Essential Indicators w.r.t. Principle 1 of NGRBC                                      | Adherence details | Remarks   |
|---|-------------------|---|
| % Coverage of leadership team by awareness programs on the guidelines                 | 100%              | During FY 20-21   |
| % of suppliers and distributors covered by awareness programs of the guidelines       | -                 | No formal programs were run for the suppliers because of the prevailing COVID-19 situation. However, business as usual awareness on ESG through management systems procedures continued this year also. |
| Number of complaints received on w.r.t. any aspect of NGRBC by Shareholders/Investors | 11                | All complaints were resolved.   |
| Number of complaints received on w.r.t. any aspect of NGRBC by lenders                | Nil               | -   |
| Value of non-disputed fines / penalties (if any)                                      | Nil               | -   |
| Number of complaints / cases of corruption and conflicts of interest                  | Nil               | -   |

| Essential Indicators w.r.t. Principle 1 of NGRBC  | Adherence details  | Remarks  |
|---|--------------------|--|
| Details of unmet obligations (fiscal, social, etc.) arising out of any benefits or concessions provided by the central, state, or local governments | None               | All mandatory obligations (as per the requirements of applicable statutory requirements in different business verticals)   |
| % coverage of all employees on NGBRC awareness  | 100%               | 100% (senior and middle management) employees were made aware on requirements of relevant NVG sections through management systems policies. This was done through online sessions. |
| % coverage of distributors covered by social and environmental audit  | Partially complied | An assessment is conducted for each new distributor / vendor by the purchase team following integrated management system.  |
| Report on responsible business conduct  | Yes                | The latest report is available on <a href="http://www.jains.com/Company/sustainable_report.htm">http://www.jains.com/Company/sustainable_report.htm</a>                            |

## PRINCIPLE 2: PRODUCTS LIFECYCLE SUSTAINABILITY

Manufactured products impact on environmental systems, biodiversity and human health. As a responsible corporate we have been very selective in choosing our business. We would never enter into any activity that create wealth while negatively impacting any human, animal or plant. We have invested into state of the art modern manufacturing facilities across all our business verticals so as to minimise the environmental impact of our business operations. We have carried out watershed development work and afforestation activities at a massive scale. These in addition to the renewable (solar and biogas) energy installations at our manufacturing units help insure that we give back more to the biosphere than we take from it. In order to assess the impact of our products during the manufacturing phase and in downstream value chain we have adopted life cycle assessment (LCA) based approach. This approach measures the impact of a product through all the stages ranging from raw material extraction to material processing, manufacturing, distribution, end use, repair and maintenance as well as disposal or recycling. This method comprehensively evaluates the impact of various inputs and outputs at every stage to assess their impact on human health and the environment.

**Table 5- Applicable essential indicators with respect to principle 2**

| Essential Indicators w.r.t. Principle 2 of NGRBC  | Adherence details   | Remarks  |
|---|---|--|
| Top three goods/services which incorporate environmental and social concerns, risks and opportunities in their design | 1) Micro-irrigation systems<br>2) Solar pumping systems<br>3) Tissue Culture Plants | These products have helped in creating downstream impact equivalent to savings of over 86 billion cubic meters of water and GHG emission reductions over 14 million tons of CO2 equivalent. These water savings and emission reductions have occurred on account of the micro-irrigation products from Indian operations alone |
| % of input material and services sourced from suppliers adhering to internal or external sustainability standards     | Plastics- 95%<br>Food- about 50%<br>Others- 100%                                    | Company has implemented JainGAP for food suppliers. On the other hand the major plastic suppliers publish their sustainability reports as per international GRI standards of sustainability.   |
| % of total raw material consumed that consisted of material that was recycled/ reused                                 | 10% <sup>[8]</sup>  | Majorly includes rejects from the process/ manufacturing   |

## PRINCIPLE 3: EMPLOYEE WELL BEING

As part of our non-discriminatory policy we induct associates from all walks of life to ensure a cosmopolitan culture within our organization. For us the relationship between the organization and associates is like that of a big family, marching ahead with a common purpose and mission. At all levels we interact with the associates to understand concerns, expectations, family background and importantly, how the associates feel about their work. Our grievance redressal system ensures that all grievances are addressed at the earliest and provide maximum satisfaction. This system is further strengthened by a robust whistle blower policy.

[8] Approximate number



**Table 6- Essential and leadership indicators with respect to principle 2**

| Applicable Indicators w.r.t. Principle 3 of NGRBC                    | Adherence details | Remarks   |
|--|-------------------|---|
| Complaints received on cases arising out of                          |                   |   |
| Discrimination   | 0                 | As per policy company does not discriminate based on cast, creed or religion. |
| % of permanent employees part of employee association <sup>[9]</sup> | 1%                | This is indicative of formal associations.                                    |
| % of establishments/ value chain audited for child labour            | 50%               | Audit by third party/customers  |
| Number of cases of child labour                                      | 0                 | No child labor is allowed   |

We employ more than 12,000 associates all over the world and more than 10,000 in India <sup>[10]</sup>. Details on Indian associates are given below:

**Table 7- Information on Permanent Employment <sup>[11]</sup>**

| No. of Associates [India] |      |       |
|---------------------------|------|-------|
| FEMALE                    | MALE | TOTAL |
| 533                       | 8035 | 8568  |

**Table 8- Information on Contract Employment**

| Contract Employees [India] |
|----------------------------|
| 2200                       |

**Training and Development:**

We believe that training and development programmes are an essential part of human resource development, delivering benefits to both associate and the employer. We explore opportunities to enhance the skill sets of our associates through various internal and external training programmes. Deserving associates are provided with specific international trainings; this, in turn, helps us to implement new technology in our R&D activities. For details of the various trainings, please refer to the training statistics tables provided here. We conduct a range of trainings for our associates on variety of subjects including operational efficiencies, personality development, yoga, and happiness in life. Training details for FY 20-21 are as below.

**Table 9- Training Details of Associates <sup>[12]</sup>**

| Sr. No. | Associates at all level      | Training Hours |
|---------|------------------------------|----------------|
| 1.      | Jain Irrigation Systems Ltd. | 20678          |
| 2.      | Jain Farm Fresh Foods Ltd.   | 9840           |
|         | <b>Total</b>                 | <b>30518</b>   |

**Performance Review and Benefit Plans:**

A comprehensive performance review is carried out at regular intervals for the associates of Indian and overseas facilities. All our employees (except new joinees), irrespective of gender and category, undergo a performance review every two years. The salary structure contains the maximum possible benefits in the form of Social Insurance Cover, Provident Fund membership, Special Contribution to Superannuation fund by Company, along-with all other statutory entitlements such as Gratuity, Bonus, and Leave entitlement. For non-unionized associates, in normal circumstances, we revise the pay scales on a bi-annual basis.

The Company is a fair employer, following the principle of equal pay for equal value. Our prosperity lies in the prosperity of our employees. We make sure that our compensation policy and benefit plans adhere to national as well international standards and thus, ensure the social and economic security for our associates in a sustainable manner. A fair appointment and remuneration policy has been formulated to ensure the same<sup>[13]</sup>.

**Equal Opportunity Employer**

As part of our non-discriminatory policy, JISL inducts associates from all walks of life to ensure a cosmopolitan culture within our organisation. Given the company's rapid growth recruitment is an on-going process where we strive to identify, select and appoint the right people for the job at hand. This also includes recruitment of Managers, Engineering Graduates and Post Graduates from premier technical and business schools, agricultural universities and colleges through the campus placements. We were also able to successfully acquire talented people through walk in interviews held at short notices. New associates are selected on the basis of merit, potential, compatibility with the organizational culture. We have in place comprehensive policies (e.g. sexual harassment policy, whistle blower policy) which help us in providing best working environments to our associates. As a responsible corporate citizen, we are committed to a gender friendly workplace. We

[9] Approximate number

[10] Including Subsidiary Company Jain Farm Fresh Foods Ltd.

[11] Includes data from Jain Irrigation Systems Ltd. and from the subsidiary company Jain Farm Fresh Foods Ltd.

[12] Only Indian operations details are provided

[13] <http://www.nseprimeir.com/Pages/companycorporate.aspx?value=3cYDU7170mvM600MSHCcMw==>

seek to enhance equal opportunities for men and women, prevent/stop/redress sexual harassment at the workplace and institute good employment practices. The status on workplace related complaints during FY 20-21 is tabulated below.

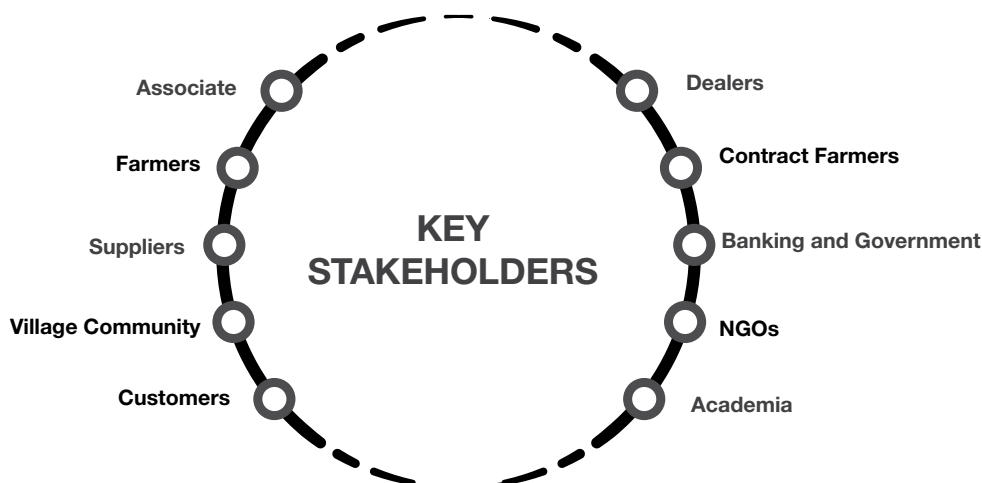
**Table 10- Work Place Related Complaints**

| S.No. | Category                                      | No of complaints filed | No of complaints pending |
|-------|---|------------------------|--------------------------|
| 1     | Child labour/forced labour/involuntary labour | Nil                    | Nil                      |
| 2     | Sexual harassment                             | Nil                    | Nil                      |
| 3     | Discriminatory employment                     | Nil                    | Nil                      |

We maintain an open door for suggestions, complaints and counseling. We encourage associates to report any concerns and are responsive to employee complaints about any unethical/inappropriate behaviour within the organization, and further ensure appropriate action, wherever required.

### Health and safety

We attach a great importance to a healthy and safe work environment. All our operations comply with statutory guidelines for occupational health and safety throughout India. We also provide safety trainings to our associates to create awareness and minimize accidents. The percentage of the total workforce represented in formal joint (management and workers) health and safety committees help monitor and advice on occupational health and safety programmes remained steady at approximately 7-8%. No worker was involved in occupational activities that have a high incidence of high risk of specific diseases. There was no incidence of high risk of occupation-related disease in India during the reporting period. Health and safety of associates represents the cornerstone of the Company's philosophy. To manage environmental, occupational health and safety aspects across all our operations we have an effective EHS management system (EHSMS) certified to ISO 14001:2015 & ISO 45001:2018 standards and are guided by our Quality, Environment, Occupational Health and Safety Policy.



### PRINCIPLE 4: STAKEHOLDER ENGAGEMENT

Our business model is created on a strong foundation of inclusive growth that creates value for every stakeholder and ensures a sustainable future for all. At Jain Irrigation stakeholder engagement is not a separate activity, rather it is an ongoing process and an integrated part of the business.

We engage with our stakeholders via different platforms which are part of our regular business. Some of the stakeholder engagement platforms are depicted here. Inputs are sought from stakeholders through these engagements on economic, environmental, and social parameters.

#### A. On-going engagements as part of business activities

The various teams taking inputs from stakeholders as a part of business activities include but not limited to extension team, CSR Team, contract farming team, Unnati Project Team, personnel team, purchase team and marketing teams. Given below are examples of the ways these teams interact with a wide range of stakeholders on daily, weekly, monthly and yearly basis.

**Awareness programs and farmer meetings [Operations: India and Overseas, Stakeholders Group: farmers, NGOs, academia and customers):** Farmers are both our customers as well as our suppliers for agro-processing business and hence one of our important stakeholders. Farmer meetings include a group of farmers ranging from 10 to 500 and



sometimes even more than that. The discussions mainly focus on increasing awareness on productivity increase with the optimum resource and cost inputs (more with less). Such meetings and programs are designed and conducted by extension teams across the country. Relevant government institutions and NGOs jointly conduct awareness programs and farmer meetings along with JISL.

**Capacity building [Operations: India and Overseas, Stakeholders Group: farmers, NGOs, government officials, private companies, customers, suppliers and academia]:**

**Jain Irrigation has one of the largest pools of agronomists and agro-scientists in private sector.** The agronomy team designs and conducts trainings on modern irrigation techniques and precision farming practices that help in improving yield and protecting environment. Specific training modules are designed as per the need for; farmers from different states, government officers, other private companies, academia, students, dealers and employees.

JISL's extension team has been conducting such trainings since 2001 in India. On an average we engage with over 50,000 trainees per annum (including overseas) from diverse groups of stakeholders, however the majority are from the farming community. The trainings are conducted in our FAO certified training centres at Jain Hills in Jalgaon and Udumalpet in Tamil Nadu. Apart from trainings, workshops, seminars and product demonstrations centres are also conducted for farmers, academia, students, NGOs and different community groups.

NaanDan Jain (Israel), Jain Irrigation Inc (USA), and NDJ (Brazil) are the major farmer training centres for farmers and other stakeholders overseas.

**Contract farming and JAINGAP [Operations: India, Stakeholders Group: Farmers] :** A team of 70-80 "gram sevaks" (agronomy support team) stay in villages and support about 5,000 onion and banana growing farmers for seed sowing/ tissue culture planting, fertigation, good agriculture practices (GAP) implementation and harvesting practices.

**Unnati Project [Operations: India, Stakeholders Group: Farmers and NGOs]:** The Unnati Project team is working in Southern India to improve the yields of conventional mango growers by aiding adoption of ultra-high density plantation and JAIN GAP. The team is currently working with working with about 1,000 farmers and plan to take this number to 10,000 over the 5 years. Through their mobile bus they have so far interacted and trained 30,000 farmers in Andhra Pradesh, Tamil Nadu and Karnataka. Sustainable Income to the Mango farmers with UHDP Technology and Ensuring Marketability of their Products through buy back is Aim of Unnati Project.

**Customer meetings and after sale service [Operations: India and Overseas, Stakeholders Group: Customers]:** Such meetings are organized to provide technical support and guidance on precision farming practices, maintenance of irrigation systems, on farm health & safety and post-harvest activities.

**Supplier meetings [Operations: India and Overseas, Stakeholders Group: Suppliers other than farmers]:** Suppliers interactions take place as a part of integrated management systems and annual supplier meetings. In addition one to one supplier meetings are also organized.

**Annual Meeting [Operations: India and Overseas, Stakeholders Group: shareholders, bankers and financial institutions]:**

Business as usual engagements with shareholders include annual meeting of shareholders, quarterly financial results and investor link on website ([http://www.nseprimeir.com/z\\_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==](http://www.nseprimeir.com/z_JISLJALEQS/index.aspx?value=3cYDU7170mvM600MSHCcMw==))

**Community Development [Operations: India and Overseas, Stakeholders Group: community]:** JISL is extensively connected with community near to its operations. We engage with the local communities directly as well as through our foundations; Bhavarlal and Kantabai Jain Multipurpose Foundation (BKJMF), Gandhi Research Foundation (GRF). Currently we are working in 22 villages that are close to our facilities and in coming years plan to take these initiatives to over 150 villages.

Overseas plants also routinely join hands with local NGOs/foundations for community development. Jain Irrigation Inc. USA works with Workforce 20/20 and Chapin Living Waters Foundation for community development projects. NaandanJain Israel contributes to special program in school for developing program in agriculture and they also support afforestation programs in Israel. Another subsidiary- NDJ Spain contributes to support associations of boys and girls with physical and mental disabilities in the assembling of some of our products. Naandan Jain Brazil interacts with youths of universities in their country through specially designed apprentice program.

**Industry, trade groups and policy organizations:** JISL is member to major industry platforms nationally as well as internationally (e.g. WBCSD, CII, BCCI, FICCI, ASSOCHAM etc.), we engage with them in various industry collaborations, joint value creation initiatives and in policy dialogue etc.

**Engagement with associates and their families:** Associates are engaged through various direct and indirect employee welfare and feedback platforms run by the personnel and human resource development department. There are specific visits wherein associates and their family visit and interact with major departments of the company. A feedback system is also implemented and made accessible to all the employees to submit their feedbacks and thoughts on company's activities.

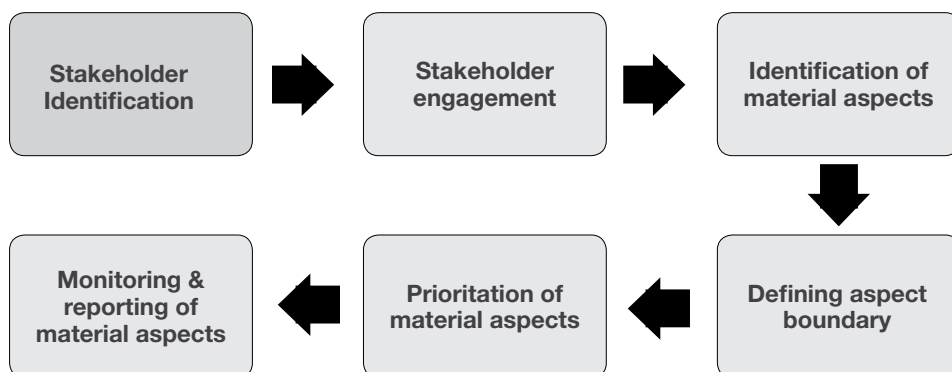
**B) Stakeholder engagement for reporting purpose:**

Although routine business activities keep us connected with a wide range of stakeholders, we also conduct comprehensive sustainability disclosure specific stakeholder consultation. Stakeholders representing diverse groups e.g. farmers, community representatives, suppliers, dealers, customers, NGOs, regulatory authorities and bankers participate in the meeting and provide their opinion on various sustainability issues.

Due to prevailing COVID-19 situation we did not invite any new stakeholder consultation meeting for FY 20-21. Hence the previously identified material issues will remain applicable for this financial year.

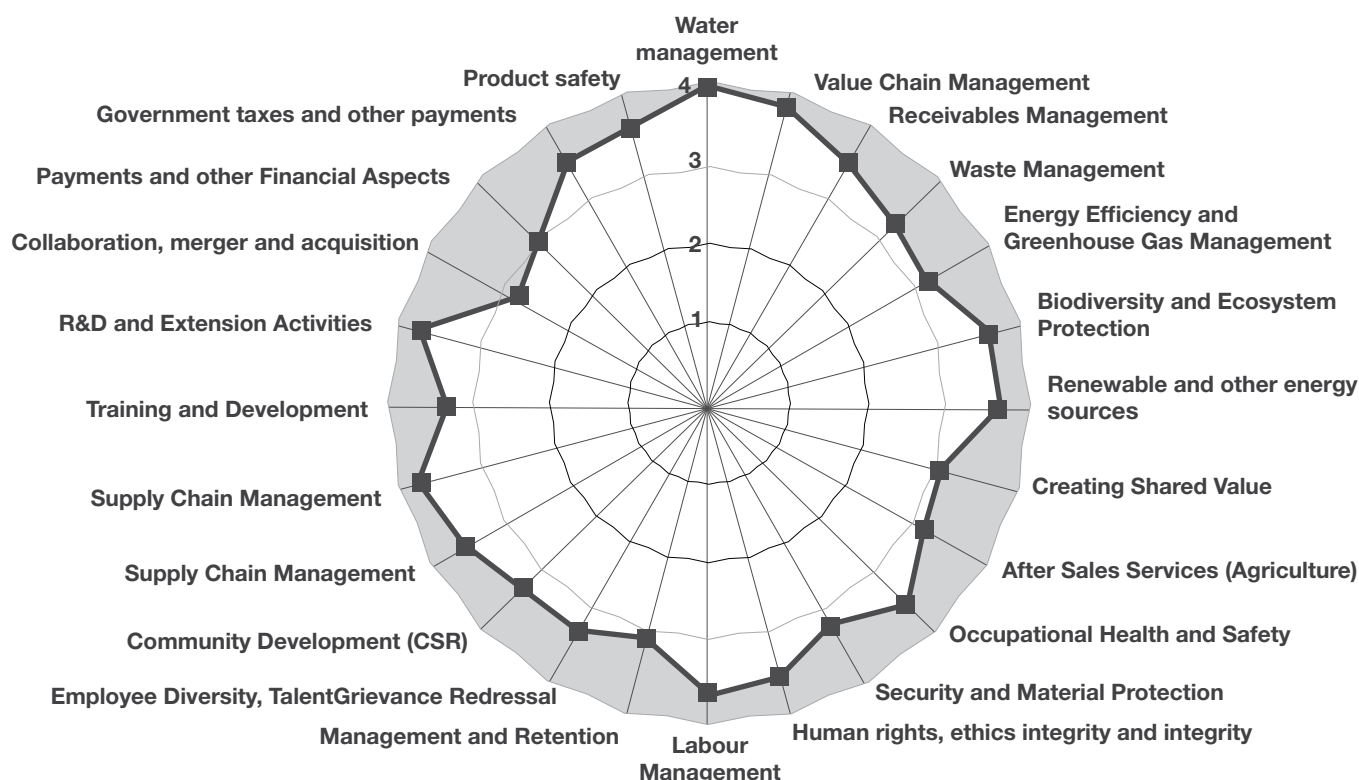
Twenty five key sustainability topics were identified and discussed during the last consultation. In the end each stakeholder group gave a priority ranking on each of the identified sustainability topic.

Feedbacks gathered from internal consultations, ongoing routine consultations and specific external stakeholder consultations were compiled and analysed on the basis of priority rankings given to sustainability topics by various stakeholder groups. The following chart shows the priority issues for the organization arrived after stakeholder consultation.



**PRINCIPLE 5: HUMAN RIGHTS**

The very foundation of our Responsible Business model is the respect for human dignity. We have a comprehensive set of HR practices (as a part of HR Manual) guided by international Human Rights principles which encompasses the universal declaration of human rights, the ILO'S declaration on fundamental principles and rights at work and the United Nations guiding principles on business and human rights. We have a human rights policy in place and we have developed human



rights manual and procedures based on this policy. We do not endorse any form of forced, compulsory, or child labour, directly or through our vendors. Till now we were doing only informal screening of our suppliers on human rights issue wherein we did not identify any operations or suppliers being at significant risk for child labour and forced or compulsory labour.

The human rights manual and procedures therein apply to all our manufacturing operations in India. Similarly our overseas plants have their own set of HR procedures as per the applicable laws of respective country and international standards. We are committed to identify, prevent and mitigate adverse human rights impacts resulting from or caused by our business activities before they occur.

## PRINCIPLE 6: ENVIRONMENT

Jain Irrigation Systems Ltd. (JISL) works in the area of sustainable agriculture, renewable energy and water conservation with the motto "Leave this world better than we found it". Being the pioneers of sustainable agriculture, all our business activities have been carried out while safeguarding our environment and biodiversity. Further, our watershed and agro-forestry projects have helped in converting non-arable land into productive land, reducing soil erosion and replenishing the ground water aquifers.

### Climate Change Mitigation Projects:

We have implemented and registered renewable energy and energy efficiency projects to generate green energy and mitigate climate change. Some of these projects are also registered under the Clean Development Mechanism (CDM) of the United Nations Convention on Climate Change (UNFCCC). By the end of FY 2020-21, the company had verified 38,637 Certified Emission Reductions (CDM carbon credits) and 3,620 Voluntary Carbon Credits. All our registered CDM projects have the potential to generate 25,000+ carbon credits per annum.

**Table 11- Details of Clean Development Projects Registered with UNFCCC**

| Sr.No. | Title  | Estimated Carbon Credits (t- CO2/annum) | UNFCCC Website Link   |
|--------|--|---|---|
| 1      | Solar Photovoltaic Power Project at Jalgaon, Maharashtra           | 13,243                                  | <a href="https://cdm.unfccc.int/Projects/DB/RWTUV1354196185.47/view">https://cdm.unfccc.int/Projects/DB/RWTUV1354196185.47/view</a> |
| 2      | Fuel Switch Project at Chittoor by Jain Irrigation Systems Limited | 5,240                                   | <a href="https://cdm.unfccc.int/Projects/DB/RWTUV1355988019.81/view">https://cdm.unfccc.int/Projects/DB/RWTUV1355988019.81/view</a> |
| 3      | Biogas based power generation project in Maharashtra, India        | 6,690                                   | <a href="https://cdm.unfccc.int/Projects/DB/RWTUV1382102679.09/view">https://cdm.unfccc.int/Projects/DB/RWTUV1382102679.09/view</a> |
|        | <b>Total</b>   | <b>25,173</b>                           |   |



Out of the registered CDM projects, solar and biogas-based power generation projects are also registered under the Renewable Energy Certificate (REC) Scheme. Jain Irrigation has pioneered the development of complete DC Solar Agri Pump systems in India. It is one of the few manufacturers of such pumping systems in the in the World. Perfectly matched components such as solar panels, controllers, pumps, screen pipes, casing pipes, filters are all designed and manufactured in-house by JISL ensure superlative performances and durability of the pumps. Over last few years, JISL has installed more than 25,000 Solar Agri Pump sets across India in 8 to 9 states which is more than 50% of the total installations in the country till date. The impact of Jain's solar pumping systems and solar power packs contribute to another 50,000 metric tons of CO2 reduction in the downstream Industries.

#### Compliance through Environment Management Systems:

We maintain and continually improve our overall environmental performance as per applicable national and international statutes and standards. JISL has formed a separate HSE team to monitor and report on its quality, environment and occupational health and safety indicators to the top management. Our manufacturing units are complying with the requirements of following international standards:

- 1) ISO 14001: 2015
- 2) ISO 50001:2011
- 3) ISO 14064: 2018

The above environment management systems help us in assessing the potential environmental risks and provide guidance for risk mitigation. In addition, the Company adheres to the IFC Performance Standard I, II, III, and IV to manage social, environmental and safety risks and impacts and to enhance development opportunities. All the emissions or wastes generated from our premises are with the given limits of CPCB, SPCB and IFC standards and their disposal is as per the applicable norms.

#### Biodiversity Enhancement through Watershed Development:

At our headquarters, in Jalgaon alone, about 1500 acres of our originally barren land is now home to more than 450 plant species and 350 plus notified animal species. There, the land had steep slopes and was devoid of ground water so we planned the soil and water conservation work accordingly. The small ecosystems created by us helped in improving the survival rate of plants in this difficult terrain by promoting seed dispersal and germination. Increased leaf area index lowered the evaporation from percolation tanks, thereby increasing the water availability. Availability of water is very crucial for sustaining any business which is true in our case too. We have three major manufacturing establishments now in the micro watershed of Jain Hills and Jain Valley. However, none of the manufacturing operations interfere with the habituated area of watershed. The natural territories of the animal species are conserved through habitat based approach. The fauna and flora covered under the biodiversity assessment include 8 IUCN listed vulnerable and near-threatened species.

**Table-12: Details of biodiversity mapping at Indian Operations in FY 20-21:**

| Sr. No. | Site                              | Address  | Biodiversity Accounting Done For Flora | Biodiversity Accounting Done For Fauna | Number of Notified Fauna Species | Number of Notified Flora Species | Number of Trees |
|---------|-----------------------------------|--|--|--|----------------------------------|----------------------------------|-----------------|
| 1       | Jain Agri Park, Jalgaon           | Shirsoli Road, Jalgaon-425001, Maharashtra                               | ✓                                      | ✓                                      | 350                              | 450                              | 2,71,947        |
| 2       | Jain Food Park, Jalgaon           | Shirsoli Road, Jalgaon-425001, Maharashtra                               | ✓                                      | ✓                                      |                                  |                                  |                 |
| 3       | Jain Energy Park, Jalgaon         | Shirsoli Road, Jalgaon-425001, Maharashtra                               | ✓                                      | ✓                                      |                                  |                                  |                 |
| 4       | Jain Tissue Culture Park, Jalgaon | Takarkheda, Jalgaon-425001, Maharashtra                                  | ✓                                      | ✓                                      |                                  |                                  |                 |
| 5       | Jain Plastic Park, Jalgaon        | N.H.No. 6, P.O.Box No. 72, Bambhori, Jalgaon-425001, Maharashtra         | ✓                                      | ✓                                      |                                  |                                  |                 |
| 6       | Jain Food Park, Chittoor Unit-1   | 100, Gollapalli, Village-Gangadhar, Madal- Nellore, Chittoor-517125 A.P. | ✓                                      | ✓                                      | 21                               | 29                               | 803             |
| 7       | Jain Food Park, Chittoor Unit-2   | Avalkonda Road, Village-Gangadhar, Madal- Nellore, Chittoor-517125 A.P.  | ✓                                      | ✓                                      |                                  | 25                               | 899             |

| Sr. No. | Site                         | Address  | Biodiversity Accounting Done For Flora | Biodiversity Accounting Done For Fauna | Number of Notified Fauna Species | Number of Notified Flora Species | Number of Trees |
|---------|------------------------------|--|--|--|----------------------------------|----------------------------------|-----------------|
| 8       | Jain Food Park, Vadodara     | Village- Dhobikuva, Post-Muvad, Taluka- Padra, Vadodara Gujarat                  | ✓                                      | ✓                                      | 28                               | 15                               | 273             |
| 9       | Jain Food Park, Udumalpet    | S.F.No.248/2,3Ellayamuthur Village, Udumalpet Taluka, Tirupur-642154, Tamil Nadu | ✓                                      | ✓                                      | 46                               | 19                               | 165218          |
| 10      | Jain Plastic Park, Hyderabad | S.No.587 & 588, Kondamagu, Mandal- Bibinagar, Nalgonda-508126, Andhra Pradesh    | ✓                                      | ✓                                      | 16                               | 9                                | 635             |
| 11      | Jain Plastic Park, Alwar     | SP No.1, Matsya Industrial Area, Alwar-301 030, Rajasthan                        | ✓                                      | ✓                                      | 15                               | 39                               | 3362            |
| 12      | Jain Plastic Park, Bhavnagar | Survey No. 215, GIDCA, A/P- Ghangali, Taluka- Sihor, Bhavnagar-364240, Gujarat   | ✓                                      | ✓                                      | 20                               | 9                                | 403             |

## PRINCIPLE 7: POLICY ADVOCACY

We at JISL believe in co-creation and collaboration to achieve sustainable growth. We aim to create much higher societal value in our business eco-system and community by practicing proactive advocacy. Our purpose is not only lobbying the Government for securing certain benefits for our industry, but also advocating and promoting inclusive innovative practices for the larger benefit of the society.

We are active members of key business and industrial associations such as UNFCCC, Water Resources Group of WBCSD, World Economic Forum, India Water Tool initiative of WBCSD, TERI-BCSD, Water Footprint Network, Creating Shared Value Platform, CII Environmental Committee, BCCI Sustainability committee, ASSOCHAM Agriculture Committee, Bombay Chamber of Commerce, FICCI, and Global Water Partnership and ASABE. . Recently we have collaborated with IHE Delft for water accounting initiative in India.

### Some of the key public issues in which we are proactively involved are:

- Promoting innovative technologies in agriculture that create shared value for small holder farmers while contributing to conservation of environment and natural resources.
- Water accounting for valuing the water.
- Promoting transformation of India into a global agriculture powerhouse by creating a self-sustaining agri-cycle.
- Giving a new dimension to plastic by transforming it into an effective tool to fight climate change and to provide fundamental solution to the complex agricultural challenges and water supply challenges thus ensuring food, water and energy security for all.
- Actively promoting water conservation, low carbon economy model, zero waste management, green energy and pro-environmental initiatives.

## PRINCIPLE 8: INCLUSIVE GROWTH

In the words of our Founder Chairman “A Corporation should understand and appreciate social issues and problems and must pro-actively take part in the society’s progress through the process of shared value, inclusive growth and social consciousness. Briefly stated, we must take a holistic view of our business as well as environmental and societal imperatives. They are inseparable.”

### Completing the inclusive business circle:

The company offers farming inputs like micro-irrigation systems (MIS), seeds, saplings, PVC pipes, financing and training on good agricultural practices to help them produce larger quantities of higher quality crops. Jain Farm Fresh Foods Ltd. (erstwhile food division of Jain Irrigation Systems Ltd.) helps producers realise higher prices by purchasing fruits and vegetables from farmers for processing and sale in export and domestic markets. In this way, the company’s inclusive business touches the lives of farmers as both purchasers and producers. Our Self-Sustaining Agri-Cycle aims at transforming our farmers into successful entrepreneurs by providing complete solution to complex agricultural and climatic challenges. At present we work with more than 5,000 onion growing contract farmers for implementation of good agriculture practices and on farm health and safety practices through JAIN GAP implementation. Approximately 70% of the raw material for our onion dehydration facility is procured from these local contract farmers. In addition we provide training on micro irrigation

and hi-tech farming to more than 50,000 farmers annually through our FAO Certified Jain Hi-Tech Agri Institute located at Jalgaon.

Our business model itself is such that there is value generated for each step. In addition we have a dedicated CSR team that ensures the direct transfer of resources to the community. We have a comprehensive CSR policy with defined CSR Programs/Projects. We engage with the local communities directly as well as through our foundations; Bhavarlal and Kantabai Jain Multipurpose Foundation (BKJMF), Gandhi Research Foundation (GRF). We spent over 5.33 % of average net profit of last three years<sup>10</sup> on various CSR projects during FY 20-21.

## PRINCIPLE 9: CUSTOMER VALUE

Customer value and the satisfaction have been at the core of our corporate philosophy since inception. Our corporate goal states "Achieve continued growth through sustained innovation for total customer satisfaction and fair return to all other stakeholders. Meet this objective by producing quality products at optimum cost and marketing them at reasonable prices." This goal further guides us to commit to "total customer satisfaction" and "Build and maintain market leadership".

We have always welcomed and lived up to customer expectation and aspirations. We strive to engage with our customer through our products and services which help them too for improving their overall environmental and social performance. We have developed various mechanisms to engage with customer. We engage with them through various extension activities (e.g. Kisan mela, training program, workshops, customer feedback etc.). Given below is the customer resolution status during FY 20-21.

**Table 13- Customer specific complaints data**

| Complaints Received from Customers | Complaints Pending | % Resolved |
|------------------------------------|--------------------|------------|
| 3442                               | 46                 | 98.7%      |

We have established a practice for obtaining work completion certificate from customers. We also participate in customer audits at the facilities of major customers across a diverse range of businesses like Hindustan Coca-Cola Private Ltd., Nestle, Alcatel, McCormick and Unilever. The company is a member of Sedex. Jain Farm Fresh Foods Limited's (JFFFL, a subsidiary from FY 16-17 onwards) fruit processing and onion dehydration plants undergo SMETA audits by third party auditors who verify compliance with local/international regulatory requirements. SMETA audits are recognized by customers for compliance with labour standards, health and safety, environment and business ethics.

We understand how crucial meeting customer expectations are to sustaining a business. In today's changing scenario, in addition to giving importance to timely delivery, price, and quality of products customers also have increased expectations regarding the social and environmental performance of the organisation, and its products and services. Our products and services not only meet global standards related to product quality, customer health, and safety, but also reflect our efforts to manufacture products with minimal environmental and social impact.

Concurrently, we prioritize our compliance by meeting standards related to product quality, customer health and safety, through product and service labeling, marketing communications and customer privacy. We intend to sustain growth by enhancing customer satisfaction, through the manufacture of quality products at optimum costs and by marketing them at reasonable prices to increase returns for all stakeholders.

### Some of the major Customers in India and overseas are:

Indian Customers: Farmers (in all categories—marginal, medium and large ), Reliance Jio, Aditya Birla Group, Bharti Airtel, GGRC, Gujarat Gas, BSNL, HFCL, Vodafone, IGL, Larsen and Toubro, , Reliance, Tata Group, Mahanagar Gas, Power Grid, BEFESA, Ramky Infrastructure, Hindustan Coca-Cola Beverages, Hindustan Unilever, Nestle etc.

Overseas Customers: Farmers (in all categories—marginal, medium and large ), Alcatel, ADM, Cargill, Coca-Cola, GE, General Mills, Innocent Drinks, Kerry Group, Mars Incorporated, McCormick & Company, Almarai, Mitsui and Co. Ltd., Nestle, SVZ Industrial Fruit and Vegetable, Unidelta, Worlee etc.

# INDEPENDENT AUDITOR'S REPORT

To the Members of Jain Irrigation Systems Limited

## REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying Standalone Financial Statements of Jain Irrigation Systems Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, (including the Statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (The "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) of India together with the ethical requirements that are relevant to our audit of the Standalone 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

### Material Uncertainty Related to Going Concern

As stated in Note 42 to the standalone financial statements, there have been delays in meeting its debt obligations by the Company. Further the Company has incurred the cash losses during the year ended March 31, 2021. The Resolution Plan submitted by the Company is under the consideration of Lenders and Management proposes to raise funds through monetization of its noncore assets, mobilisation of additional funds and other strategic initiative to meet its obligation. The standalone financial statements have been prepared on going concern basis. The appropriateness of assumption of going concern dependent upon the approval and successful implementation of the resolution plan, the Company's ability to raise requisite finance, generate cash flows in future to meet its obligations and to earn profits in future. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern.

Our report is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone 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 the matter described below to be the key audit matter to be communicated in our report.

| Descriptions of Key Audit Matter  | How we addressed the matter in our audit  |
|---|---|
| <b>Revenue Recognition</b><br>(Refer to Note 17 and 2.4 to the standalone financial statements)   | <b>Our audit procedures included;</b>   |
| There exists a risk that Revenue is recognised during the cut off period though the control of the goods may not have been passed on to the customer. The Company generates a significant portion of its revenue from engineering contracts, which include both contracts related to Micro Irrigation Systems and PE& PVC Pipes. These contracts are accounted under the percentage of completion method (POCM). The application of revenue recognition accounting standards Ind AS 115 is complex and involves a number of judgments and estimates. Further revenue is accounted for under the POCM which also requires significant judgments and estimates in particular with respect to estimation of the cost to complete. Due to the estimates, judgment and complexity involved in the application of the revenue recognition accounting standards, we have considered this matter as a key audit matter. | As part of our audit, we understood the Company's policies and processes, control mechanisms and methods in relation to the revenue recognition and evaluated the design and operative effectiveness of the financial controls from the above through our test of control procedures. <ul style="list-style-type: none"><li>● Tested a sample of sales transactions for compliance with the Company's accounting principles to assess the completeness, occurrence and accuracy of revenue recorded. Also, revenue is recognised when the Company satisfies a performance obligation.</li><li>● Performing procedures to ensure that the revenue recognition criteria adopted by Company for all major revenue streams is appropriate and in line with the Company's accounting policies.</li></ul> |

| Descriptions of Key Audit Matter   | How we addressed the matter in our audit  |
|--|---|
|  | <ul style="list-style-type: none"> <li>● We have focused on Management's judgment in applying the methodology and the estimates made to determine the amount of revenue to be recorded in their project calculations.</li> <li>● We have evaluated the management's process to recognize revenue over a period of time, total cost estimates, total cost incurred allocation of cost to projects, cost to completion, and status of the projects and re-calculated the arithmetic accuracy of the same.</li> <li>● We have examined contracts with exceptions including contracts with low or negative margins, loss making contracts, etc. to determine the level of provisioning.</li> <li>● Our tests of detail focused on transactions occurring within proximity of the year end and obtaining evidence to support the appropriate timing of revenue recognition, based on terms and conditions set out in sales contracts and delivery documents or system generated reports. We considered the appropriateness and accuracy of any cut-off adjustments.</li> <li>● We have tested the company's system generated reports, based on which revenue is accrued at the year end, and performed tests of details on the accrued revenue and accounts receivable balances recognized in the balance sheet at the year end.</li> <li>● Traced disclosure information to accounting records and other supporting documentation.</li> </ul> |
| <b>Valuation of inventories:</b>   | <b>Our audit procedures included:</b>   |
| (Refer to Note 11(a) and 2.12 to the standalone financial statements)  |   |
| Inventories are carried at the lower of cost and net realizable value. As a result, the management applies judgment in determining the appropriate provisions for obsolete stock based upon a detailed analysis of old inventory, net realizable value below cost based upon future plans for sale of inventory.   | <p>We have obtained assurance over the appropriateness of the management's assumptions applied in valuation of inventories and related provisions by:</p> <ul style="list-style-type: none"> <li>● Performing walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk.</li> <li>● Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification. Reviewing the physical verification working papers conducted by the management.</li> <li>● Comparing the net realizable value to the cost price of inventories to check for completeness of the associated provision.</li> <li>● Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year.</li> <li>● Re-computing provisions recorded to verify that they are in line with the Company policy.</li> <li>● Traced disclosure information to accounting records and other supporting documentation.</li> </ul>  |
| <b>Valuation and existence of Trade Receivables</b>  | <b>Our audit procedures included:</b>   |
| (Refer to Note 8(b) and 2.13 to the standalone financial statements).  |   |
| Trade receivables are mainly comprised of receivables from central and state government owned enterprises. We have identified valuation and existence of trade receivables as a significant audit matter on account of the significant management judgment involved with respect to the recoverability and existence of trade receivables and the provisions for impairment of receivables and the importance of cash collection with reference to the working capital management of the business. | <ul style="list-style-type: none"> <li>● We have understood and tested the design and operating effectiveness of controls as established by the Management over trade receivable.</li> <li>● We have checked supporting of underline documents like Invoices, E-way Bills and other related documents on test basis.</li> <li>● Discussing with the management and obtaining a list of accounts receivables with relevant amount of settlement, during the year or subsequent to the end of the reporting period identified by the management and their assessment on the recoverability of accounts receivables.</li> </ul>  |



| Descriptions of Key Audit Matter | How we addressed the matter in our audit  |
|----------------------------------|---|
|                                  | <ul style="list-style-type: none"> <li>● Obtaining understanding on how the Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivable.</li> <li>● We have checked the ageing analysis, on a sample basis and subsequent receipt of the trade receivables, to the source documents, including bank statements.</li> <li>● We have evaluated the historical accuracy of the management's assessment of impairment for accounts receivables on a sample basis by examining the actual write-offs, the reversal of previous recorded allowance and new allowances recorded in the current year in respect of accounts receivables at the end of the previous financial year.</li> <li>● We have performed balance confirmation procedure.</li> <li>● Traced disclosure information to accounting records and other supporting documentation.</li> </ul> |

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

The Company's Board of Directors is responsible for the other information. The other information comprise the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Standalone 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 Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Standalone 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 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 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period 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**

The Comparative financial information of the Company for the corresponding year ended March 31, 2020 included in these standalone financial statements, are based on the previously issued audited financial statements prepared in accordance Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 (The Act) [Companies (Indian Accounting Standards) Rules 2015], audited by the predecessor auditor whose report for the year ended March 31, 2020 dated July 31, 2020 expressed an unmodified opinion on those standalone financial statements.

### **Our opinion is not qualified in respect of above matter.**

### **Report on Other Legal and Regulatory Requirements**

- 1) As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
- e) The matter described under the Material Uncertainty Related to Going Concern section above, in our opinion, may have an adverse effect on the functioning of the Company;
- f) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
- g) With respect to the adequacy of the internal financial controls over financial reporting with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- h) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - I) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements –Refer Note 29 to the Standalone Financial Statements;
  - II) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - III) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Singhi & Co.**

Chartered Accountants

Firm Registration Number: 302049E

Sd/-

**(Navindra Kumar Surana)**

Partner

Place: **Kolkata**

Date: **June 30, 2021**

Membership Number: 053816

UDIN:21053816AAAAFR6421

# ANNEXURE - A

## TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Jain Irrigation Systems Limited of even date)**

**i) In respect of the Company's fixed assets:**

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of its fixed assets.
- b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items of fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- c) According to the information and explanations given to us and the records examined by us including registered title deeds, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as Right of Use Assets in the Financial Statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

**ii)** The inventory, except goods-in-transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.

**iii)** The Company has granted loans to three subsidiaries covered in the register maintained under section 189 of the Companies Act, 2013 in the earlier years.

- a) During the year, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), is not applicable to the Company and hence not commented upon.
- b) The schedule of repayment of principal and payment of interest has been stipulated for the loans granted except in case of one subsidiary where the Company has granted loan that is re-payable on demand. In case of loan which is payable on demand, we are informed that the company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the party to whom the money has been lent and in case of other loans repayment of the principal amounts are yet to commence at a later date as per the terms of agreement. However, the payment of interest has not been regular.
- c) According to the information and explanations given by the management ₹ 99.06 million is overdue for more than ninety days from the companies which are covered in the register maintained under section 189 of the Companies Act, 2013, and reasonable steps have been taken by the Company for recovery of these overdue interest.

**iv)** In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

**v)** The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

**vi)** We have broadly reviewed the books of accounts maintained by Company in respect of product, where pursuant to the rule made by the Central Government of India the maintenance of cost records has been prescribed under section 148 (1) of the Companies Act 2013 and are of the opinion that, prima facie, the prescribed records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

**vii) According to the information and explanations given to us, in respect of statutory dues:**

- a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues have not been regularly deposited with the appropriate authorities and there have been delays in many cases.

- b) Undisputed dues in respect of provident fund, employees' state insurance, income-tax, Goods and Service Tax, duty of custom, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

| Name of statute                    | Nature of dues                                 | Amount<br>(₹ in million) | Period to which the amount relates | Due Date                            | Date of payment                    |
|------------------------------------|--|--------------------------|------------------------------------|-------------------------------------|------------------------------------|
| Income Tax Act, 1961               | Dividend Distribution Tax (Including interest) | 137.80                   | Sep'18                             | 14 <sup>th</sup> Oct 2018           | Outstanding as on date             |
|                                    | Tax Deducted at Source (Including Interest)    | 115.40                   | Jul'19 to Sep'20                   | 7 <sup>th</sup> of following month  | Outstanding as on date             |
| Employees Provident Fund Act, 1932 | Employer's Contribution to Provident Fund      | 71.45                    | Apr'20 to Sep'20                   | 15 <sup>th</sup> of following month | Paid on 7 <sup>th</sup> April 2021 |
|                                    | Employee's Contribution to Provident Fund      | 66.67                    | Apr'20 to Sep'20                   | 15 <sup>th</sup> of following month | Paid on 7 <sup>th</sup> April 2021 |

- c) The dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

| Name of the statute                   | Nature of Dues | Amount<br>(₹ In million) | Period to which the amount relates                       | Forum where dispute is pending                              |
|---------------------------------------|----------------|--------------------------|--|---|
| Central Sales Tax and Local Sales Tax | Sales Tax      | 84.38                    | FY 2008-2009, 2009-2010, 2011-2012, 2012-2013, 2017-2018 | High court of Madhya Pradesh                                |
|                                       |                | 13.02                    | FY 2017-2018   | Commissioner of Sales Tax, Orissa                           |
|                                       |                | 3.76                     | FY 2009-2010, 2014-2015                                  | Commissioner of Sales Tax, Chhattisgarh and Telangana       |
| The Central Excise Act, 1994          | Excise Duty    | 14.60                    | FY 2013-14   | Customs, Excise and Service Tax Appellate Tribunal, Chennai |
| The Income Tax Act, 1961              | Income Tax     | 26.85                    | AY 2010-2011<br>AY 2011-2012<br>AY 2012-13               | Income Tax Appellate Tribunal                               |

- viii) According to the information and explanations given by the management, the Company has delayed in repayment of loans or borrowings to financial institutions, banks or government to the extent of ₹ 28,917.14million. The lender wise details are tabulated as under:

| Bank Name                                       | Principal Amount of Default as on March 31, 2021 (₹ in Millions) | Period of Default          |
|---|--|----------------------------|
| State Bank of India                             | 7,547.17   | During 2019-20 and 2020-21 |
| IDBI Bank                                       | 3,281.42   | During 2019-20 and 2020-21 |
| Union Bank of India                             | 2,776.07   | During 2019-20 and 2020-21 |
| International Finance Corporation               | 2,018.00   | During 2019-20 and 2020-21 |
| Canara Bank                                     | 1,922.47   | During 2019-20 and 2020-21 |
| Standard Chartered Bank                         | 1,865.86   | During 2019-20 and 2020-21 |
| Syndicate Bank                                  | 1,533.98   | During 2019-20 and 2020-21 |
| Bank of Baroda                                  | 1,325.54   | During 2019-20 and 2020-21 |
| Punjab National Bank                            | 1,186.94   | During 2019-20 and 2020-21 |
| Andhra Bank                                     | 1,158.51   | During 2019-20 and 2020-21 |
| Exim Bank                                       | 1,134.76   | During 2019-20 and 2020-21 |
| Oriental Bank of Commerce                       | 871.12   | During 2019-20 and 2020-21 |
| Co-operative Centrale Raiffesen Boerenleen Bank | 696.90   | During 2019-20 and 2020-21 |
| Sustainable Agro-commercial Finance Ltd         | 464.65   | During 2019-20 and 2020-21 |
| Yes Bank  | 401.39   | During 2019-20 and 2020-21 |
| South Indian Bank                               | 340.73   | During 2019-20 and 2020-21 |
| Oriental Bank of Commerce                       | 291.70   | During 2019-20 and 2020-21 |
| UBS Switzerland AG                              | 41.17  | During 2019-20 and 2020-21 |
| Bank of Bahrain and Kuwait                      | 32.49  | During 2019-20 and 2020-21 |
| Shree Mahavir Sahakari Bank Ltd                 | 24.28  | During 2019-20 and 2020-21 |
| HDFC Bank                                       | 1.99   | During 2019-20 and 2020-21 |
| <b>Total</b>                                    | <b>28,917.14</b>   |                            |



The Company did not have any borrowing from the Government and dues to debenture holders as at balance sheet date.

- ix)** The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) or term loan during the year. Accordingly, clause 3(ix) of the Order is not applicable to the Company.
- x)** Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud /material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- xi)** The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii)** As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it; the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii)** According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv)** According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- xv)** The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi)** The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Singhi & Co.**

Chartered Accountants

Firm Registration Number: 302049E

Sd/-

**(Navindra Kumar Surana)**

Partner

Place: **Kolkata**

Date: **June 30, 2021**

Membership Number: 053816

UDIN:**21053816AAAAFR6421**

# **ANNEXURE – B**

## **TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 2 (g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of even date)**

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

We have audited the internal financial controls over financial reporting with reference to the standalone financial statements of Jain Irrigation Systems Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to the standalone 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to the standalone 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 over financial reporting with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to the standalone financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to the standalone 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 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 over financial reporting with reference to the standalone financial statements.

Meaning of Internal Financial Controls over financial reporting with reference to the standalone financial statements

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

Limitations of Internal Financial Controls over financial reporting with reference to the standalone financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to the standalone 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 over financial reporting with reference to the standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to the standalone 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to the standalone financial statements and such internal financial controls over financial reporting with reference to the standalone financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Singhi & Co.**

Chartered Accountants

Firm Registration Number: 302049E

Sd/-

**(Navindra Kumar Surana)**

Partner

Place: **Kolkata**

Date: **June 30, 2021**

Membership Number : 053816

UDIN : **21053816AAAAFR6421**

# CEO AND CFO CERTIFICATION

**(As per Part B of Schedule II read with Regulation 17 (8) of SEBI (Listing Obligation & Disclosure Requirements), Regulations, 2015)**

To,  
The Board of Directors,  
Jain Irrigation Systems Ltd.,  
Jain Plastic Park,  
N.H.No.6, Bambhori,  
Jalgaon-425 001

**Sub : CEO / CFO Certification (As per Part B of Schedule II read with Regulation 17 (8) of SEBI (Listing Obligation & Disclosure Requirements), Regulations, 2015)**

Dear Sir / Madam,

We, Anil B. Jain Chief Executive Officer & Managing Director and Atul B. Jain, Chief Financial Officer of Jain Irrigation Systems Ltd., do hereby jointly declare and certify that:

- a) We have reviewed Financial Statements and the Cash Flow Statement of the Company for the year ended 31st March, 2021 and that to the best of our knowledge and belief.
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together with the schedules and notes thereon present a true and fair view of the Company's affairs for the year ended 31<sup>st</sup> March, 2021 and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) 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 Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to action to rectify these deficiencies.
- d) We have indicated to the Statutory Auditors and the Audit Committee;
  - i) Significant changes in internal control during the year under review;
  - ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - iii) There are no 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.

Sd/-  
Anil B. Jain  
**Managing Director & CEO**

Sd/-  
Atul B. Jain  
**Joint Managing Director &  
Chief Financial Officer**

Place: **Jalgaon**  
Date : **June 29, 2021**

Place : **Jalgaon**  
Date : **June 29, 2021**

# BALANCE SHEET

## AS AT 31<sup>ST</sup> MARCH 2021

| (All amount in ₹ Million, unless otherwise stated)                           |       |                      |                      |
|--|-------|----------------------|----------------------|
|  | Notes | As at<br>31-Mar-2021 | As at<br>31-Mar-2020 |
| <b>ASSETS</b>  |       |                      |                      |
| <b>Non-current assets</b>  |       |                      |                      |
| Property, plant and equipment  | 3     | 28,679.99            | 29,788.50            |
| Right of use assets  | 5     | 228.47               | 239.15               |
| Capital work-in-progress   | 3     | 226.04               | 426.54               |
| Investment property  | 6     | 206.88               | 229.87               |
| Intangible assets  | 4     | 62.01                | 84.34                |
| Investments in subsidiaries and associates                                   | 7     | 11,561.69            | 11,561.84            |
| Financial assets   |       |                      |                      |
| i) Investments   | 8(a)  | 0.99                 | 6.82                 |
| ii) Loans  | 8(d)  | 1,004.32             | 1,043.28             |
| iii) Other financial assets  | 8(e)  | 2,010.95             | 1,976.44             |
| Deferred tax assets (net)  | 15    | 372.84               | -                    |
| Income Tax assets (net)  | 10    | 208.62               | 85.04                |
| Other non-current assets   | 9     | 195.04               | 236.94               |
| <b>Total non-current assets</b>  |       | <b>44,757.84</b>     | <b>45,678.76</b>     |
| <b>CURRENT ASSETS</b>  |       |                      |                      |
| Inventories  | 11(a) | 6,612.29             | 7,472.89             |
| Biological assets other than bearer plant                                    | 11(b) | 792.81               | 840.13               |
| Financial assets   |       |                      |                      |
| i) Trade receivables   | 8(b)  | 21,432.95            | 22,325.69            |
| ii) Cash and cash equivalents  | 8(c)  | 2,328.43             | 1,041.50             |
| iii) Bank balances other than (ii) above                                     | 8(c)  | 449.82               | 127.44               |
| iv) Loans  | 8(d)  | 103.44               | 114.56               |
| v) Other financial assets  | 8(e)  | 3,301.90             | 2,652.22             |
| Other current assets   | 9     | 4,914.11             | 4,489.09             |
| <b>Total current assets</b>  |       | <b>39,935.75</b>     | <b>39,063.52</b>     |
| <b>TOTAL ASSETS</b>  |       | <b>84,693.59</b>     | <b>84,742.28</b>     |
| <b>EQUITY AND LIABILITIES</b>  |       |                      |                      |
| <b>EQUITY</b>  |       |                      |                      |
| Equity share capital   | 12(a) | 1,031.32             | 1,031.32             |
| Other equity   | 12(b) | 38,093.98            | 41,132.45            |
| <b>Total Equity</b>  |       | <b>39,125.30</b>     | <b>42,163.77</b>     |
| <b>LIABILITIES</b>   |       |                      |                      |
| <b>Non-current liabilities</b>   |       |                      |                      |
| Financial liabilities  |       |                      |                      |
| i) Borrowings  | 13(a) | 3,009.18             | 4,292.90             |
| ii) Lease Liabilities  | 13(e) | 0.94                 | 2.84                 |
| iii) Other financial liabilities   | 13(d) | 10.44                | 250.92               |
| Provisions   | 14    | 261.72               | 272.56               |
| Deferred tax liabilities (net)   | 15    | -                    | 1,314.44             |
| <b>Total non-current liabilities</b>   |       | <b>3,282.28</b>      | <b>6,133.66</b>      |
| <b>Current liabilities</b>   |       |                      |                      |
| Financial liabilities  |       |                      |                      |
| i) Borrowings  | 13(b) | 25,847.65            | 23,893.95            |
| ii) Lease Liabilities  | 13(e) | 1.31                 | 1.08                 |
| iii) Trade payables  | 13(c) |                      |                      |
| - Total outstanding dues of Micro and Small Enterprises                      |       | 524.95               | 186.75               |
| - Total outstanding dues of creditors other than Micro and Small Enterprises |       | 2,406.75             | 4,020.74             |
| iv) Other financial liabilities  | 13(d) | 11,597.00            | 6,667.58             |
| Provisions   | 14    | 120.29               | 122.90               |
| Other current liabilities  | 16    | 1,788.06             | 1,551.85             |
| <b>Total current liabilities</b>   |       | <b>42,286.01</b>     | <b>36,444.85</b>     |
| <b>Total liabilities</b>   |       | <b>45,568.29</b>     | <b>42,578.51</b>     |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |       | <b>84,693.59</b>     | <b>84,742.28</b>     |

Significant Accounting Policies

The accompanying notes are an integral part of these financial statements

2

(1-45)

For Singhi &amp; Co.

Chartered Accountants

Firm Registration Number: 302049E

For and on behalf of the Board of Directors

Sd/-

Navindra Kumar Surana

Partner

Membership No. 053816

Sd/-

Avdhut V. Ghodgaonkar

Company Secretary

Sd/-

Anil B. Jain

Vice Chairman &  
Managing Director  
DIN 00053035

Sd/-

Atul B. Jain

Joint Managing  
Director & CFO  
DIN 00053407

Sd/-

Ghanshyam Dass

Director  
DIN 01807011

Date : June 30, 2021

Place : Kolkata

Date : June 30, 2021

Place : Mumbai



# STATEMENT OF PROFIT AND LOSS

## FOR THE PERIOD ENDED 31<sup>ST</sup> MAR 2021

| (All amount in ₹ Million, unless otherwise stated)             |       |                   |                   |
|--|-------|-------------------|-------------------|
|  | Notes | 31-Mar-21         | 31-Mar-20         |
| <b>INCOME</b>  |       |                   |                   |
| Revenue from operations  | 17    | 21,564.22         | 20,034.32         |
| Other income   | 18    | 395.50            | 553.89            |
| <b>Total income</b>  |       | <b>21,959.72</b>  | <b>20,588.21</b>  |
| <b>EXPENSES</b>  |       |                   |                   |
| Cost of materials consumed                                     | 19    | 11,939.04         | 11,455.02         |
| Change in inventories of finished goods                        | 20    | 1,004.91          | (405.62)          |
| Employee benefits expense                                      | 21    | 2,412.49          | 2,981.53          |
| Finance costs  | 24    | 4,451.04          | 4,179.44          |
| Depreciation and amortisation expense                          | 22    | 1,649.80          | 1,589.60          |
| Other expenses   | 23    | 5,259.92          | 8,342.12          |
| <b>Total expenses</b>  |       | <b>26,717.20</b>  | <b>28,142.09</b>  |
| <b>Profit/(Loss) before tax</b>                                |       | <b>(4,757.48)</b> | <b>(7,553.88)</b> |
| <b>Income tax expense / (income)</b>                           |       |                   |                   |
| Current tax  | 25    | -                 | -                 |
| Deferred tax   | 25    | (1,684.29)        | (2,470.87)        |
| <b>Total tax expense / (income)</b>                            |       | <b>(1,684.29)</b> | <b>(2,470.87)</b> |
| <b>Profit/(Loss) after tax</b>                                 |       | <b>(3,073.19)</b> | <b>(5,083.01)</b> |
| <b>Other comprehensive income</b>                              |       |                   |                   |
| (i) Items that will not be reclassified to profit or loss      |       |                   |                   |
| - Remeasurements of defined benefit obligations gains / (loss) | 26    | (8.63)            | 8.61              |
| - Income tax relating to the above items                       | 25    | 2.99              | (2.98)            |
| <b>Other comprehensive income for the year</b>                 |       | <b>(5.64)</b>     | <b>5.63</b>       |
| <b>Total comprehensive income for the year</b>                 |       | <b>(3,078.83)</b> | <b>(5,077.38)</b> |
| <b>Earnings per equity share</b>                               |       |                   |                   |
| Basic earnings per share (face value ₹ 2)                      | 28    | (5.96)            | (9.86)            |
| Diluted earnings per share (face value ₹ 2)                    | 28    | (5.96)            | (9.86)            |

Significant Accounting Policies

2

The accompanying notes are an integral part of these financial statements

(1-45)

For Singhi & Co.

Chartered Accountants

Firm Registration Number: 302049E

For and on behalf of the Board of Directors

Sd/-

Navindra Kumar Surana

**Partner**

**Membership No. 053816**

Sd/-

Avdhut V. Ghodgaonkar

**Company Secretary**

Sd/-

Anil B. Jain

**Vice Chairman &  
Managing Director  
DIN 00053035**

Sd/-

Atul B. Jain

**Joint Managing  
Director & CFO  
DIN 00053407**

Sd/-

Ghanshyam Dass

**Director**

**DIN 01807011**

Date : **June 30, 2021**

Place : **Kolkata**

Date : **June 30, 2021**

Place : **Mumbai**

# STATEMENT OF CASH FLOWS

## FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2021

|  | (All amount in ₹ Million, unless otherwise stated) |                   |
|--|--|-------------------|
|  | 31-Mar-21  | 31-Mar-20         |
| <b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>                     |  |                   |
| Net profit / (loss) before tax                                     | (4,757.48)   | (7,553.88)        |
| Adjustments for:   |  |                   |
| Depreciation and amortisation expense                              | 1,649.80   | 1,589.60          |
| Amount written off and provisions                                  | 599.98   | 2,665.39          |
| Unrealized forex exchange (gain) / loss                            | 77.46  | (48.11)           |
| Profit on asset sale/ discarded (net)                              | (0.24)   | (7.74)            |
| Profit on sale of investments (net)                                | -  | (0.59)            |
| Finance costs  | 4,451.04   | 4,179.44          |
| Provisions no longer required written back                         | (89.72)  | (131.97)          |
| Provision for gratuity   | (1.62)   | 16.83             |
| Provision for leave encashment                                     | (20.46)  | (19.26)           |
| Sundry credit balance appropriated                                 | (57.35)  | (65.37)           |
| Dividend and Interest Income                                       | -  | (196.32)          |
| Change in fair value of biological assets                          | 10.08  | 32.95             |
| Fair value changes of derivatives                                  | 42.26  | -                 |
| Fair value changes of embedded derivatives                         | -  | (3.62)            |
| Fair value changes of investments                                  | (0.18)   | 0.55              |
| EPCG Income on deferred incentive liabilities transfer to income   | (19.09)  | (86.90)           |
| Corporate guarantee commission                                     | (123.61)   | (129.54)          |
| <b>Operating profit before working capital changes</b>             | <b>1,760.87</b>                                    | <b>241.46</b>     |
| Adjustments for changes in working capital:                        |  |                   |
| (Increase) / decrease in trade receivables                         | 279.16   | (172.08)          |
| (Increase) / decrease in inventories and biological assets         | 897.84   | 174.59            |
| (Increase) / decrease in loans and other financial assets          | (586.41)   | 141.75            |
| (Increase) / decrease in other assets                              | (568.74)   | (3,762.25)        |
| Increase / (decrease) in trade payables                            | (1,213.76)   | (6,232.17)        |
| Increase / (decrease) in other financial liabilities               | 220.67   | 152.66            |
| Increase / (decrease) in other liabilities                         | 256.64   | 662.86            |
| <b>Cash generated from operations</b>                              | <b>1,046.27</b>                                    | <b>(8,793.18)</b> |
| Income tax (paid) / refund   | (123.58)   | (373.57)          |
| <b>Net cash flow generated from operating activities</b>           | <b>922.69</b>                                      | <b>(9,166.75)</b> |
| <b>B) CASH FLOW FROM INVESTING ACTIVITIES:</b>                     |  |                   |
| Purchase of property, plant and equipment                          | (266.32)   | (1,358.19)        |
| Sale of property, plant and equipment                              | 23.32  | 16.66             |
| Redemption of / (Additional) investment in subsidiaries            | 5.98   | 7.34              |
| Loan (given to) / refund from subsidiaries/ associate              | (87.58)  | (927.76)          |
| Fixed deposits redeemed / (placed) with banks                      | (323.54)   | 134.42            |
| Interest received  | (6.49)   | 215.61            |
| <b>Net cash flow generated from/(used in) investing activities</b> | <b>(654.63)</b>                                    | <b>(1,911.92)</b> |
| <b>C) CASH FLOW FROM FINANCING ACTIVITIES:</b>                     |  |                   |
| Proceeds from long term borrowings                                 | -  | -                 |
| Repayment towards long term borrowings                             | 127.35   | (579.43)          |
| Increase/(decrease) in working capital borrowings (net)            | 1,886.37   | 15,316.10         |
| Interest and finance charges paid                                  | (1,061.02)   | (2,716.10)        |
| Dividend and dividend distribution tax paid                        | (1.16)   | (2.23)            |
| <b>Net cash (used in) financing activities</b>                     | <b>951.54</b>                                      | <b>12,018.34</b>  |

| (All amount in ₹ Million, unless otherwise stated)                              |                  |                  |
|---|------------------|------------------|
|   | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
| <b>D) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>                  | 1,219.60         | 939.68           |
| Cash and cash equivalents as at the beginning of the year                       | 1,041.50         | 40.39            |
| <b>Cash and cash equivalents as at the end of the year</b>                      | <b>2,261.10</b>  | <b>980.07</b>    |
| <b>Cash and cash equivalents</b>  |                  |                  |
| Cash on hand  | 0.36             | 7.63             |
| Bank balances & Cheques on hand   |                  |                  |
| - In current accounts   | 936.09           | 834.74           |
| - Cheques on hand   | -                | 199.10           |
| Fixed deposits (having maturity value less than 3 months)                       | 1,391.98         | 0.03             |
| <b>Sub-total</b>  | <b>2,328.43</b>  | <b>1,041.50</b>  |
| Overdrawn bank balances (considered as cash and cash equivalents for cash flow) | (67.33)          | (61.43)          |
| <b>Cash and cash equivalents as at the end of the period</b>                    | <b>2,261.10</b>  | <b>980.07</b>    |

Significant Accounting Policies

2

The accompanying notes are an integral part of these financial statements

(1-45)

#### Explanatory notes to Statements of Cash Flows

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow

For Singhi & Co.

Chartered Accountants

Firm Registration Number: 302049E

For and on behalf of the Board of Directors

Sd/-

Navindra Kumar Surana

**Partner**

**Membership No. 053816**

Sd/-

Avdhut V. Ghodgaonkar

**Company Secretary**

Sd/-

Anil B. Jain

**Vice Chairman &  
Managing Director  
DIN 00053035**

Sd/-

Atul B. Jain

**Joint Managing  
Director & CFO  
DIN 00053407**

Sd/-

Ghanshyam Dass

**Director  
DIN 01807011**

Date : **June 30, 2021**

Place : **Kolkata**

Date : **June 30, 2021**

Place : **Mumbai**

(All amount in ₹ Million, unless otherwise stated)

# STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2021

## A) Equity Share Capital

|   | Amount          |
|---|-----------------|
| <b>As at April 1, 2019</b>                      | <b>1,031.32</b> |
| Changes in equity share capital during the year | -               |
| <b>As at March 31, 2020</b>                     | <b>1,031.32</b> |
| Changes in equity share capital during the year | -               |
| <b>As at March 31, 2021</b>                     | <b>1,031.32</b> |

## B) Other Equity

| Particulars                                      | Reserves and Surplus |                            |                            |                 | Attributable to owners |                   |
|--|----------------------|----------------------------|----------------------------|-----------------|------------------------|-------------------|
|  | Capital reserve      | Securities premium reserve | Capital redemption reserve | General Reserve | Retained Earnings      | Total             |
| <b>Balance as at April 1, 2019</b>               | <b>743.91</b>        | <b>14,504.65</b>           | <b>896.72</b>              | <b>2,308.01</b> | <b>27,807.87</b>       | <b>46,178.92</b>  |
| Profit for the year                              | -                    | -                          | -                          | -               | (5,083.01)             | (5,083.01)        |
| Other comprehensive income                       | -                    | -                          | -                          | -               | 5.63                   | 5.63              |
| <b>Total comprehensive income for the year</b>   | <b>-</b>             | <b>-</b>                   | <b>-</b>                   | <b>-</b>        | <b>(5,077.38)</b>      | <b>(5,077.38)</b> |
| Exchange gain / (loss) during the year           | -                    | -                          | -                          | -               | 52.24                  | 52.24             |
| Amortised during the year                        | -                    | -                          | -                          | -               | (20.92)                | (20.92)           |
| - Opening impact of IND AS-116                   | -                    | -                          | -                          | -               | (0.41)                 | (0.41)            |
| <b>Balance at March 31, 2020</b>                 | <b>743.91</b>        | <b>14,504.65</b>           | <b>896.72</b>              | <b>2,308.01</b> | <b>22,730.08</b>       | <b>41,132.45</b>  |
| Profit for the year                              | -                    | -                          | -                          | -               | (3,073.19)             | (3,073.19)        |
| Other comprehensive income (net of deferred tax) | -                    | -                          | -                          | -               | (5.64)                 | (5.64)            |
| <b>Total comprehensive income for the year</b>   | <b>-</b>             | <b>-</b>                   | <b>-</b>                   | <b>-</b>        | <b>(3,078.83)</b>      | <b>(3,078.83)</b> |
| Exchange gain / (loss) during the year           | -                    | -                          | -                          | -               | 40.36                  | 40.36             |
| <b>Balance at March 31, 2021</b>                 | <b>743.91</b>        | <b>14,504.65</b>           | <b>896.72</b>              | <b>2,308.01</b> | <b>19,651.25</b>       | <b>38,093.98</b>  |

As per our report of even date attached

For Singhi &amp; Co.

Chartered Accountants

Firm Registration Number: 302049E

For and on behalf of the Board of Directors

Sd/-  
Navindra Kumar Surana  
**Partner**  
**Membership No. 053816**

Date : **June 30, 2021**  
Place : **Kolkata**

Sd/-  
Avdhut V. Ghodgaonkar  
**Company Secretary**

Sd/-  
Anil B. Jain  
**Vice Chairman & Managing Director**  
**DIN 00053035**

Sd/-  
Atul B. Jain  
**Joint Managing Director & CFO**  
**DIN 00053407**

Sd/-  
Ghanshyam Dass  
**Director**  
**DIN 01807011**

Date : **June 30, 2021**  
Place : **Mumbai**

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

(All amount in INR Million, unless otherwise stated)

## 1) Company overview

Jain Irrigation Systems Limited (the 'Company'/'JISL') is a Company domiciled in India, with its registered office situated at Jain Plastic Park, NH No. 6 Bambhori, Jalgaon (425001), Maharashtra, India. JISL, its subsidiaries and associates are engaged in providing solutions in agriculture, piping and infrastructure through manufacturing of Micro Irrigation Systems, PVC Pipes, HDPE Pipes, Plastic Sheets, Agro Processed Products, Renewable Energy Solutions, Tissue Culture Plants, Financial Services and other agricultural inputs since more than 35 years. It has pioneered a silent Productivity Revolution with modern irrigation systems and innovative technologies in order to save precious water and has helped to get significant increase in crop yields, especially for more than 6 million small farmers. It has also ushered in new concept of large scale Integrated Irrigation Projects (IIP). 'More Crop Per Drop™' is the Company's approach to water security and food security. JISL is early pioneer for Internet of Things (IoT) in the agri-sector and is leading efforts to create global solutions with precision agriculture. JISL is listed in NSE-Mumbai at JISLJALEQS and in BSE at code 500219. Please visit us at [www.jains.com](http://www.jains.com)

## 2) Significant accounting policies

### 2.1) Basis of preparation:

#### i) Statement of compliance

These Standalone IND AS Financial Statements ("Financial Statements") have been prepared in accordance with Indian Accounting Standards ('IND AS') as per Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 (the 'Act') and the other relevant provisions of the Act and Rules therein.

The accounting policies are applied consistently to all the periods presented in the financial statements, except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Ministry of Corporate Affairs (MCA) has issued certain amendments to the existing Accounting Standards during the year ended March 31, 2020, which are effective from July 24, 2020,

- **IND AS 103 (Business Combinations):** Defined "business" in more detail, an optional test to identify concentration of fair value, element of Businesses and assessing whether an acquired process is substantive.
- **IND AS 107 (Financial Instruments: Disclosures):** Disclosures for uncertainty arising from interest rate benchmark reform.
- **IND AS 109 (Financial Instruments):** Temporary exceptions from applying specific hedge accounting requirements.
- **IND AS 116 (Leases):** Due to the pandemic COVID- 19 – Related rent concession, a clarification has been provided on accounting of rent concessions, whether to treat as a lease modification or not.
- **IND AS 1 and IND AS 8 (Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors):** Change/modification in the definition of "Material".
- **IND AS 10 (Events after the Reporting Period):** Definition for non – adjusting events and its effective date of application.
- **IND AS 34 (Interim Financial Reporting):** Consequential of the above amendments.
- **IND AS 37 (Provisions, Contingent Liabilities and Contingent Assets):** Consequential amendment and accounting of restructuring plan.

The amendments listed did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current and future periods.

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors in its meeting held on June 30, 2021.

#### ii) Functional and presentation currency

- The Company's presentation and functional currency is Indian Rupee (₹).
- All amounts disclosed in the financial statements and notes have been rounded off to the nearest million as per requirement of Schedule III, unless otherwise stated.



(All amount in ₹ Million, unless otherwise stated)

**iii) Basis of measurement**

The financial statement has been prepared on a historical cost basis except for following items:

- Certain financial assets and liabilities (including derivative instruments) which are measured at fair value;
- Biological assets which are measured at fair value less costs to sell; and
- Defined benefit plans - plan assets measured at fair value;

**iv) Use of estimates and judgments**

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

- **Significant judgments when applying IND AS 115:** Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- **Impairment of Non-current Assets:** IND AS 36 requires that the Company assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include internal and external factors such as the Company's market capitalization, significant changes in the Company's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. CGU is usually the individual plant, unless the asset or asset Company is an integral part of a value chain where no independent prices for the intermediate products exist, a Company of plants is combined and managed to serve a common market, or where circumstances otherwise indicate significant interdependencies.  
  
Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal systems. The Company uses internal business plans, quoted market prices and the Company's best estimate of commodity prices, currency rates, discount rates and other relevant information. A detailed forecast is developed for a period of three to five years with projections thereafter. The Company does not include a general growth factor to volumes or cash flows for the purpose of impairment tests, however, cash flows are generally increased by expected inflation and market recovery towards previously observed volumes is considered.
- **Employee retirement plans:** The Company provides defined benefit employee retirement plans. Measurement of obligations under such plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality etc.
- **Income taxes:** The Company calculates income tax expense based on reported income. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.
- **Recoverability of advances/ receivables:** At each balance sheet date, based on discussions with the respective counter-parties and internal assessment of their credit worthiness, the management assesses the recoverability of outstanding receivables and advances. Such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factor.
- **Fair value measurements :** The Company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing

estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

- **Contingent assets and liabilities, uncertain assets and liabilities** : Liabilities that are uncertain in timing or amount are recognized when a liability arises from a past event and an outflow of cash or other resources is probable and can be reasonably estimated. Contingent liabilities are possible obligations where a future event will determine whether Company will be required to make a payment to settle the liability, or where the size of the payment cannot be determined reliably. Material contingent liabilities are disclosed unless a future payment is considered remote. Evaluation of uncertain liabilities and contingent liabilities and assets requires judgment and assumptions regarding the probability of realization and the timing and amount, or range of amounts, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts.
- **Right-of-use assets and lease liability** : Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

## 2.2) Current versus non-current classification:

The Company presents assets and liabilities in its Balance Sheet based on current versus non-current classification.

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle,
- Held primarily for the purpose of trade,
- Expected to be realized on demand or within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in normal operating cycle,
- it is held primarily for the purpose of trade,
- it is due to be settled on demand or within twelve months after the reporting date, and
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## 2.3) Foreign currencies

### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss as either profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income and expenses accordingly.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss in the Statement of Profit and Loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are included in net profit in the Statement of Profit and Loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as Fair Value through Other Comprehensive Income ("FVOCI") are recognised in other comprehensive income ("OCI").

(All amount in ₹ Million, unless otherwise stated)

The Company has chosen to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first IND AS financial reporting period as per the previous GAAP as permitted by IND AS.

## 2.4) Revenue

### i) Sale of goods

The Company recognises revenue when all the following criteria are satisfied:

- persuasive evidence of a contract with the customer exists;
- the performance obligations under the contract have been identified; and
- Control of goods or service is transferred to the customer.

Revenue represents the net invoice value of goods and services provided to customers after deducting for certain incentives including, but not limited to discounts, volume rebates etc.

Control is specified as the ability to direct the use of the asset, to obtain benefits from the assets and to prevent others from doing so.

Revenue excludes any taxes and duties collected on behalf of the Government.

In other contracts, revenue is recognised when control is transferred based on the terms of contract which may either be point of sale (i.e. the plant) or where the goods is to be delivered to the destination specified by the customer, which is typically the vessel on which it is shipped, where the goods are delivered. In contracts where control is transferred at the point of sale and the Company provides transportation service, the transport service is treated as a distinct separate performance obligation under the contract and the same is recognised as revenue when the said performance obligation is completed. In case arrangement of transportation which is not part of consideration, the reimbursement of actual freight is adjusted with cost incurred.

In case of related party transactions where related party meets the definition of customer (ie a party that has contracted with the Company to obtain goods or services that are an output of the Company's ordinary activity in exchange for consideration) and the transactions are within the scope of the standard then the revenue is recognised based on the principles of IND AS 115.

Export incentives and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

### ii) Rendering of services

In contract involving rendering of services, revenue is recognised in profit or loss in the proportion of the stage of completion of the transaction at the reporting date and are measured net of Goods and Service Tax.

### iii) Contract revenue

Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably. When the outcome of the contract is ascertained reliably contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date to the total estimated contract costs. The estimates of cost and progress of contracts are measured at each reporting date by the management. The effect of such changes to estimates is recognized in the period in which such changes are determined. The estimated cost of each contract is determined based on the estimate of the cost to be incurred till the final completion of the contract and includes cost of materials, services, and other related overheads. Any projected losses on contracts under execution are recognized in full when identified.

### iv) Interest income

Interest income from debt instruments is recognised using the EIR method or proportionate basis. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

### v) Dividend income

Dividends are recognised in Statement of Profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

## 2.5) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a straight-line basis over the useful life of the related assets and presented within other income.

## 2.6) Income Tax

The income tax expense or credit for the period is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Current tax comprises of expected tax payable or receivable on taxable income/loss for the year or any adjustment or receivable in respect of previous year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions which are appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the Balance Sheet method, on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting date and are expected to apply to the Company when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits (Minimum alternate tax credit entitlement) only if it is probable that future taxable amounts will be available to utilise those temporary differences, unused losses and unused tax credits. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable or no longer probable respectively that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

Minimum Alternative Tax (MAT) Credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of credit to Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

## 2.7) Leases

### i) The Company as lessor

Leases for which the Company is a lessor is classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and

### ii) The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

**iii) Lease Liability**

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.

**iv) Right of Use (ROU) Assets**

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IND AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The Company applies IND AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, IND AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

**2.8) Business combinations**

In accordance with IND AS 103, the Company accounts for the business combinations (except common control business transactions) using the acquisition method when control is transferred to the Company. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combinations as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amount related to the settlement of pre-existing relationship with the acquiree. Such amounts are generally recognised in Statement of Profit and Loss.



Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and change in the fair value if the contingent consideration are recognised in Statement of Profit and Loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date at fair value and any resulting gain or loss is recognised in Statement of Profit and Loss or OCI, as appropriate.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the group (referred as common control business combinations) is accounted for using the pooling of interest method. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in financial statements of the Company in the same form in which they appeared in the financial statements of the transferor entity. The difference, if any, between the consideration and the carrying value of identifiable assets acquired (net of liabilities assumed) by the Company is transferred to capital reserve.

## **2.9) Impairment of tangible and intangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

## **2.10) Cash and cash equivalents**

Cash and cash equivalents in the Balance Sheet include cash on hand, cheques on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and overdrawn bank balances.

## **2.11) Cash Flows**

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

## **2.12) Inventories**

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory arrived on weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(All amount in ₹ Million, unless otherwise stated)

However, materials and other supplies held for use in the production of inventories (finished goods, work-in-progress) are not written down below the cost if the finished products in which they will be used are expected to sell at or below the cost.

Materials in transit are valued at cost to date.

## 2.13) Financial assets

### i) Recognition and initial measurement

Trade Receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

### ii) Classification and subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through OCI or fair value through profit and loss.

#### ● Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely consisting of Payments of Principal and Interest ("SPPI") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

#### ● Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is measured at the fair value through Other Comprehensive Income if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both

- collecting contractual cash flows and selling financial assets and
- contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in OCI.

#### ● Debt instruments at Fair value through Profit or Loss (FVTPL)

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortised cost or as FVOCI, is classified as FVTPL. After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss.

#### ● Equity investments

All equity investments within the scope of IND-AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Company decides to classify the same either as FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in OCI. Dividends on such equity instruments are recognised in the Statement of Profit or Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Dividends on such equity instruments are recognised in the Statement of Profit or Loss.

### iii) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash

(All amount in ₹ Million, unless otherwise stated)

flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- the Company has transferred substantially all the risks and rewards of the asset, or
- the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

#### **iv) Impairment of financial assets**

On initial recognition of the financial assets, a loss allowance for expected credit loss is recognised for debt instruments at amortised cost and FVTOCI. For debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income in the statement of profit and loss and does not reduce the carrying amount of the financial asset in the balance sheet.

Expected credit loss of a financial instrument is measured in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Company assess whether the credit risk on a financial instrument has increased significantly since initial recognition.

When making the assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.

### **2.14) Investment in subsidiaries and associates**

Investments in subsidiaries and associates are recognised at cost as per IND AS 27. Except where investments accounted for at cost shall be accounted for in accordance with IND AS 105, Non-current Assets held for Sale and Discontinued Operations, when they are classified as held for sale.

### **2.15) Financial Liabilities**

#### **(i) Recognition and initial measurement**

Financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

#### **(ii) Subsequent measurement**

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

- **Financial Liabilities at Fair Value through Profit or Loss (FVTPL)**

A financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit and Loss.

- **Financial Liabilities at amortised cost**

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the EIR method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance costs in the Statement of Profit and Loss.

**(iii) De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**2.16) Compound financial instruments**

Compound financial instruments issued by the Company comprise convertible debentures denominated in INR that can be converted to equity shares at the option of the holder within prescribed timelines, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequently.

Interest related to the financial liability is recognised in Statement of Profit and Loss (unless it qualifies for inclusion in the cost of an asset). In case of conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

**2.17) Derivatives and hedging activities**

The Company holds derivative financial instruments such as forward contracts, interest rate and principal only swaps to mitigate risk of changes in exchange and interest rates. The counterparty for these contracts is generally banks.

**i) Cash flow hedges that qualify for hedge accounting:**

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the OCI in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts accumulated in equity are reclassified to the Statement of Profit and Loss in the year when the hedged item affects profit or loss.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to the Statement of Profit and Loss.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

**ii) Derivatives that are not designated as hedges**

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit and loss and are included in other income / expenses. Assets/liabilities are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

**iii) Embedded derivatives**

Derivatives embedded in a host contract that is an asset within the scope of IND AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contracts are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are

(All amount in ₹ Million, unless otherwise stated)

measured at fair value through profit and loss. Embedded derivatives closely related to the host contracts are not separated.

#### **Embedded foreign currency derivatives**

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,
- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency).

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss.

### **2.18) Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### **2.19) Property, plant and equipment**

#### **i) Recognition and measurement:**

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are measured at cost / deemed cost, less accumulated depreciation and impairment losses, if any. Cost of Property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated attributable costs of dismantling and removing the item and restoring the site on which it is located.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs.

Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalised and the carrying amount of the item replaced is derecognised. Similarly, overhaul costs associated with major maintenance are capitalised and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognised. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

#### **ii) Depreciation methods, estimated useful lives and residual value**

Depreciation is provided on a pro rata basis using straight line method over the estimated useful life of the fixed assets taking into consideration their estimated residual values. All the assets have been provided depreciation based on life of assets in line with rates prescribed in Schedule II to the Act on Straight Line Method except green house, shades and poly houses depreciated at 10% and screw barrels used in moulding machines and PVC pipes are depreciated at 12.50% and 25% per annum. The Management believes that depreciation rates currently used fairly reflect its estimate of the useful life and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II.

Significant components of assets having a life shorter than the main asset, if any are depreciated over the shorter life. Depreciation on additions to assets or on sale / disposal of assets is calculated from the beginning of the month of such addition or up to the month of such sale / scrapped, as the case may be. Leasehold land is amortised over the period of lease.



(All amount in ₹ Million, unless otherwise stated)

The following table represents the useful life of the fixed assets:

| Class of asset           | Life of the asset                              |
|--------------------------|--|
| Buildings                | 5 - 50 years                                   |
| Green / poly houses      | 3 - 10 years                                   |
| Plant and equipment      | 3 - 25 years                                   |
| Furniture and fixtures   | 3 - 20 years                                   |
| Office equipment         | 3 - 15 years                                   |
| Vehicles                 | 14 years                                       |
| Orchards (Bearer plants) | 15 years                                       |
| Leasehold land           | Lease period or useful life whichever is lower |

The assets residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

### iii) Investment Property

Investment property is property (land or a building or part of a building or both) held either to earn rental income or for capital appreciation or for both, but neither for sale in the ordinary course of business nor used in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss.

Depreciation on investment properties is provided on a pro rata basis using straight line method over the estimated useful life of the investment property taking into consideration their estimated residual values. These assets have been provided depreciation based on life of assets in line with life prescribed in Schedule II to the Act, which is 10 years. The Management believes that depreciation rates currently used fairly reflect its estimate of the useful life and residual values of fixed assets, though these rates in certain cases are different from life prescribed under Schedule II.

## 2.20) Intangible assets

### i) Recognition measurement and derecognition

Separately acquired intangible assets are stated initially at acquisition cost. Intangible assets such as patents, technical know-how, and non-compete acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses, if any.

Costs associated with maintaining software's is recognised as an expense as incurred. Product development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Company are recognised as intangible assets if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.

Directly attributable costs that are capitalised as part of the product development costs include employee costs and an appropriate portion of relevant overheads. Capitalised product development costs are recorded as intangible assets and amortised from the useful life as estimated by the management.

Research expenditure and development expenditure that do not meet the criteria as given above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

### ii) Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

### iii) Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

(All amount in ₹ Million, unless otherwise stated)

| Class of asset            | Life of the asset |
|---------------------------|-------------------|
| Computer software         | 1 - 6 years       |
| Technical know-how        | 5 - 10 years      |
| Non-compete fees          | 10 years          |
| Product development costs | 10 years          |
| Water rights              | 10 years          |

## 2.21) Bearer plants and biological assets

### (i) Orchards

The Company is engaged into orchard activities. The Orchards are regarded as bearer plant and presented as property, plant and equipment. The orchards are recognised at historical cost less depreciation. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over a period of 15 years commencing from the 6th year from the date of planting. Orchard mortality is charged to Statement of Profit and Loss. The fruits growing on the trees are accounted for as biological assets until the point of harvest. Harvested fruits are transferred to inventory at fair value less costs to sell when harvested.

Bearer plants are classified as immature until the produce can be commercially harvested. At that point they are reclassified and depreciation commences. Immature bearer plants are measured at accumulated cost. Generally the harvesting period is 6 years.

### (ii) Tissue culture plants

The Company sells tissue cultures plants of banana, strawberry, pomegranate & others to its customers. Tissue culture is a process where, propagation of a plant by using a plant part or single cell or group cell is done in a test tube under very controlled and hygienic conditions. Tissue culture primarily involves initiation of aseptic cultures from shoot-tips obtained from mother plants, multiplication of the shoots to the desired scale, induction of roots to individual shoots, primary & secondary hardening of the tender plantlets in the poly-house.

The aseptic cultures which are planted in test tubes in a controlled environment, which would be sold subsequently after secondary hardening are accounted for under IND AS 41, Agriculture at fair value less cost to sell. Plants after completion of secondary hardening stage are transferred to inventory at fair value less costs to sell.

Costs to sell include the incremental selling costs, including fees, commission paid to brokers and dealers and estimated costs of transport to the market but excludes finance costs and income taxes. Changes in fair value are recognised in the Statement of Profit and Loss. Farming costs such as manure, soil preparation, laboratory maintenance and poly-house maintenance expenses are expensed as incurred.

The fair value of aseptic cultures in laboratory, primary hardening and secondary hardening plants is determined using cash flow model based on the expected mortality, yield ratios from aseptic cultures to final plants, and the market price for tissue cultured plants after allowing for plantation maintenance costs and other costs yet to be incurred in getting the tissue plantations to maturity.

## 2.22) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

## 2.23) Borrowing costs

Borrowing costs consist of interest and transactions costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs. Transaction cost in respect of long-term borrowings are amortised over the tenure of respective loans using effective interest method. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

(All amount in ₹ Million, unless otherwise stated)

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

## 2.24) Provisions, contingent liabilities and contingent assets

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

## 2.25) Employee Benefits

### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

### (ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### (iii) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund.

#### ● Defined Benefit Plans - Gratuity obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income. They are included in

(All amount in ₹ Million, unless otherwise stated)

retained earnings in the statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

- **Defined contribution plan**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

- (iv) Share-based payments**

The fair value of options granted under the Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each year, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the Statement of Profit and Loss, with a corresponding adjustment to equity.

- (v) Bonus plans**

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

- (vi) Termination benefits**

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of IND AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

## **2.26) Financial Guarantee Contract-**

Financial guarantee contract provided to the lenders of the Company by its Parent Company is measured at their fair values and benefit of such financial guarantee is recognised to equity as a capital contribution from the parent.

## **2.27) Exceptional Item**

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Company.

## **2.28) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

## **2.29) Earnings per share**

- (i) Basic earnings per share**

Basic earnings 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.

(All amount in ₹ Million, unless otherwise stated)

**(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**2.30) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

**2.31) Non-Current Assets held for sale**

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification. Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortized.

**2.32) Fair Value**

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

**2.33) Events after Reporting date**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

**2.34) Research and Development**

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible Assets utilized for Research and Development are capitalized and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

**2.35) Recent pronouncements-**

- On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:



(All amount in ₹ Million, unless otherwise stated)

**Rounding Off:** For the purpose of rounding off the figures appearing in the Financial Statements for financial year ending March 31, 2022 the total income of the Company shall be considered instead of Turnover.

**Balance Sheet:**

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a Company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.
- Security Deposits to be shown under the head of Other Non Current Assets instead of Long term Loan & Advances.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- **Ratios**-Following Ratios to be disclosed: -  
(a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory turnover ratio, (f) Trade Receivables turnover ratio, (g) Trade payables turnover ratio, (h) Net capital turnover ratio, (i) Net profit ratio, (j) Return on Capital employed, (k) Return on investment

**Statement of profit and loss:**

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

(b) The Ministry of Corporate Affairs (MCA) vide Notification dated 18 June 2021 has issued new Companies (Indian Accounting Standard) Amendment Rules, 2021 in consultation with the National Financial Reporting Authority (NFRA).

The notification states that these rules shall be applicable with immediate effect from the date of the notification. Consequently, amendments are effective for the financial year ended 31 March 2022.

**Major amendments notified in the Companies (Ind AS) Amendment Rules, 2021 are provided below:-**

- **Ind AS 116 - Leases** – The amendments extend the benefits of the COVID 19 related rent concession that were introduced last year (which allowed lessees to recognize COVID 19 related rent concessions as income rather than as lease modification) from 30 June 2021 to 30 June 2022.
- **Ind AS 109 - Financial Instruments** – The amendment provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortized cost, for the changes in the financial assets that may arise as a result of Interest Rate Benchmark Reform along. An additional temporary exception from applying hedge accounting is also added for Interest Rate Benchmark Reform.
- **Ind AS 101 - Presentation of Financial Statements** – The amendment substitutes the item (d) mentioned in paragraph BI as 'Classification and measurement of financial instruments. The term 'financial asset' has been replaced with 'financial instruments'.
- **Ind AS 102 - Share-Based Payment** – The amendments to this standard are made in reference to the Conceptual Framework of Financial Reporting under Ind AS in terms of defining the term 'Equity Instrument' which shall be applicable for the annual reporting periods beginning on or after 1 April 2021.
- **Ind AS 103 -Business Combinations** – The amendment substitutes the definition of 'assets' and 'liabilities' in accordance with the definition given in the framework for the Preparation and Presentation of Financial Statements in accordance with Ind AS for qualifying the recognition criteria as per acquisition method.

(All amount in ₹ Million, unless otherwise stated)

- **Ind AS 104 - Insurance Contracts** – The amendment covers the insertion of certain paragraphs in the standard in order to maintain consistency with IFRS 4 and also incorporates the guidance on accounting treatment for amendments due to Interest Rate Benchmark Reform.
- **Ind AS 105 - Non-current assets held for sale and discontinued operations** – The amendment substitutes the definition of – “fair value less costs to sell” with “fair value less costs of disposal”
- **Ind AS 106 - Exploration for and evaluation of mineral resources** – The amendment has been made in reference to the Conceptual Framework for Financial Reporting under Indian Accounting Standards in respect of expenditures that shall not be recognized as exploration and evaluation assets.
- **Ind AS 107 - Financial Instruments: Recognition, Presentation and Disclosure** – The amendment clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform like the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform; the entity's progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition.
- **Ind AS 111 - Joint Arrangements** – In order to maintain consistency with the amendments made in Ind AS 103, respective changes have been made in Ind AS 111.
- **Ind AS 114 - Regulatory Deferral Accounts** – The amendment clarifies that an entity may only change its accounting policies for the recognition, measurement, and impairment & derecognition of regulatory deferral account balances if the change makes the financial statements more relevant to the economic decision-making needs of users and no less reliable.
- **Ind AS 115 - Revenue from Contracts with Customers** – Certain amendments have been made in order to maintain consistency with number of paragraphs of IFRS 15.
- **Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors** – In order to maintain consistency with the amendments made in Ind AS 114 and to substitute the word ‘Framework’ with the ‘Conceptual Framework of Financial Reporting in Ind AS’, respective changes have been made in the standard.
- **Ind AS 16 - Property, Plant and Equipment** – The amendment has been made by substituting the words “Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use” with “Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use”.
- **Ind AS 34 - Interim Financial Reporting** – The amendments to this standard are made in reference to the conceptual framework of Financial Reporting in Ind AS.
- **Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets** – The amendment substitutes the definition of the term ‘Liability’ as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.
- **Ind AS 38 - Intangible Assets** – The amendment substitutes the definition of the term ‘Asset’ as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.

The Company will evaluate the same to give effect to them as required by law.

(All amount in ₹ Million, unless otherwise stated)

### 3) PROPERTY, PLANT AND EQUIPMENT

| Particulars                         | Freehold land | Buildings<br>[1], [2] & [3] | Green / poly houses [3] | Plant and equipment [3] | Furniture and fixtures [3] | Office equipment [3] | Vehicles | Orchards (Bearer plants) | Total     | Capital Work In Progress [4] & (ii) |
|-------------------------------------|---------------|-----------------------------|-------------------------|-------------------------|----------------------------|----------------------|----------|--------------------------|-----------|-------------------------------------|
| <b>YEAR ENDED MARCH 31, 2020</b>    |               |                             |                         |                         |                            |                      |          |                          |           |                                     |
| Gross Carrying Amount               |               |                             |                         |                         |                            |                      |          |                          |           |                                     |
| Carrying amount as at April 1, 2019 | 13,487.50     | 7,830.84                    | 506.36                  | 19,702.72               | 222.28                     | 285.45               | 489.64   | 464.54                   | 42,989.33 | 1,013.93                            |
| Additions                           | 193.50        | 203.99                      | 194.77                  | 1,201.66                | 12.28                      | 6.73                 | 0.11     | 56.12                    | 1,869.16  | 1,543.66                            |
| Transfer to Fixed Assets            |               |                             |                         |                         |                            |                      |          |                          |           | (2,131.05)                          |
| Disposals / adjustments             | -             | -                           | -                       | (29.71)                 | -                          | -                    | (36.46)  | -                        | (66.17)   | -                                   |
| At March 31, 2020                   | 13,681.00     | 8,034.83                    | 701.13                  | 20,874.67               | 234.56                     | 292.18               | 453.29   | 520.66                   | 44,792.32 | 426.54                              |
| Accumulated depreciation            |               |                             |                         |                         |                            |                      |          |                          |           |                                     |
| As at April 1, 2019                 | -             | 1,610.81                    | 139.68                  | 10,925.14               | 164.53                     | 193.41               | 364.95   | 131.69                   | 13,530.21 | -                                   |
| Charge for the year                 | -             | 332.14                      | 64.70                   | 1,096.83                | 5.10                       | 8.05                 | 10.89    | 13.19                    | 1,530.90  | -                                   |
| Disposals / adjustments             | -             | -                           | -                       | (23.43)                 | -                          | -                    | (33.86)  | -                        | (57.29)   | -                                   |
| At March 31, 2020                   | -             | 1,942.95                    | 204.38                  | 11,998.54               | 169.63                     | 201.46               | 341.98   | 144.88                   | 15,003.82 | -                                   |
| Net Block at March 31, 2020         | 13,681.00     | 6,091.88                    | 496.75                  | 8,876.13                | 64.93                      | 90.72                | 111.31   | 375.78                   | 29,788.50 | 426.54                              |
| <b>PERIOD ENDED MARCH 31, 2021</b>  |               |                             |                         |                         |                            |                      |          |                          |           |                                     |
| Gross Carrying Amount               |               |                             |                         |                         |                            |                      |          |                          |           |                                     |
| Carrying amount as at April 1, 2020 | 13,681.00     | 8,034.83                    | 701.13                  | 20,874.67               | 234.56                     | 292.18               | 453.29   | 520.66                   | 44,792.32 | 426.54                              |
| Additions                           | -             | 338.78                      | 1.05                    | 97.43                   | 5.39                       | 6.70                 | (0.06)   | 50.04                    | 499.33    | 309.52                              |
| Transfer to Fixed Assets            |               |                             |                         |                         |                            |                      |          |                          |           | (510.02)                            |
| Disposals / adjustments             | (11.95)       | -                           | -                       | (19.64)                 | (0.07)                     | (4.40)               | (53.16)  | -                        | (89.22)   |                                     |
| At March 31, 2021                   | 13,669.05     | 8,373.61                    | 702.18                  | 20,952.46               | 239.88                     | 294.48               | 400.07   | 570.70                   | 45,202.43 | 226.04                              |
| Accumulated depreciation            |               |                             |                         |                         |                            |                      |          |                          |           |                                     |
| As at April 1, 2020                 | -             | 1,942.95                    | 204.38                  | 11,998.54               | 169.63                     | 201.46               | 341.98   | 144.88                   | 15,003.82 | -                                   |
| Charge for the year                 | -             | 362.75                      | 70.14                   | 1,113.40                | 5.66                       | 8.62                 | 11.21    | 12.98                    | 1,584.76  | -                                   |
| Disposals / adjustments             | -             | -                           | -                       | (12.18)                 | (0.07)                     | (4.40)               | (49.49)  | -                        | (66.14)   | -                                   |
| At March 31, 2021                   | -             | 2,305.70                    | 274.52                  | 13,099.76               | 175.22                     | 205.68               | 303.70   | 157.86                   | 16,522.44 | -                                   |
| Net Block at March 31, 2021         | 13,669.05     | 6,067.91                    | 427.66                  | 7,852.70                | 64.66                      | 88.80                | 96.37    | 412.84                   | 28,679.99 | 226.04                              |

[1] Building includes tenancy rights gross value ₹ 505.21 (March 31, 2020 ₹ 505.21)

[2] Depreciation of ₹ 1.64 (March 31, 2020 ₹ 3.13) on heavy vehicles being used for site development during the year is capitalized.

[3] Property, plant and equipment addition during the year includes cost of self constructed assets amounting to ₹ 104.86 (March 31, 2020 ₹ 799.92)

[4] Capital work in progress includes cost of self constructed assets amounting to ₹ 61.90 (March 31, 2020 ₹ 43.74)

(All amount in ₹ Million, unless otherwise stated)

**(i) Contractual obligations**

Refer to note 30 for disclosures of contractual commitments for the acquisition of Property, plant and equipment.

**(ii) Capital work-in-progress**

Capital work-in-progress mainly comprises of factory buildings and plant and machinery purchased at various locations.

**(iii) Property, plant and equipment provided as security**

Carrying amounts of property, plant and equipment pledged as security by the Company are as follows:

|  | 31-Mar-21       | 31-Mar-20        |
|--|-----------------|------------------|
| Freehold land                            | 2,301.19        | 2,301.19         |
| Buildings                                | 2,491.69        | 2,610.63         |
| Green / poly houses                      | 42.11           | 60.73            |
| Plant and equipment                      | 5,031.64        | 5,906.22         |
| Furniture, fixtures and office equipment | 24.99           | 27.65            |
| Vehicles                                 | 14.51           | 22.40            |
|  | <b>9,906.13</b> | <b>10,928.82</b> |

The Movable and immovable assets of the company are provided as security to its lenders as detailed in Note no. 13 relating to Security.

**4) INTANGIBLE ASSETS**

|  | Computer Software | Technical Knowhow | Non Compete Fees | Water Rights | Goodwill    | Product Development | Total         |
|--|-------------------|-------------------|------------------|--------------|-------------|---------------------|---------------|
| <b>Year ended March 31, 2020</b>           |                   |                   |                  |              |             |                     |               |
| Gross Carrying Amount                      |                   |                   |                  |              |             |                     |               |
| Cost as at April 1, 2019                   | 223.32            | 105.32            | 9.33             | 75.13        | 3.54        | 232.74              | 649.38        |
| Additions                                  | 9.71              | -                 | -                | -            | -           | -                   | 9.71          |
| Disposals / adjustments                    | -                 | -                 | -                | -            | -           | -                   | -             |
| <b>At March 31, 2020</b>                   | <b>233.03</b>     | <b>105.32</b>     | <b>9.33</b>      | <b>75.13</b> | <b>3.54</b> | <b>232.74</b>       | <b>659.09</b> |
| <b>Accumulated depreciation</b>            |                   |                   |                  |              |             |                     |               |
| As at April 1, 2019                        | 177.64            | 87.33             | 9.33             | 41.33        | 3.54        | 220.39              | 539.56        |
| Charge for the year                        | 20.71             | 3.05              | -                | 7.52         | -           | 3.91                | 35.19         |
| <b>At March 31, 2020</b>                   | <b>198.35</b>     | <b>90.38</b>      | <b>9.33</b>      | <b>48.85</b> | <b>3.54</b> | <b>224.30</b>       | <b>574.75</b> |
| <b>Net Block at March 31, 2020</b>         | <b>34.68</b>      | <b>14.94</b>      | <b>-</b>         | <b>26.28</b> | <b>-</b>    | <b>8.44</b>         | <b>84.34</b>  |
| <b>Period ended March 31, 2021</b>         |                   |                   |                  |              |             |                     |               |
| Gross Carrying Amount                      |                   |                   |                  |              |             |                     |               |
| <b>Carrying amount as at April 1, 2020</b> | <b>233.03</b>     | <b>105.32</b>     | <b>9.33</b>      | <b>75.13</b> | <b>3.54</b> | <b>232.74</b>       | <b>659.09</b> |
| Additions                                  | 1.20              | 9.48              | -                | -            | -           | -                   | 10.68         |
| Disposals / adjustments                    | -                 | -                 | -                | -            | -           | -                   | -             |
| <b>At March 31, 2021</b>                   | <b>234.23</b>     | <b>114.80</b>     | <b>9.33</b>      | <b>75.13</b> | <b>3.54</b> | <b>232.74</b>       | <b>669.77</b> |
| <b>Accumulated depreciation</b>            |                   |                   |                  |              |             |                     |               |
| As at April 1, 2020                        | 198.35            | 90.38             | 9.33             | 48.85        | 3.54        | 224.30              | 574.75        |
| Charge for the year                        | 18.05             | 3.55              | -                | 7.51         | -           | 3.90                | 33.01         |
| Disposals / adjustments                    | -                 | -                 | -                | -            | -           | -                   | -             |
| <b>At March 31, 2021</b>                   | <b>216.40</b>     | <b>93.93</b>      | <b>9.33</b>      | <b>56.36</b> | <b>3.54</b> | <b>228.20</b>       | <b>607.76</b> |
| <b>Net Block at March 31, 2021</b>         | <b>17.83</b>      | <b>20.87</b>      | <b>-</b>         | <b>18.77</b> | <b>-</b>    | <b>4.54</b>         | <b>62.01</b>  |

(All amount in ₹ Million, unless otherwise stated)

## 5) RIGHT OF USE ASSETS

|  | 31-Mar-21     | 31-Mar-20     |
|--|---------------|---------------|
| <b>Gross carrying amount</b>   |               |               |
| Opening balance  | 257.17        | 5.06          |
| Additions  | -             | 252.24        |
| Disposal / adjustments   | -             | (0.13)        |
| <b>Closing balance</b>   | <b>257.17</b> | <b>257.17</b> |
| <b>Accumulated depreciation</b>  |               |               |
| Opening balance  | 18.02         | 0.24          |
| Depreciation charge  | 10.68         | 17.84         |
| Disposal / adjustments   | -             | (0.06)        |
| <b>Closing balance</b>   | <b>28.70</b>  | <b>18.02</b>  |
| <b>Net carrying amount</b>   | <b>228.47</b> | <b>239.15</b> |
| <b>(i) Amounts to be recognised in balance sheet as on March 31, 2021</b>                              |               |               |
| The balance sheet shows the following amounts relating to leases :                                     |               |               |
| <b>Right of use assets</b>   |               |               |
| Lease hold land  | 228.47        | 239.15        |
| <b>Total</b>   | <b>228.47</b> | <b>239.15</b> |
| (Additions to the right-of-use assets during the financial year 2019-20 were ₹ 252.24)                 |               |               |
| <b>Lease liabilities</b>   |               |               |
| Current  | 1.31          | 1.08          |
| Non - Current  | 0.94          | 2.85          |
| <b>Total</b>   | <b>2.25</b>   | <b>3.93</b>   |
| <b>(ii) Amounts to be recognised in Statement of Profit and Loss for the year ended March 31, 2021</b> |               |               |
| The Statement of Profit and Loss shows the following amounts relating to leases:                       |               |               |
| Particulars  |               |               |
| Interest expense on lease liabilities  | 0.55          | 0.55          |
| Depreciation   | 10.68         | 18.02         |
| Expense relating to short term leases (included in other expenses)                                     | 82.48         | 90.03         |
| <b>Total</b>   | <b>93.71</b>  | <b>108.60</b> |
| <b>(iii) Total cash outflow for leases during financial year was :</b>                                 |               |               |
| Particulars  |               |               |
| Total cash outflow for leases  | 2.23          | 0.55          |
| <b>Total</b>   | <b>2.23</b>   | <b>0.55</b>   |

## 6) INVESTMENT PROPERTY

|   | 31-Mar-21      | 31-Mar-20     |
|---|----------------|---------------|
| <b>Gross carrying amount</b>  |                |               |
| Opening balance   | 264.99         | 264.99        |
| Additions   | -              | -             |
| <b>Closing balance</b>  | <b>264.99</b>  | <b>264.99</b> |
| <b>Accumulated depreciation</b>   |                |               |
| Opening balance   | 35.12          | 26.32         |
| Depreciation charge   | 22.99          | 8.80          |
| <b>Closing balance</b>  | <b>58.11</b>   | <b>35.12</b>  |
| <b>Net carrying amount</b>  | <b>206.88</b>  | <b>229.87</b> |
| (i) Amount recognised in Statement of Profit and Loss for investment properties |                |               |
| Depreciation  | (22.99)        | (8.80)        |
| <b>Profit / (loss) from investment properties</b>                               | <b>(22.99)</b> | <b>(8.80)</b> |
| <b>(ii) Fair value</b>  |                |               |
| <b>Investment properties #</b>  | <b>260.05</b>  | <b>325.07</b> |

# Estimation of Fair value

The Company has carried out the fair valuation of property involving external independent valuation expert. As per the fair valuation report dated March 31, 2021 the fair value of investment property is ₹ 260.05 (the fair value of investment property as on March 31, 2019 was ₹ 325.07). The valuation model has considered various input like cost, location, market appreciation, etc.



(All amount in ₹ Million, unless otherwise stated)

**7) INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES**

|   | Notes         | 31-Mar-21        | 31-Mar-20        |
|---|---------------|------------------|------------------|
| Investment in equity instruments of subsidiaries (unquoted) (fully paid-up) | See note (i)  | 10,949.20        | 10,949.20        |
| Investment in equity instruments of associate (unquoted) (fully paid-up)    | See note (ii) | 612.49           | 612.64           |
| <b>Total</b>  |               | <b>11,561.69</b> | <b>11,561.84</b> |
| Aggregate amount of quoted investments and market value thereof             |               | -                | -                |
| Aggregate amount of unquoted investments                                    |               | 11,561.69        | 11,561.84        |
| Aggregate amount of impairment in the value of investments                  |               | -                | -                |

|   | 31-Mar-21   |                  | 31-Mar-20   |                  |
|---|-------------|------------------|-------------|------------------|
|   | No's        | Amount           | No's        | Amount           |
| <b>(i) Investment in equity instruments of subsidiaries (unquoted) (fully paid-up)</b>                                  |             |                  |             |                  |
| Investment in JISL Overseas Ltd., Mauritius.<br>- US \$ 1 each *  | 62,305,891  | 2,946.53         | 62,305,891  | 2,946.53         |
| [Includes fair value of financial guarantee ₹ 155.53<br>(Previous Year ₹ 155.53)]                                       |             |                  |             |                  |
| Investment in Jain International Trading BV, Netherland<br>- US\$ 2,427.1137 each                                       | 1,293       | 1,180.94         | 1,293       | 1,180.94         |
| [Includes fair value of financial guarantee ₹ 522.42<br>(Previous Year ₹ 522.42)]                                       |             |                  |             |                  |
| Investment in Jain Irrigation Holding Inc. USA<br>- US \$ 1 each # value ₹ 42   | 1           | #                | 1           | #                |
| Investment in Jain Farm Fresh Foods Ltd ₹ 10 each   | 2,28,65,487 | 6,801.63         | 2,28,65,487 | 6,801.63         |
| Investment in Jain Processed Foods Trading &<br>Investments Pvt. Ltd. ₹ 10 each   | 2,009,998   | 20.10            | 2,009,998   | 20.10            |
| Investments In Driptech India Private Limited<br>₹ 10 each ## value ₹ 1,350   | 6,490       | ##               | 6,490       | ##               |
| <b>Total</b>  |             | <b>10,949.20</b> |             | <b>10,949.20</b> |
| * Includes 1,978,113 shares pledged with financial institution<br>as collateral security, however loan is since repaid. |             |                  |             |                  |
| <b>(ii) Investment in equity instruments of associate (unquoted) (fully paid-up)</b>                                    |             |                  |             |                  |
| Sustainable Agro-Commercial Finance Limited<br>equity shares of ₹ 10/- each   | 58,800,000  | 612.49           | 58,800,000  | 612.64           |
| <b>Total</b>  |             | <b>612.49</b>    |             | <b>612.64</b>    |
| [Includes fair value of financial guarantee ₹ 24.48<br>(Previous Year ₹ 24.48)]   |             |                  |             |                  |

**8) FINANCIAL ASSETS****8(a) INVESTMENTS**

|   | Notes          | 31-Mar-21   | 31-Mar-20   |
|---|----------------|-------------|-------------|
| Investment in equity instruments (quoted) (fully paid-up)                 | See note (i)   | 0.41        | 0.23        |
| Investment in equity instruments (unquoted) (fully paid-up)               | See note (ii)  | 0.56        | 0.56        |
| Investment in Bonds (quoted)  | See note (iii) | -           | 6.00        |
| Investment in government or trust securities (unquoted) at amortised cost |                |             |             |
| - National saving certificates  |                | 0.02        | 0.02        |
| - Indira vikas patra # Value ₹ 5,000                                      |                | #           | #           |
| <b>Total</b>  |                | <b>0.99</b> | <b>6.82</b> |
| Aggregate amount of quoted investments and market value thereof           |                | 0.41        | 6.23        |
| Aggregate amount of unquoted investments                                  |                | 0.58        | 0.59        |
| Aggregate amount of impairment in the value of investments                |                | -           | -           |

|  | 31-Mar-21 |             | 31-Mar-20 |             |
|--|-----------|-------------|-----------|-------------|
|  | No's      | Amount      | No's      | Amount      |
| <b>(i) Investment in equity instruments (quoted) (fully paid-up) at Fair Value through Profit or Loss</b>    |           |             |           |             |
| Reliance Industries Limited  | 180       | 0.36        | 180       | 0.20        |
| Reliance Communication Limited   | 45        | 0.00        | 45        | 0.00        |
| Reliance Infrastructure Limited  | 3         | 0.00        | 3         | 0.00        |
| Reliance Capital Limited   | 2         | 0.00        | 2         | 0.00        |
| Reliance Power Limited   | 11        | 0.00        | 11        | 0.00        |
| Finolex Industries Limited   | 75        | 0.05        | 75        | 0.03        |
| <b>Sub-total</b>   |           | <b>0.41</b> |           | <b>0.23</b> |
| Less: Impairment allowance   |           | -           |           | -           |
| <b>Total</b>   |           | <b>0.41</b> |           | <b>0.23</b> |
| <b>(ii) Investment in equity instruments (unquoted) (fully paid-up) at Fair Value through Profit or Loss</b> |           |             |           |             |
| Shares of Astitwa Co-Op. Housing Society Ltd.  | 25        | 0.00        | 25        | 0.00        |
| Shares of ₹ 100 each of Sarjan Members Association   | 5         | 0.00        | 5         | 0.00        |
| Shares of ₹ 50 each of Rajdeep Vrundavan Co-Op. Housing Society  | 15        | 0.00        | 15        | 0.00        |
| Shares of Edlabad Sut Girni Co-Operative Society Ltd.  | 200       | 0.00        | 200       | 0.00        |
| Shares of ₹ 250 each of Shrinathjee Co-Op. Housing Society Ltd.  | 20        | 0.01        | 20        | 0.01        |
| Linking Shares of ₹ 25 each of Jalgaon Janta Sahakari Bank Ltd.  | 1,849     | 0.05        | 1,849     | 0.05        |
| Linking Shares of ₹ 2 each of Mahavir Sahakari Bank Ltd.   | 1,000     | 0.50        | 1,000     | 0.50        |
| <b>Sub-total</b>   |           | <b>0.56</b> |           | <b>0.56</b> |
| Less: Impairment allowance   |           | -           |           | -           |
| <b>Total</b>   |           | <b>0.56</b> |           | <b>0.56</b> |
| <b>(iii) Investment in Bonds (quoted) at amortised cost</b>  |           |             |           |             |
| Units of YES Bank - II Tier NC Bond ₹10 Lacs each  | -         | -           | 10        | 6.00        |
| <b>Total</b>   |           | <b>-</b>    |           | <b>6.00</b> |

**8(b) TRADE RECEIVABLES**

|  | 31-Mar-21        | 31-Mar-20        |
|--|------------------|------------------|
| (Unsecured, considered good unless stated otherwise) |                  |                  |
| Dues from subsidiaries (refer note 36)               | 5,308.61         | 4,906.62         |
| Due from other trade receivables <sup>#</sup>        | 20,065.37        | 20,998.73        |
| Less: Impairment allowance                           | (3,941.03)       | (3,579.66)       |
| <b>Total receivables</b>                             | <b>21,432.95</b> | <b>22,325.69</b> |
| Current portion                                      | 21,432.95        | 22,325.69        |
| Non-current portion                                  | -                | -                |

<sup>#</sup>Above includes ₹ 1,431.76 (March 31, 2020 ₹ 1,667.07) where legal action has been initiated for recovery.

- Trade receivables are receivable in normal operating cycle and are shown net of an allowance for bad or doubtful debts.
- Trade receivables stated above are charged on a first pari-passu basis between working capital consortium members led by State Bank of India
- Trade and other receivables due from directors or other officers of the Company either severally or jointly with any other person is disclosed as part of note 36- Related party transaction along with other related parties transaction.
- In determining allowance for credit losses of trade receivables, the Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of the receivables and rates used in the provision matrix.

## Contd...8) Financial Assets

(All amount in ₹ Million, unless otherwise stated)

| Break-up of security details   | 31-Mar-21        | 31-Mar-20        |
|--------------------------------|------------------|------------------|
| <b>Trade receivables</b>       |                  |                  |
| Secured, considered good       | 72.80            | 72.80            |
| Unsecured, considered good     | 21,360.15        | 22,252.89        |
| Unsecured, considered doubtful | 3,941.03         | 3,579.66         |
| <b>Sub-total</b>               | <b>25,373.98</b> | <b>25,905.35</b> |
| Less: Impairment allowance     | (3,941.03)       | (3,579.66)       |
| <b>Total</b>                   | <b>21,432.95</b> | <b>22,325.69</b> |

**8(c) CASH AND BANK BALANCES**

|  | 31-Mar-21       | 31-Mar-20       |
|--|-----------------|-----------------|
| <b>(i) Cash and Cash Equivalents</b>   |                 |                 |
| Balances with banks in current accounts  | 936.09          | 834.74          |
| Cheques on hand  | -               | 199.10          |
| Fixed Deposits with maturity less than 3 months  | 1,391.98        | 0.03            |
| Cash on hand   | 0.36            | 7.63            |
| <b>Total</b>   | <b>2,328.43</b> | <b>1,041.50</b> |
| There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior periods. |                 |                 |
| <b>(ii) Bank balances other than cash and cash equivalents</b>   |                 |                 |
| Fixed deposits with maturity of more than 3 months and less than 12 months   | 200.00          | -               |
| Balance with banks held as margin money (against bank guarantees)  | 241.69          | 118.15          |
| Unpaid dividend bank account   | 8.13            | 9.29            |
| <b>Total</b>   | <b>449.82</b>   | <b>127.44</b>   |

**8(d) LOANS**

|   | 31-Mar-21       | 31-Mar-20       |
|---|-----------------|-----------------|
| <b>Non-Current (Unsecured, considered good unless stated otherwise)</b> |                 |                 |
| - Loans to subsidiaries (refer note 34 & 36)                            | 1,004.32        | 1,043.28        |
| <b>Total</b>  | <b>1,004.32</b> | <b>1,043.28</b> |
| <b>Current (Unsecured, considered good unless stated otherwise)</b>     |                 |                 |
| Loans to others   | 67.86           | 67.86           |
| Loans to employees  | 35.58           | 46.70           |
| <b>Total</b>  | <b>103.44</b>   | <b>114.56</b>   |

**8(e) OTHER FINANCIAL ASSETS**

|  | 31-Mar-21       | 31-Mar-20       |
|--|-----------------|-----------------|
| <b>Non-current (Unsecured, considered good unless stated otherwise)</b>  |                 |                 |
| Derivative assets  | -               | 60.43           |
| Security deposits to others ^  | 1,966.35        | 1,588.13        |
| Share application money  | 17.50           | 17.50           |
| Less Provision against Share application money   | (17.50)         | (17.50)         |
| - Incentive receivables  | 44.60           | 327.88          |
| <b>Total</b>   | <b>2,010.95</b> | <b>1,976.44</b> |
| <b>Current (Unsecured, considered good unless stated otherwise)</b>  |                 |                 |
| Current portion of loans to subsidiaries (refer note 34 & 36)  | 177.86          | 55.43           |
| Security deposits ^  |                 |                 |
| - To others  | 189.99          | 189.92          |
| - To related parties (refer note 36)   | 258.18          | 306.00          |
| Interest receivable  | 13.60           | 7.11            |
| - Claims receivables   | 1,448.51        | 1,576.13        |
| Less Provision against claim receivable  | (80.19)         | (309.53)        |
| - Incentive receivables  | 1,411.92        | 1,274.30        |
| Less Provision against incentive receivable  | (117.97)        | (447.14)        |
| <b>Total</b>   | <b>3,301.90</b> | <b>2,652.22</b> |
| ^ Security deposits primarily include retention money deducted as per the terms of contract and deposits given towards rented premises, warehouses and electricity deposits. |                 |                 |

(All amount in ₹ Million, unless otherwise stated)

## 9) OTHER ASSETS

|  | 31-Mar-21       | 31-Mar-20       |
|--|-----------------|-----------------|
| <b>Non-current (Unsecured, considered good unless stated otherwise)</b>      |                 |                 |
| Capital advances   | 153.21          | 180.86          |
| Advances other than capital advances :                                       |                 |                 |
| Others   |                 |                 |
| - Prepaid expenses   | 41.83           | 56.08           |
| <b>Total</b>   | <b>195.04</b>   | <b>236.94</b>   |
| <b>Current (Unsecured, considered good unless stated otherwise)</b>          |                 |                 |
| Advances other than capital advances   |                 |                 |
| - Advance to suppliers   | 3,065.78        | 2,765.91        |
| Less : provision against trade advance                                       | (83.57)         | (96.01)         |
| - Employee advances  | 26.52           | 2.76            |
| <b>Others</b>  |                 |                 |
| - Prepaid expenses   | 91.57           | 110.66          |
| - Balance with excise, customs and sales tax authorities (net off provision) | 815.17          | 666.16          |
| - Contract Asset (refer note 33)   | 998.64          | 1,039.61        |
| <b>Total</b>   | <b>4,914.11</b> | <b>4,489.09</b> |

## 10) INCOME TAX ASSETS

|  | 31-Mar-21     | 31-Mar-20    |
|--|---------------|--------------|
| Non-current                                |               |              |
| Advance tax, net of provision              |               |              |
| - Balance at the beginning of the year     | 85.04         | -            |
| - Less: Current tax provision for the year | -             | -            |
| - Add: Taxes paid during the year          | 123.58        | 85.04        |
| <b>Closing Balance</b>                     | <b>208.62</b> | <b>85.04</b> |

## 11(a) INVENTORIES

|  | 31-Mar-21       | 31-Mar-20       |
|--|-----------------|-----------------|
| Raw materials (including packing material)           | 2,238.26        | 2,079.49        |
| Stores, spares and consumables                       | 188.54          | 203.00          |
| Finished goods                                       | 4,185.49        | 5,190.40        |
| <b>Total</b>   | <b>6,612.29</b> | <b>7,472.89</b> |
| Included in inventories goods in transit as follows: |                 |                 |
| Raw materials  | 180.99          | 48.21           |
| Stores, spares and consumables                       | 2.48            | 1.74            |
| Finished goods                                       | 101.35          | 181.50          |
| <b>Total</b>   | <b>284.82</b>   | <b>231.45</b>   |

Inventories stated above are hypothecated on a first pari-passu charge basis between working capital consortium members led by State Bank of India

## 11(b) BIOLOGICAL ASSETS OTHER THAN BEARER PLANT

|  | Tissue culture plantations |               |
|--|----------------------------|---------------|
|  | 31-Mar-21                  | 31-Mar-20     |
| <b>Opening balance</b>   | <b>840.13</b>              | <b>946.31</b> |
| New plantations  | 560.26                     | 528.01        |
| Gain/(Loss) arising from changes in fair value less cost to sale | 458.86                     | 468.94        |
| Transfer of harvested secondary hardening plants to inventory    | (1,066.44)                 | (1,103.13)    |
| <b>Closing balance</b>   | <b>792.81</b>              | <b>840.13</b> |
| <b>Current Assets</b>  |                            |               |
| - Asthetic cultures at laboratory stage                          | 432.07                     | 622.60        |
| - Saplings at primary hardening stage                            | 181.74                     | 103.29        |
| - Saplings at secondary hardening stage                          | 179.00                     | 114.24        |
| <b>Total</b>   | <b>792.81</b>              | <b>840.13</b> |

## Contd...11 b) Biological Assets...

(All amount in ₹ Million, unless otherwise stated)

During the Financial year 2020-21, Company has cultured total 74.68 million nos of plants under tissue culture process (FY 2019-20: 76.20 million nos of plants). During the year, the Company sold 71.46 million nos of cultured plants (FY 2019-20: 87.36 million of cultured plants).

Biological assets stated above are part of total current assets hypothecated on a first pari-passu charge basis to working capital consortium members led by State Bank of India

**(i) Estimates and judgements:**

Tissue culture plantations: Estimates and judgements in determining the fair value of tissue cultured plants relate to market prices, quality of plants, and mortality rates. The impact of discounting is not considered material as the transformation cycle is less than 6 months.

**(ii) Fair value information:**

The fair value measurements of Tissue culture plantations have been categorised as Level 3 fair values based on the inputs to the valuation techniques used. The following table shows the gain or losses recognised in relation to level 3 fair values.

|  | Tissue culture plantations |           |
|--|----------------------------|-----------|
|  | 31-Mar-21                  | 31-Mar-20 |
| Total gain / (loss) recognised in the Statement of Profit and Loss | (10.08)                    | (33.11)   |

**(iii) Valuation inputs and relationship to fair value**

The following table summarises the quantitative information about the significant unobservable inputs used in the fair value measurements of tissue culture plantations.

| Particulars  | Fair value as at  |           |
|--|---|-----------|
|  | 31-Mar-21   | 31-Mar-20 |
| Tissue culture plantations   | 792.81  | 840.13    |
| (Measured at fair value less costs to sell estimating projected cash flows, impact of discounting not considered material due to short transformation cycle) |   |           |
| Significant unobservable inputs  | Inter-relationship between key unobservable inputs and fair value measurements                              |           |
| -Estimated future market prices of Tissue plantations (31-Mar-2021 INR 14.9 Weighted average, 31-Mar-2020: INR 14.6 Weighted average)                        | The estimated fair value would increase / (decrease) if: - the market price per plant were higher / (lower) |           |
| - Estimated mortality per stage (31-Mar-2021, 7.90%, 31-Mar-2020 5.50%)  | - the Estimated mortality per stage were lower / (higher)   |           |

The Company's plantations are exposed to risk of damage from climate change, diseases. The Company has extensive processes in place aimed at monitoring and mitigating those risks. Further, the demand is subject to external climatic conditions. Management performs regular industry trend analysis for projected harvest volumes and pricing.

**12(a) SHARE CAPITAL****[a] Authorised share capital**

|                          | Equity shares of ₹ 2/- each<br>(PY ₹ 2/- each) |                 | Redeemable preference<br>shares of ₹ 100/- each (PY<br>₹ 100/- each) |               | Equity shares of ₹ 2/- each<br>with differential voting<br>rights (PY ₹ 2/- each) |               |
|--------------------------|--|-----------------|--|---------------|---|---------------|
|                          | No. of<br>shares                               | Amount          | No. of<br>shares   | Amount        | No. of<br>shares  | Amount        |
| As at 1 April 2019       | 926,500,000                                    | 1,853.00        | 5,000,000  | 500.00        | 310,000,000   | 620.00        |
| As at 31-Mar-2020        | 926,500,000                                    | 1,853.00        | 5,000,000  | 500.00        | 310,000,000   | 620.00        |
| <b>As at 31-Mar-2021</b> | <b>926,500,000</b>                             | <b>1,853.00</b> | <b>5,000,000</b>   | <b>500.00</b> | <b>310,000,000</b>  | <b>620.00</b> |

**[b] Issued equity share capital**

|                   | Equity shares of ₹ 2/- each<br>(PY ₹ 2/- each) |        | Equity shares of ₹ 2/- each<br>with differential voting rights<br>(PY ₹ 2/- each) |        | Total    |
|-------------------|--|--------|---|--------|----------|
|                   | No. of shares                                  | Amount | No. of shares   | Amount |          |
| As at 1-Apr-2019  | 496,366,053                                    | 992.73 | 19,294,304  | 38.59  | 1,031.32 |
| As at 31-Mar-2020 | 496,366,053                                    | 992.73 | 19,294,304  | 38.59  | 1,031.32 |
| As at 31-Mar-2021 | 496,366,053                                    | 992.73 | 19,294,304  | 38.59  | 1,031.32 |



- i) Pursuant to resolution passed by the Board of Directors of the Company at the meeting held on March 24, 2016, the Company has allotted 14,100,000 Ordinary Equity Shares of ₹ 2/- each at a premium of ₹ 78/- each in conversion of 14,100,000 equity warrants of ₹ 80/- each to promoter group entity on preferential basis.
- ii) Pursuant to resolution passed by the ESOP committee at the meeting held on September 03, 2016, the Company has allotted 29,46,075 equity shares ₹ 2/- each at a premium of ₹ 52.40/-.
- iii) 3,62,00,000 Compulsorily Convertible Debentures (CCD) of ₹ 80 each issued on 11-March-2016 to Mandala Rose Co-Investment Ltd. Mauritius (Non Promoter entity) were converted into 3,62,00,000 Ordinary Equity shares of ₹ 2/- each at a premium of ₹ 2,648.56 on 16-Sep-2017.

**i] Terms / rights, preferences and restrictions attached to ordinary equity shares:**

"Each holder of Ordinary Equity Shares is entitled to one vote per share. They have right to receive dividend proposed by the Board of Directors and approved by the Shareholders in the Annual General Meeting, right to receive annual report and other quarterly/half yearly/annually reports/notices and right to get new shares proportionately in case of issuance of additional shares by the Company.

In the event of liquidation of the Company, the holders of Ordinary Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Ordinary Equity Shares held by the Shareholders. The Company has a first and paramount lien upon all the Ordinary Equity Shares."

**ii] Terms and conditions of differential voting rights (DVR):**

"The DVR equity shareholders have the same rights as the Ordinary Equity Shares of the Company except voting rights. Every 10 DVR equity shares have one voting right on poll (on show of hands however, they carry 1 vote for every person voting). Any DVR holder holding less than 10 DVR equity shares holds fractional voting rights. The DVR equity shares have right to receive full dividend, to receive annual report, right to receive quarterly/half yearly/annually reports/notices and other information/correspondence from time to time, to receive bonus and/or rights shares of the same class of shares as and when such an issue is made in respect of Ordinary Equity Shares and in the same ratio and terms.

In case of buy back or reduction of capital of Ordinary Equity Shares, the DVR equity shares have right subject to buyback or reduction on the same terms as Ordinary Equity Shares. Further, in case of issue of Ordinary Equity Shares or any other securities or assets to ordinary equity shares in case of amalgamation/demerger/re-organisation/reconstruction, the DVR Equity Shares have right to receive DVR Equity Shares and any other securities/assets as issued to Ordinary Equity Shares. They have right to hold separate class meeting if their rights are affected in any manner adversely."

**iii] ESOP:**

Board of Directors have on 31<sup>st</sup> March 2020 approved the grant/transfer to the selected employees 18,96,429 Equity Shares purchased by the ESOP Trust 2018, under the amended JISL ESOPs Scheme, 2011 to such persons and at an exercise price of ₹ 35 each to be vested in 5 years in equal number as per grant list placed before the Board as recommended by ESOP Trust 2018, as well as the NRC, initialed by the Chairman/Secretary for identification) to be administered by the NRC /JISL Esop Trust 2018 as per the pre approved JISL ESOPs Scheme 2011.

**[c] Details of shareholders holding more than 5% of the aggregate shares in the Company:**

**(i) Equity shares of (face value: ₹ 2/- each)**

|   | 31-Mar-21     |                          | 31-Mar-20     |                          |
|---|---------------|--------------------------|---------------|--------------------------|
|   | No. of shares | % of total equity shares | No. of shares | % of total equity shares |
| Jalgaon Investments Pvt. Ltd.                 | 121,873,036   | 24.55%                   | 121,873,036   | 24.55%                   |
| Mandala Rose Co Investment Limited, Mauritius | 36,200,000    | 7.29%                    | 36,200,000    | 7.29%                    |

**(ii) Equity shares with differential voting rights (face value: ₹ 2/- each)**

|                               | 31-Mar-21     |                | 31-Mar-20     |                |
|-------------------------------|---------------|----------------|---------------|----------------|
|                               | No. of shares | % of total DVR | No. of shares | % of total DVR |
| Jalgaon Investments Pvt. Ltd. | 4,830,250     | 25.03%         | 4,830,250     | 25.03%         |

**[d]** The Company does not have any Holding Company or Ultimate Holding Company.

**[e]** The Company has not bought back any shares during the period of 5 years preceding the date at which the Balance Sheet is prepared.

**[f]** No securities convertible into Equity / Preference shares have been issued by the Company during the year.

**[g]** The Company has not made any calls and hence no calls are unpaid by any Director or Officer of the Company.

## Contd...12) Share Capital

(All amount in ₹ Million, unless otherwise stated)

**12(b) Other Equity**

|   |             | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|---|-------------|------------------|------------------|
| Capital reserve   | 12(b) (i)   | 743.91           | 743.91           |
| Capital redemption reserve  | 12(b) (ii)  | 896.72           | 896.72           |
| Securities premium reserve  | 12(b) (iii) | 14,504.65        | 14,504.65        |
| Retained earnings   | 12(b) (iv)  | 19,651.25        | 22,730.08        |
| General reserve   | 12(b) (v)   | 2,308.01         | 2,308.01         |
| Foreign Currency Monetary Item Translation Difference Account   | 12(c) (i)   | (10.56)          | (50.92)          |
|   |             | <b>38,093.98</b> | <b>41,132.45</b> |
| <b>RESERVES AND SURPLUS</b>   |             |                  |                  |
| <b>(i) Capital reserve</b>  |             |                  |                  |
| Capital Reserve is created on account of amalgamation of Orient Vegexpo Limited into the Company and on forfeiture of equity warrants.  |             |                  |                  |
| Balance at the beginning of the year  |             | 743.91           | 743.91           |
| Movement during the year  |             | -                | -                |
| <b>Balance at the end of the year</b>   |             | <b>743.91</b>    | <b>743.91</b>    |
| <b>(ii) Capital redemption reserve</b>  |             |                  |                  |
| The Company recognises profit or loss on purchase, sale, issue or cancellation of Company's own equity instruments and preference shares to capital redemption reserve.   |             |                  |                  |
| Balance at the beginning of the year  |             | 896.72           | 896.72           |
| Movement during the year  |             | -                | -                |
| <b>Balance at the end of the year</b>   |             | <b>896.72</b>    | <b>896.72</b>    |
| <b>(iii) Securities premium reserve</b>   |             |                  |                  |
| Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Act.   |             |                  |                  |
| Balance at the beginning of the year  |             | 14,504.65        | 14,504.65        |
| <b>Balance at the end of the year</b>   |             | <b>14,504.65</b> | <b>14,504.65</b> |
| # Pursuant to resolution passed by the Board of Directors of the Company at the meeting held on September 16, 2017, the Company has allotted 36,200,000 Ordinary Equity Shares of ₹ 2/- each at a premium of ₹ 2,648.56 on conversion of 36,200,000 CCD's to Mandala Rose Co-Investment Limited, Mauritius. |             |                  |                  |
| <b>(iv) Retained earnings</b>   |             |                  |                  |
| Retained earning represents surplus/accumulated earnings of the Company and are available for distribution to shareholders  |             |                  |                  |
| Balance at the beginning of the year  |             | 22,730.08        | 27,807.87        |
| Net profit for the year   |             | (3,073.19)       | (5,083.01)       |
| Opening impact of IND AS-116  |             | -                | (0.41)           |
| <b>Items that will not be reclassified to profit or loss:</b>   |             |                  |                  |
| - Remeasurements of defined benefit obligations (net of tax)  |             | (5.64)           | 5.63             |
| <b>Balance at the end of the year</b>   |             | <b>19,651.25</b> | <b>22,730.08</b> |
| <b>(v) General reserve</b>  |             |                  |                  |
| Balance at the beginning of the year  |             | 2,308.01         | 2,308.01         |
| Movement during the year  |             | -                | -                |
| <b>Balance at the end of the year</b>   |             | <b>2,308.01</b>  | <b>2,308.01</b>  |

**12(c) Other Reserves**

|  |  |                |                |
|--|--|----------------|----------------|
| <b>(i) Foreign currency monetary items translation difference account</b>  |  |                |                |
| Foreign Currency monetary Item Translation Difference Account represents amounts recognised on account of long term foreign currency denominated borrowings not related to acquisition of depreciable assets. Amounts so recognised are amortised in the Statement of Profit and Loss over remaining maturity of borrowings. |  |                |                |
| Balance at the beginning of the year   |  | (50.92)        | (82.24)        |
| Exchange gain / (loss) during the year   |  | 40.36          | 52.24          |
| Amortised during the year  |  | -              | (20.92)        |
| <b>Balance at the end of the year</b>  |  | <b>(10.56)</b> | <b>(50.92)</b> |

**13) FINANCIAL LIABILITIES****13(a) NON-CURRENT BORROWINGS**

|  | <b>Maturity Date</b> | <b>Security and terms of repayment</b>  | <b>Interest rate</b> | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|--|----------------------|---|----------------------|------------------|------------------|
| <b>Secured</b>   |                      |   |                      |                  |                  |
| <b>(i) Rupee Term loans - From banks</b>   |                      |   |                      |                  |                  |
| Exim bank  | FY 2022 - 23         | The balance loan repayable in 19 quarterly installment of ₹ 2 to ₹ 50 starting from 1-Jan-18. For security detail [Refer point no. (a) of security details (ii)]                          | 10.65% to 10.85%     | 598.14           | 596.64           |
| Exim bank  | FY 2024 - 25         | The loan repayable in 11 equal half yearly installment of ₹ 181.81 each starting from 1-Nov-19. For security detail [Refer point no. (b) of security details (ii)]                        | 10.65% to 10.85%     | 1,988.52         | 1,985.33         |
| Canara Bank  | FY 2022 - 24         | The loan repayable in 60 equal monthly installment of ₹ 12.50 each starting from 30-Apr-18. For security detail [Refer security details (iii)]  | 9.55% to 10.55%      | 518.54           | 516.07           |
| <b>(ii) External commercial borrowings:</b>  |                      |   |                      |                  |                  |
| International finance corporation (IFC)  | FY 2025 - 26         | The loan repayable in 13 equal half yearly installment of ₹ 200 each starting from 15-Mar-20. For security detail [Refer security details (iv)]   | 8.655% to 9.045%     | 2,578.43         | 2,574.07         |
| International finance corporation (IFC)  | FY 2020 - 21         | The loan is repayable in 11 half yearly installments of US\$ 0.38 million to US\$ 4.69 million starting from 30-May-15. For security detail [Refer point no. (a) of security details (v)] | 4.010% to 5.657%     | 179.55           | 180.53           |
| FMO - Nederlandse Inancierings-Maatschappij Voor Ontwikkelingslanden N.V.          | FY 2020 - 21         | The loan is repayable in 11 half yearly installments of US\$ 0.03 million to US\$ 1.9 million starting from 30-Nov-15. For security detail [Refer point no. (b) of security details (v)]  | 4.010% to 5.657%     | 405.02           | 408.88           |
| DEG - Deutsche Investitions-Und Entwicklungsgesellschaft MBH                       | FY 2020 - 21         | The loan is repayable in 11 half yearly installments of US\$ 0.08 million to US\$ 2.3 million starting from 30-Nov-15. For security detail [Refer point no. (d) of security details (v)]  | 4.010% to 5.657%     | 484.22           | 488.48           |
| PROPARCO - Société De Promotion Et De Participation Pour La Coopération Économique | FY 2022 -23          | The loan is repayable in 13 half yearly installments of US\$ 0.21 million to US\$ 1.43 million starting from 30-Nov-15. For security detail [Refer point no. (c) of security details (v)] | 4.010% to 5.657%     | 489.95           | 495.17           |
| UBS Switzerland, AG  | FY 2024 -25          | The loan is repayable in 12 half yearly installments of Euro 0.20 million each starting from 1-Jul-19. For security detail [Refer point no. (vi) of security details]                     |                      | 166.96           | 160.51           |

## Contd...13) Financial Liabilities...

(All amount in ₹ Million, unless otherwise stated)

|   | Maturity Date | Security and terms of repayment   | Interest rate | 31-Mar-21         | 31-Mar-20         |
|---|---------------|---|---------------|-------------------|-------------------|
| Vehicle Loans   | FY 2022- 23   | Average interest rate for different loans included here is 9.21% . For security detail [Refer security details (vii)] |               | 12.50             | 22.70             |
| <b>Total non-current borrowings</b>                       |               |   |               | <b>7,421.83</b>   | <b>7,428.38</b>   |
| <b>Less: Current maturities of non-current borrowings</b> |               |   |               | <b>(4,412.65)</b> | <b>(3,135.48)</b> |
| <b>Non-current borrowings</b>                             |               |   |               | <b>3,009.18</b>   | <b>4,292.90</b>   |

**13(b) CURRENT BORROWINGS**

|   | Security  | 31-Mar-21        | 31-Mar-20        |
|---|---|------------------|------------------|
| <b>(i) Loans repayable on demand</b>                              |   |                  |                  |
| Secured (Interest rate under category is ranging from 10% to 13%) |   |                  |                  |
| - From banks  |   |                  |                  |
| Working capital loans   |   | 8,768.44         | 8,841.18         |
| Cash credit accounts  | For security detail [Refer security details (viii)] | 15,115.84        | 13,084.47        |
| Export packing credit   |   | 1,498.72         | 1,505.64         |
| - From others   |   |                  |                  |
| Unsecured loans from associate (refer note 36)                    |   | 464.65           | 462.66           |
| <b>Total</b>  |   | <b>25,847.65</b> | <b>23,893.95</b> |

**(ii) Loan Movement**

| Head                        | Opening Balance as at 1-Apr-2020 | Cash Flow (Net) | Foreign exchange movement | Interest Expenses | Non Cash Changes                | Interest Paid       | Closing Balance as at 31-Mar-2021 |
|-----------------------------|----------------------------------|-----------------|---------------------------|-------------------|---------------------------------|---------------------|-----------------------------------|
|                             |                                  |                 |                           |                   | Interest Charged to Outstanding | Inter Head Movement |                                   |
| Long Term Borrowings        | 4,292.90                         | 127.35          | (34.15)                   | 834.35            | -                               | (2,211.27)          | 3,009.18                          |
| Other Financial Liabilities | 4,702.17                         | -               | -                         | -                 | -                               | 5,228.89            | 9,369.36                          |
| Borrowings - Current        | 23,893.95                        | 629.13          | -                         | 3,084.95          | 1,257.24                        | (3,017.62)          | 25,847.65                         |
| <b>Total</b>                | <b>32,889.02</b>                 | <b>756.48</b>   | <b>(34.15)</b>            | <b>3,919.30</b>   | <b>1,257.24</b>                 | <b>(561.70)</b>     | <b>38,226.19</b>                  |

**SECURITY DETAILS****(i) ECB Loan – International Finance Corporation (IFC) of US\$ 60 million: Nil (PY Nil)****a) ECB Loan of US\$ 15 million of IFC (Loan Key Number 2007872)**

The ECB Loan is secured by exclusive first Charge over entire movable plant, machinery and equipment, including all the spare parts and all other movable fixed assets such as furniture, fixtures, installations, vehicles, office equipment's, computers and all other fixed assets of the Company both present and future at both the plants of the Company at Chittoor, Andhra Pradesh and further secured by way of exclusive first ranking charge over the land and other immovable properties together with all building and structure thereon and all other plant and machinery at both the plants of the Company at Chittoor, Andhra Pradesh.

The above ECB loan has been fully repaid and satisfaction of charge is in process.

**b) ECB Loan of US\$ 15 million of IFC (Loan Key Number 2008534)**

Exclusive first Charge over entire movable plant, machinery and equipment, including all the spare parts and all other movable fixed assets such as furniture, fixtures, installations, office equipments, computers and all other fixed assets of the Company both present and future at Company's facilities at Bhavnagar (Gujarat) and Hyderabad (Andhra Pradesh) and further secured by way of exclusive first ranking charge over the land and other immovable properties together with all building and structure thereon and all other plant and machinery at Company's facilities at Bhavnagar (Gujarat) and Hyderabad (Andhra Pradesh).

The above ECB loan has been fully repaid and satisfaction of charge is in process.

**c) ECB Loan of US\$ 15 million of IFC (Loan Key Number 2009182)**

Exclusive first Charge over entire movable plant, machinery and equipment, including all the spare parts and all other movable fixed assets such as furniture, fixtures, installations, office equipments, computers and all other fixed assets of the Company both present and future at Company's facilities at Bambhori, Dist. Jalgaon, Maharashtra and further

secured by way of exclusive first ranking charge by deposit of title deeds of selected immovable properties of the Company situated at Village Bambhori, Dist. Jalgaon in State of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth however excluding assets charged exclusively as mentioned in these notes.

The above ECB loan (Loan Key Number 2009182) is also personally guaranteed by three Directors including Vice Chairman and Managing Director of the Company in their personal capacity.

The above ECB loan has been fully repaid and satisfaction of charge is in process.

**d) ECB Loan of US\$ 15 million of IFC (Loan Key Number 2010019)**

Exclusive first Charge over specific movable plant, machinery and equipment of the Company at Company's facilities at Plastic Park, Bambhori, Dist. Jalgaon, Maharashtra and further secured by way of exclusive first ranking charge by deposit of title deeds of selected immovable properties of the Company situated at Village Bambhori, Dist. Jalgaon in State of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth however, excluding assets charged exclusively as mentioned in these notes.

The above ECB loan (Loan Key Number 2010019) is also personally guaranteed by three Directors including Vice Chairman and Managing Director of the Company in their personal capacity.

The above ECB loan has been fully repaid and satisfaction of charge is in process.

**ii) a) Export Import Bank of India (EXIM): Term Loan: ₹ 598.14 (PY ₹ 596.64)**

The loan together with interest, commitment charges, liquidated damages, costs expenses and all other monies payable to EXIM Bank is secured by a first charge on the whole of movable fixed assets of Company both present and future, including its movable plant and machinery, equipment, appliances, furniture, vehicles, machinery spares and stores and accessories whether or not installed and related movables in the course of transit or delivery whether now belonging or which may hereafter belong to the Company or which may be held by any person at any place within or outside India to the order or disposition of the Company and all documents of title including bills of lading, shipping documents, policies of insurance and other instruments and documents relating to such movables together with benefits of all rights thereto.

The loan is further secured by way of mortgage by deposit of title deeds of selected lands measuring 35.02 Hectares (86.53 Acres) situated at Takarkheda Shiver, Taluka Erandol, District Jalgaon in the state of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth.

The loan is further secured by first charge ranking pari passu by way of equitable mortgage created in favour of security trustee i.e. IDBI Trusteeship Services Ltd., Mumbai on behalf of Exim Bank by deposits of title deeds of selected immovable properties of the Company situated at Village Bhambhori & Shirsoli, Dist. Jalgaon is state of Maharashtra together with all buildings, Structure thereon and all plant and machinery attached to earth however, excluding assets charged exclusively as mentioned in these notes.

The Company has defaulted in the repayment of EXIM Bank loan. The amount of total overdue outstanding as at March 31, 2021 is ₹ 300.00 towards principal and ₹ 123.10 towards interest (Previous year ₹ Nil)

**b) Export Import Bank of India (EXIM): Term Loan: ₹ 1,988.52 (PY ₹ 1,985.33)**

Under Production Equipment Finance Programme

The loan together with interest, commitment charges, liquidated damages, costs expenses and all other monies payable to Exim Bank is secured by first charge on the whole of movable fixed assets of Company both present and future, including its movable plant and machinery, equipment, appliances, furniture, vehicles, machinery spares, and stores and accessories whether or not installed and related movables in the course of transit or delivery whether now belonging or which may hereafter belong to the Company or which may be held by any person at any place within or outside India to the order of disposition of the company and all documents of title including bills of lading, shipping documents, policies of insurance and other instruments and documents relating to such movables together with benefits of all right thereto.

The loan is further secured by way of mortgage by deposit of title deeds of selected lands measuring 35.02 Hectares (86.53 Acres) situated at Takarkheda Shivar, Taluka Erandol, District Jalgaon in the state of Maharashtra together with all building, structures thereon and all plant and machinery attached to earth.

The loan is further secured by first charge ranking pari passu by way of equitable mortgage created in favour of security trustee i.e. IDBI Trusteeship Services Ltd., Mumbai on behalf of Exim Bank by deposits of title deeds of selected immovable properties of the Company situated at Village Bhambhori & Shirsoli, Dist. Jalgaon is state of Maharashtra together with all buildings, Structure thereon and all plant and machinery attached to earth however, excluding assets charged exclusively as mentioned in these notes.

The Company has defaulted in the repayment of EXIM Bank loan. The amount of total overdue outstanding as at March 31, 2021 is ₹ 545.45 towards principal and ₹ 402.66 towards interest (Previous year ₹ 281.82 towards principal and ₹ 154.43 towards interest)



## Contd...13) Financial Liabilities...

(All amount in ₹ Million, unless otherwise stated)

**(iii) Canara Bank: Term Loan: ₹ 518.54 (PY ₹ 516.07)**

The loan together with interest, commitment charges, liquidated damages, costs expenses and all other monies payable to Canara Bank is secured by a first charge on the whole of movable assets of Company both present and future, including its movable plant and machinery, equipment's, appliances, furniture, vehicles, machinery spares and stores and accessories whether or not installed and related movables in the course of transit or delivery whether now belonging or which may hereafter belong to the Company or which may be held by any person at any place within or outside India to the order or disposition of the Company and all documents of title including bills of lading, shipping documents, policies of insurance and other instruments and documents relating to such movables together with benefits of all rights thereto.

The loan is further secured by First charge ranking Pari-Passu by way of equitable mortgage by deposit of title deeds of selected immovable properties of the Company situated at Village Bambhori & Shirsoli, Dist. Jalgaon in State of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth however, excluding the assets charged exclusively as mentioned in these notes.

The above term loan is also personally guaranteed by three Directors including Vice Chairman and Managing Director of the Company in their personal capacity.

The Company has defaulted in the repayment of Canara Bank loan. The amount of total overdue outstanding as at March 31, 2021 is ₹ 223.50 towards principal and ₹ 91.63 towards interest (Previous year ₹ 73.50 towards principal and ₹ 28.44 towards interest)

**(iv) ECB Loan – International Finance Corporation (IFC): ₹ 2,578.43 (PY ₹ 2,574.07) (Loan Key Number 2007872)**

The ECB Loan is secured by first ranking Mortgage in favour of International Finance Corporation (IFC) on specific movable and immovable assets of the Company acceptable to IFC.

The Company has completed the process of Security Creation in favour of IFC.

The charge ranks subservient to the charge created in favour of International Finance Corporation (Loan Key Number 2007872) to secure its loan of ₹ 2600 million over entire movable plant, machinery and equipment, including all the spare parts and all other movable fixed assets such as furniture, fixtures, installations, vehicles, office equipment, computers and all other fixed assets of the Company both present and future at the plants of the Company at Bhavnagar (Gujarat), Hyderabad (Andhra Pradesh) and Jalgaon (Maharashtra) and further secured by way of subservient charge over the land and other immovable properties together with all building and structure thereon and all other plant and machinery at the plants of the Company at Bhavnagar (Gujarat), Hyderabad (Andhra Pradesh) and specific immovable and movable properties at Jalgaon (Maharashtra).

The above ECB loan (Loan Key Number 2007872) is also personally guaranteed by three Directors, including, Vice Chairman and Managing Director of the Company in their personal capacity.

The above ECB loans are further secured by way of exclusive charge by way of Registered Mortgage on the following immovable properties of the Company:

- 1) Gat No. 220, total admeasuring H.1.58 R. situated at Bambhori (Pr. Ch.), Tal. Dharangaon, Dist. Jalgaon:
- 2) Gat No. 118/1, total admeasuring H.0.99 R. situated at Eklagna, Tal. Dharangaon, Dist. Jalgaon:
- 3) Gat No. 119/1, total admeasuring H.1.42 R. situated at Eklagna, Tal. Dharangaon, Dist. Jalgaon:
- 4) Gat No. 122, total admeasuring H.1.76 R. situated at Eklagna Tal. Dharangaon, Dist. Jalgaon:
- 5) Gat No. 139/11, total admeasuring H.3.06 R. situated at Shirsoli P.B. Tal. & Dist. Jalgaon:
- 6) Gat No. 139/12, total admeasuring H.3.08 R. situated at Shirsoli P.B. Tal. & Dist. Jalgaon:

Together with all existing and future buildings, erections, structures, godowns and construction of every kind and description and together with all the trees, fences, hedges, ditches, ways, sewers, drains, waters, watercourses, liberties, privileges, easements and appurtenances whatsoever to the said land, hereditaments and premises or any of them or any part thereof whether presently in existence or in the future belonging to or in any way appurtenant thereto or usually held, occupied or enjoyed therewith or expected to belong or be appurtenant thereto or usually held, occupied or enjoyed therewith or expected to belong or be appurtenant thereto and all the estate, right, title, interest property, claims and demands whatsoever of the Company in, to and upon the same, which description shall include all property of the above description whether presently in existence or constructed or acquired hereafter.

The Company has defaulted in the repayment of IFC loan. The amount of total overdue outstanding as at March 31,

2021 is ₹ 600.00 towards principle and ₹ 602.30 towards interest ( Previous year ₹ 200.00 million towards principle and ₹ 145.70 million towards interest)

**(v) ECB Loan – Senior Lenders of US\$ 89 million: CY US\$ 21.33 million ₹ 1,558.75 (PY US\$ 21.33 million equivalent to ₹ 1,573.06)**

- a) International Finance Corporation (IFC) of US\$ 24.00 million: CY US\$ 2.45 million ₹ 179.55 (PY US\$ 2.45 million equivalent to ₹ 180.53) (Loan Key No 201210122).
- b) Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V (FMO): US\$ 20.00 million: CY US\$ 5.52 million ₹ 405.02 (PY US\$ 5.52 million equivalent to ₹ 408.88) (Loan Key No 201212201 & 201212212).
- c) Société De Promotion Et De Participation Pour La Coopération Économique (Proparco): US\$ 20.00 million: CY US\$ 6.75 million ₹ 489.95 (PY US\$ 6.75 million equivalent to ₹ 495.17 (Loan Key No 201212202 & 201212213)
- d) Deutsche Investitions-Und Entwicklungsgesellschaft mbH (DEG): US\$ 25.00 million: CY US\$ 6.60 million ₹ 484.22 (PY US\$ 6.60 million equivalent to ₹ 488.48) (Loan Key No 201212200 & 201212214).

The charge ranks subservient to the charge created in favour of International Finance Corporation to secure its loan of US\$ 60 million (Loan Key Nos. 2007872, 2008534, 2009182 and 2010019 all repaid fully) over entire movable plant, machinery and equipment, including all the spare parts and all other movable fixed assets such as furniture, fixtures, installations, vehicles, office equipment, computers and all other fixed assets of the Company both present and future at the plants of the Company at Bhavnagar (Gujarat), Hyderabad (Andhra Pradesh) and Jalgaon (Maharashtra) and further secured by way of subservient charge over the land and other immovable properties together with all building and structure thereon and all other plant and machinery at the plants of the Company at Bhavnagar (Gujarat), Hyderabad (Andhra Pradesh) and specific immovable and movable properties at Jalgaon (Maharashtra).

The above ECB loan (Loan Key Number 201210122) is also personally guaranteed by three Directors, including, Vice Chairman and Managing Director of the Company in their personal capacity.

The above ECB loans are further secured by way of exclusive charge by way of Registered Mortgage on the following immovable properties of the Company:

- 1) Gat No. 220, total admeasuring H.1.58 R. situated at Bambhori (Pr. Ch.), Tal. Dharangaon, Dist. Jalgaon:
- 2) Gat No. 118/1, total admeasuring H.0.99 R. situated at Eklagna, Tal. Dharangaon, Dist. Jalgaon:
- 3) Gat No. 119/1, total admeasuring H.1.42 R. situated at Eklagna, Tal. Dharangaon, Dist. Jalgaon:
- 4) Gat No. 122, total admeasuring H.1.76 R. situated at Eklagna Tal. Dharangaon, Dist. Jalgaon:
- 5) Gat No. 139/11, total admeasuring H.3.06 R. situated at Shirsoli P.B. Tal. & Dist. Jalgaon:
- 6) Gat No. 139/12, total admeasuring H.3.08 R. situated at Shirsoli P.B. Tal. & Dist. Jalgaon:

Together with all existing and future buildings, erections, structures, godowns and construction of every kind and description and together with all the trees, fences, hedges, ditches, ways, sewers, drains, waters, watercourses, liberties, privileges, easements and appurtenances whatsoever to the said land, hereditaments and premises or any of them or any part thereof whether presently in existence or in the future belonging to or in any way appurtenant thereto or usually held, occupied or enjoyed therewith or expected to belong or be appurtenant thereto or usually held, occupied or enjoyed therewith or expected to belong or be appurtenant thereto and all the estate, right, title, interest property, claims and demands whatsoever of the Company in, to and upon the same, which description shall include all property of the above description whether presently in existence or constructed or acquired hereafter.

The Company has defaulted in the repayment of IFC loan ('External Commercial Borrowings'). The amount of total overdue outstanding as at March 31, 2021 is ₹ 1,418.00 towards principal and ₹ 196.69 towards interest (Previous year ₹ 479.21 towards principal and ₹ 51.93 million towards interest)

**(vi) ECB Loan – UBS Switzerland AG of Euro 3.09 million: CY: ₹ 166.96 (PY ₹ 160.51)**

The above ECB Loan is secured by way of first and exclusive charge on Extrusion Line or the production of HDPE Pipes in diameter range upto 2,500 mm including efficient air cooling (EAC) with standard accessories, (Movable Assets), along with all right, title, interest, benefits, claims and demands, both present and future, whatsoever, of JISL, in, to, under or in respect of, the Movable Assets, and to secure for the repayment of the Loan and payment of other monies including all interest at the agreed rates, costs, charges, expenses and all other monies due to UBS.

The Company has defaulted in the repayment of UBS loan. The amount of total overdue outstanding as at March 31, 2021 is Eur 1.96 ₹ 41.17 million towards principle and ₹ 3.14 million towards interest (Previous year ₹ Nil)

## Contd...13) Financial Liabilities...

(All amount in ₹ Million, unless otherwise stated)

**(vii) Vehicle Loan: CY ₹ 12.50 (PY ₹ 22.70)**

The loan is secured by exclusive charge on specific vehicles to specified lenders.

The Company has defaulted in the repayment of vehicle loan. The amount of total overdue outstanding as at March 31, 2021 is ₹ 1.99 towards principal and ₹ 0.28 towards interest (Previous year ₹ Nil)

**(viii) Working Capital Loans: (including WCTL, Cash Credit, Export Packing Credit, FCTL & FCNRB, Bill discounting): CY ₹ 25,383.00 (PY ₹ 23,431.29)**

Consortium of Banks (In Alphabetical order) led by State Bank of India, Commercial Branch, Fort, Mumbai and D N Road Branch, Mumbai and sub limit with State Bank of India, Dana Bazar Branch, Jalgaon, Andhra Bank, Mumbai, Bank of Baroda, Mumbai, Bank of Bahrain and Kuwait, Mumbai, Canara Bank, Jalgaon, Export Import Bank of India, Mumbai, IDBI Bank Ltd, Jalgaon & Pune, Indian Bank, Mumbai, Oriental Bank of Commerce Mumbai, Punjab National Bank, Mumbai, Co-operative Centrale Raiffesen Boerenleen Bank, Mumbai, Standard Chartered Bank, Mumbai, Syndicate Bank, Mumbai, The South Indian Bank Ltd, Mumbai, Union Bank of India, Mumbai and Yes Bank Ltd, Mumbai.

The working capital loans are secured by a first pari-passu charge created in favour of Security Trustee i.e. IDBI Trusteeship Services Ltd, Mumbai on behalf of (consortium members) on whole of Company's present and future stocks of raw material, finished goods, stocks in process, stores and spares and other raw materials, stored whether raw or in process of manufacture and all articles manufactured there from brought into store or be in or around the Company's godown or factory premises at Jalgaon or elsewhere, including goods in transit or delivery and the Company's present and future book debts, outstanding monies, receivable, claims, bills, contracts, engagements, securities, investments, rights and assets of the Company.

The Working Capital Facilities as above are further secured by a second charge (First Charge in case of FCTL and FCNRB) ranking Pari-Passu by way of equitable mortgage created in favour of Security Trustee i.e. IDBI Trusteeship Services Ltd, Mumbai on behalf of consortium members by deposits of title deeds of selected immovable properties of the Company situated at Village Bambhori & Shirsoli, Dist. Jalgaon in State of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth however, excluding assets charged exclusively as mentioned in these notes. The whole of the movable properties of the Company (other than Current Assets) including its movable plant and machinery, machinery spares, tools and accessories and other movables, both present and future save and except the moveable assets which are exclusively charged to the other lenders. The working capital loans are also secured by personal guarantee by the Vice Chairman and Managing Director and three other Directors of the Company in their personal capacity.

As the Company has defaulted in repayment of its short term dues towards lenders, the account has been classified as NPA since September 2019, however restructuring under RBI circular of 7th June 2019 is under finalisation and will be in the implementation phase soon.

**13(c) TRADE PAYABLES**

|  | 31-Mar-21       | 31-Mar-20       |
|--|-----------------|-----------------|
| <b>Current</b>   |                 |                 |
| Total outstanding dues of Micro and Small Enterprises (refer note 31)      | 524.95          | 186.75          |
| Dues to subsidiaries and associate (refer note 36)                         | 441.63          | 504.71          |
| Total outstanding dues of creditors other than Micro and Small Enterprises | 1,965.12        | 3,516.03        |
| <b>Total</b>   | <b>2,931.70</b> | <b>4,207.49</b> |

Trade payables to related parties are disclosed as part of note 36- Related party transaction along with other related parties transaction.

**13(d) OTHER FINANCIAL LIABILITIES**

|   | 31-Mar-21    | 31-Mar-20     |
|---|--------------|---------------|
| <b>Non-current</b>  |              |               |
| Derivative liabilities  | 1.18         | 13.90         |
| Financial guarantees  | 9.26         | 237.02        |
| <b>Total</b>  | <b>10.44</b> | <b>250.92</b> |
| <b>Current</b>  |              |               |
| Current maturities of non-current borrowings (refer note 13(a)) | 4,412.65     | 3,135.48      |
| Interest accrued and due on borrowings                          | 4,956.71     | 1,566.69      |
| Derivative liabilities  | 2.20         | 7.66          |
| Financial guarantees  | 104.00       | -             |
| Unpaid dividend ^   | 8.13         | 9.29          |

|   | 31-Mar-21        | 31-Mar-20       |
|---|------------------|-----------------|
| Trade payable for capital goods (other than small enterprises and medium enterprises) | 145.52           | 131.62          |
| Outstanding liability for expenses  | 116.61           | 209.98          |
| Liabilities towards employee benefits   | 1,066.85         | 916.86          |
| Security deposits   | 784.33           | 690.00          |
| <b>Total</b>  | <b>11,597.00</b> | <b>6,667.58</b> |

^ There are no unpaid dividend which is required to be transferred to investors education protection fund.

**13(e) LEASE LIABILITIES**

|              | 31-Mar-21   | 31-Mar-20   |
|--------------|-------------|-------------|
| Non-Current  | 0.94        | 2.84        |
| Current      | 1.31        | 1.08        |
| <b>Total</b> | <b>2.25</b> | <b>3.92</b> |

**14) PROVISIONS**

|  | 31-Mar-21     | 31-Mar-20     |
|--|---------------|---------------|
| <b>Non-current</b>   |               |               |
| Provision for employee benefits                                |               |               |
| (i) Provision for gratuity (funded) (refer note 26)            | 182.37        | 175.71        |
| (ii) Provision for leave encashment (unfunded) (refer note 26) | 79.35         | 96.85         |
| <b>Total</b>   | <b>261.72</b> | <b>272.56</b> |
| <b>Current</b>   |               |               |
| <b>Provision for employee benefits</b>                         |               |               |
| (i) Provision for gratuity (funded) (refer note 26)            | 106.19        | 105.84        |
| (ii) Provision for leave encashment (unfunded) (refer note 26) | 14.10         | 17.06         |
| <b>Total</b>   | <b>120.29</b> | <b>122.90</b> |

**15) DEFERRED TAX LIABILITIES / (ASSETS) (NET)****(i) Movement in deferred tax liabilities / (assets) for the year ended March 31, 2020**

|  | 01-Apr-19       | Recognised in               |             |          | 31-Mar-20       |
|--|-----------------|-----------------------------|-------------|----------|-----------------|
|  |                 | Statement of Profit or loss | OCI         | Equity   |                 |
| Property, plant and equipment                      | 5,309.02        | 138.41                      | -           | -        | 5,447.43        |
| Prepaid share issue expenses                       | 9.44            | (2.12)                      | -           | -        | 7.32            |
| Impairment allowance for trade receivables         | (863.67)        | (691.29)                    | -           | -        | (1,554.96)      |
| Fair valuation of biological assets                | 122.14          | (11.51)                     | -           | -        | 110.63          |
| Fair valuation of Investments and derivatives      | (12.30)         | (1.27)                      | -           | -        | (13.57)         |
| Disallowance under section 43B of the IT Act, 1961 | (241.60)        | (26.03)                     | 2.98        | -        | (264.65)        |
| Unabsorbed loss                                    | -               | (1,904.32)                  | -           | -        | (1,904.32)      |
| MAT Credit   | (808.39)        | -                           | -           | -        | (808.39)        |
| Others   | 267.69          | 27.26                       | -           | -        | 294.95          |
| <b>Deferred tax liabilities / (assets) (net)</b>   | <b>3,782.33</b> | <b>(2,470.87)</b>           | <b>2.98</b> | <b>-</b> | <b>1,314.44</b> |

**(ii) Movement in deferred tax liabilities / (assets) for the period ended March 31, 2021**

|  | 01-Apr-20  | Recognised in               |        |        | 31-Mar-21  |
|--|------------|-----------------------------|--------|--------|------------|
|  |            | Statement of Profit or loss | OCI    | Equity |            |
| Property, plant and equipment                      | 5,447.43   | (159.06)                    | -      | -      | 5,288.37   |
| Prepaid share issue expenses                       | 7.32       | (1.86)                      | -      | -      | 5.46       |
| Impairment allowance for trade receivables         | (1,554.96) | 79.35                       | -      | -      | (1,475.61) |
| Fair valuation of biological assets                | 110.63     | (3.52)                      | -      | -      | 107.11     |
| Fair valuation of Investments and derivatives      | (13.57)    | (23.90)                     | -      | -      | (37.47)    |
| Disallowance under section 43B of the IT Act, 1961 | (264.65)   | 25.16                       | (2.99) | -      | (242.48)   |
| Unabsorbed loss                                    | (1,904.32) | (1,610.11)                  | -      | -      | (3,514.43) |

## Contd...15) Deferred Tax Liabilities...

(All amount in ₹ Million, unless otherwise stated)

|  | 01-Apr-20       | Recognised in               |               |          | 31-Mar-21       |
|--|-----------------|-----------------------------|---------------|----------|-----------------|
|  |                 | Statement of Profit or loss | OCI           | Equity   |                 |
| MAT Credit                                       | (808.39)        | -                           | -             | -        | (808.39)        |
| Others   | 294.95          | 9.65                        | -             | -        | 304.60          |
| <b>Deferred tax liabilities / (assets) (net)</b> | <b>1,314.44</b> | <b>(1,684.29)</b>           | <b>(2.99)</b> | <b>-</b> | <b>(372.84)</b> |

**MAT Credit Balance**

| Financial Year         | ₹ in million        | Year of expiry         |
|------------------------|---------------------|------------------------|
| 2017-18                | 133.29              | Financial Year 2031-32 |
| 2016-17                | 139.35              | Financial Year 2030-31 |
| 2015-16                | 110.99              | Financial Year 2029-30 |
| 2014-15                | 424.76              | Financial Year 2028-29 |
| <b>Total</b>           | <b>808.39</b>       |                        |
|                        |                     |                        |
| <b>Unabsorbed loss</b> | <b>₹ in million</b> | <b>Year of expiry</b>  |
| FY 20-21               | 1,610.11            | Financial Year 2028-29 |
| FY 19-20               | 1,904.32            | Financial Year 2027-28 |
| <b>Total</b>           | <b>3,514.43</b>     |                        |

**16) OTHER CURRENT LIABILITIES**

|                       | 31-Mar-21       | 31-Mar-20       |
|-----------------------|-----------------|-----------------|
| <b>Current</b>        |                 |                 |
| Contract Liabilities  | 960.33          | 911.34          |
| Statutory liabilities | 762.17          | 583.26          |
| Deferred income *     | 65.56           | 57.25           |
| <b>Total</b>          | <b>1,788.06</b> | <b>1,551.85</b> |

\* includes provision for sales return and grant towards capital goods

**17) REVENUE FROM OPERATIONS**

|  | 31-Mar-21        | 31-Mar-20        |
|--|------------------|------------------|
| <b>Revenue from sale of products</b>                       |                  |                  |
| - Domestic sales (net of sales return)                     | 20,165.36        | 16,901.57        |
| - Export sales   | 2,543.04         | 2,549.85         |
| Less: Trade, other discounts and allowances #              | (2,759.73)       | (2,446.81)       |
|  | <b>19,948.67</b> | <b>17,004.61</b> |
| # Includes discount on export sales of ₹ 6.71 (PY ₹ 31.57) |                  |                  |
| <b>Revenue from rendering services</b>                     |                  |                  |
| - Domestic services  | 1,193.40         | 1,642.40         |
| - Income in respect of incomplete projects                 | -                | 688.37           |
| - Export services  | 2.47             | 1.51             |
|  | <b>1,195.87</b>  | <b>2,332.28</b>  |
| <b>Other operating income</b>                              |                  |                  |
| - Incentives and assistance (see note (i) below)           | 249.40           | 446.56           |
| - Sale of Scrap  | 0.86             | 0.46             |
| - Sundry balances appropriated                             | 57.35            | 65.37            |
| - Provisions no longer required written back               | 89.72            | 131.97           |
| - Income from other services                               | 22.35            | 53.07            |
|  | <b>419.68</b>    | <b>697.43</b>    |
| <b>Total</b>   | <b>21,564.22</b> | <b>20,034.32</b> |

(i) Detail of government grants: Government Grant are related to investment in Jalgaon, Alwar and grant is in the form of exemption from electricity duty, stamp duty and to receive an industrial promotional subsidy. Further it also includes savings in import duty on procurement of capital goods and export incentives under MEIS scheme.



(All amount in ₹ Million, unless otherwise stated)

## 18) OTHER INCOME

|  | 31-Mar-21     | 31-Mar-20     |
|--|---------------|---------------|
| <b>Interest received on financial assets- carried at amortised cost</b>    |               |               |
| Interest received on bank deposit  | 37.01         | 27.07         |
| Interest received on related party   | 94.25         | 53.29         |
| Interest received on others  | 140.21        | 196.32        |
| <b>Other non-operating income</b>  |               |               |
| Fair valuation gain on derivatives   | -             | 3.62          |
| Profit on sale of fixed assets (net)                                       | 0.24          | 7.74          |
| Profit on sale of non-current investments (net)                            | -             | 0.59          |
| Foreign exchange gain (net)  | -             | 135.72        |
| Fair valuation gain on equity and preference instruments measured at FVTPL | 0.18          | -             |
| Corporate guarantee commission   | 123.61        | 129.54        |
| <b>Total</b>   | <b>395.50</b> | <b>553.89</b> |

## 19) COST OF MATERIAL CONSUMED

|  | 31-Mar-21        | 31-Mar-20        |
|--|------------------|------------------|
| <b>Raw materials (including packing materials)</b> |                  |                  |
| Inventory at the beginning of the year             | 2,079.49         | 2,341.82         |
| Add: Purchases                                     | 12,097.81        | 11,192.69        |
| Less: Inventory at the end of the year             | 2,238.26         | 2,079.49         |
| <b>Cost of raw materials consumed</b>              | <b>11,939.04</b> | <b>11,455.02</b> |

## 20) CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

|  | 31-Mar-21       | 31-Mar-20       |
|--|-----------------|-----------------|
| <b>Inventory at the end of the year</b>        |                 |                 |
| - Finished goods                               | 4,185.49        | 5,190.40        |
|  | <b>4,185.49</b> | <b>5,190.40</b> |
| <b>Inventory at the beginning of the year</b>  |                 |                 |
| - Finished goods                               | 5,190.40        | 4,784.78        |
|  | <b>5,190.40</b> | <b>4,784.78</b> |
| <b>Net increase/ (decrease) in inventories</b> | <b>1,004.91</b> | <b>(405.62)</b> |

## 21) EMPLOYEE BENEFITS EXPENSE

|   | 31-MAR-21       | 31-MAR-20       |
|---|-----------------|-----------------|
| Salaries, wages, bonus etc.                               | 2,105.23        | 2,568.68        |
| Contribution to provident and other funds (refer note 26) | 215.38          | 276.14          |
| Gratuity expense (refer note 26)                          | 56.55           | 57.39           |
| Staff welfare expenses                                    | 35.33           | 79.32           |
| <b>Total</b>  | <b>2,412.49</b> | <b>2,981.53</b> |

## 22) DEPRECIATION AND AMORTIZATION EXPENSE

|   | 31-Mar-21       | 31-Mar-20       |
|---|-----------------|-----------------|
| Depreciation on property, plant and equipment | 1,584.76        | 1,530.90        |
| Amortisation of intangible assets             | 33.01           | 35.19           |
| Depreciation on Right of Use Assets           | 10.68           | 17.84           |
| Depreciation on investment property           | 22.99           | 8.80            |
| Capitalised during the year (refer note 3[2]) | (1.64)          | (3.13)          |
| <b>Total</b>                                  | <b>1,649.80</b> | <b>1,589.60</b> |

(All amount in ₹ Million, unless otherwise stated)

**23) OTHER EXPENSES**

|  | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|--|------------------|------------------|
| Consumption of stores, spares and consumables                              | 132.35           | 119.38           |
| Power and fuel   | 653.15           | 825.02           |
| Agency charges for installation  | 1,187.93         | 1,745.21         |
| Rent (refer note 5)  | 178.60           | 184.42           |
| Repairs and maintenance  |                  |                  |
| - Building   | 40.24            | 41.84            |
| - Machinery  | 17.81            | 8.30             |
| - Others   | 28.17            | 24.68            |
| Freight outward  | 417.34           | 552.11           |
| Processing charges   | 252.05           | 506.99           |
| Export selling expenses  | 111.22           | 185.89           |
| Auditor's remuneration (refer note 23(a))                                  | 7.58             | 9.96             |
| Legal, professional & consultancy fees                                     | 457.87           | 227.63           |
| Travelling and conveyance expenses   | 191.10           | 285.12           |
| Communication expenses   | 28.34            | 45.84            |
| Commission and brokerage   | 116.66           | 185.18           |
| Advertisement and sales promotion expenses                                 | 47.04            | 110.57           |
| Foreign exchange loss (net)  | 62.23            | -                |
| Discount and claims  | 357.17           | 313.97           |
| Irrecoverable claims   | 157.97           | 633.91           |
| Provision for doubtful advances  | -                | 50.12            |
| Bad debts / advances   | 80.64            | 53.37            |
| Provisions for bad and doubtful debts                                      | 361.37           | 1,927.99         |
| Donation   | 0.35             | 0.06             |
| Insurance  | 120.43           | 49.37            |
| Rates and taxes  | 10.61            | 9.64             |
| Director's sitting fees  | 3.20             | 3.05             |
| Corporate social responsibility expenditure (refer note 23(b))             | 63.98            | 14.57            |
| Fair valuation loss on equity and preference instruments measured at FVTPL | -                | 0.05             |
| Fair valuation loss on mutual funds measured at FVTPL                      | -                | 0.50             |
| Fair value changes of biological assets                                    | 10.08            | 32.95            |
| Loss on fair valuation of derivatives                                      | 42.26            | -                |
| Miscellaneous expenses   | 122.18           | 194.43           |
| <b>Total</b>   | <b>5,259.92</b>  | <b>8,342.12</b>  |

**23(a) Auditors Remuneration**

| <b>Payments to auditor - (exclusive of GST)</b> | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|---|------------------|------------------|
| As auditor                                      |                  |                  |
| - Statutory audit #                             | 4.20             | 5.80             |
| - Tax audit                                     | 0.80             | 0.65             |
| - Limited Review *                              | 2.30             | 2.70             |
| In Other Capacity                               |                  |                  |
| Certification and other matter                  | 0.28             | 0.81             |
| <b>Total</b>                                    | <b>7.58</b>      | <b>9.96</b>      |

# including for Consolidated Financial Statement

\* including fee paid to erstwhile auditor ₹1.80.

**23(b) Details of Corporate social responsibility expenditure**

As per Section 135 of the Companies Act, 2013, a company meeting the applicable threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are in accordance to the CSR Policy of the Company which includes Rural Development Project, eradicating hunger, poverty and malnutrition, healthcare and sanitation, animal welfare, etc. A CSR committee has been formed by the Company as per the Act.

a) During the year, the company has incurred ₹ 63.98 (previous year ₹14.57) on account of Corporate Social Responsibility (CSR) included under Other Expenses.

b) Gross Amount required to be spent by the company during the year is ₹ 24.45.

c) Amount of ₹ 24.45 approved by the board to be spent during the year.

Contd...23) Other Expenses...

(All amount in ₹ Million, unless otherwise stated)

d) Amount spent during the year on:

| Particulars                               | For the year ended 31-Mar-21 | For the year ended 31-Mar-20 |
|---|------------------------------|------------------------------|
| i) Construction/ acquisition of any asset | -                            | -                            |
| ii) On purposes other than (i) above      | 63.98                        | 14.57                        |
| <b>Total</b>                              | <b>63.98</b>                 | <b>14.57</b>                 |

e) Amount of ₹ 4.98 paid to Related party as defined in IND AS 24

f) In case of Unspent Amount:

| Particulars | Unspent Amount at the beginning of the year | Amount deposited in specified fund of schedule Vii within 6 months | Unspent amount required to be spent as per MCA, during the year FY 19-20 | Amount spent during the year | Excess / (Unspent) Amount at end of the year |
|-------------|---|--|--|------------------------------|--|
| FY 2019-20  | Nil   | Nil  | 52.13  | 14.57                        | (37.56)                                      |
| FY 2020-21  | 37.56                                       | Nil  | 24.45  | 63.98                        | 1.97   |

g) Unspent Amount of CSR Expenditure of ₹ 37.56 was spent by the Company in the first half of FY 20-21 as permitted by MCA.

## 24) FINANCE COSTS

|  | 31-Mar-21       | 31-Mar-20       |
|--|-----------------|-----------------|
| <b>Interest expenses :</b>                                   |                 |                 |
| Interest on term loans                                       | 828.39          | 801.59          |
| Interest on working capital loans                            | 3,084.95        | 2,507.90        |
| Interest on others   | 388.13          | 280.95          |
| Exchange difference regarded as adjustment to borrowing cost | 5.96            | -               |
| <b>Other borrowing cost :</b>                                |                 |                 |
| Discounting charges and interest                             | 19.69           | 226.09          |
| Bank commission and charges                                  | 123.92          | 362.91          |
| <b>Total</b>   | <b>4,451.04</b> | <b>4,179.44</b> |

## 25) INCOME TAX

[a] Income tax expense is as follows:

|  | 31-Mar-21         | 31-Mar-20         |
|--|-------------------|-------------------|
| Statement of Profit and Loss                                 |                   |                   |
| <b>Current tax:</b>  |                   |                   |
| Tax for the year   | -                 | -                 |
| <b>Total current tax expense</b>                             | <b>-</b>          | <b>-</b>          |
| <b>Deferred tax:</b>   |                   |                   |
| Deferred tax expenses / (credit)                             | (1,684.29)        | (2,470.87)        |
| <b>Total deferred tax expense / (credit)</b>                 | <b>(1,684.29)</b> | <b>(2,470.87)</b> |
| <b>Income tax expense / (credit)</b>                         | <b>(1,684.29)</b> | <b>(2,470.87)</b> |
| <b>Other comprehensive income</b>                            |                   |                   |
| Deferred tax related to OCI items:                           |                   |                   |
| Net loss / (gain) on remeasurements of defined benefit plans | 2.99              | (2.98)            |
| <b>Total</b>   | <b>2.99</b>       | <b>(2.98)</b>     |

[b] Reconciliation of tax expense and the accounting profit computed by applying the Income tax rate:

|  | 1-Apr-20 to 31-Mar-21 | For the Year ended 1-Apr-19 to 31-Mar-20 |
|--|-----------------------|--|
| <b>Profit before tax</b>   | <b>(4,757.48)</b>     | <b>(7,553.88)</b>                        |
| <b>Tax at the Indian tax rate of 34.944 % (2019-20: 34.944%)</b>                         | <b>(1,662.45)</b>     | <b>(2,639.63)</b>                        |
| Tax effects on amounts which are not deductible (taxable) in calculating taxable income: |                       |  |
| Incremental deduction allowed for research and development cost                          | -                     | (37.74)                                  |

## Contd...25) Income Tax...

(All amount in ₹ Million, unless otherwise stated)

|  |                       | For the Year ended    |
|--|-----------------------|-----------------------|
|  | 1-Apr-20 to 31-Mar-21 | 1-Apr-19 to 31-Mar-20 |
| Non-deductible expenses as per income tax                | 58.26                 | 219.97                |
| Impact on fair valuation of financial assets not taxable | -                     | 31.96                 |
| Impact of income exempt U/s 10(1)                        | (73.72)               | (81.04)               |
| Others   | (6.38)                | 35.61                 |
| <b>Income tax expense</b>                                | <b>(1,684.29)</b>     | <b>(2,470.87)</b>     |

Section 115BAA of the Income Tax Act, 1981 gives the corporate assessee an option to apply a lower tax rate with effect from April 1, 2019 subject to certain conditions specified therein. The Company has assessed the impact of the same and believes that it will continue to remain in the existing tax structure for the foreseeable future based on its forecasted profits. Accordingly, no effect in this regard has been considered in measurement of tax expenses for the purpose of these financial statements. Management, however, will continue to review its profitability forecast at regular intervals and make necessary adjustments to tax expenses when there is reasonable certainty to avail the lower rate of tax.

## 26) EMPLOYEE BENEFIT OBLIGATIONS

### 26(a) Defined Contribution plans

Provident Fund: Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Contribution to Defined contribution plan recognised as expense for the year as under:

- Employers contribution to Provident fund CY ₹ 70.87 (PY ₹ 75.54) deposited with concerned authority.
- Employers contribution to Pension scheme CY ₹ 69.62 (PY ₹ 75.97) deposited with concerned authority.
- Employers contribution to Superannuation fund CY ₹ 53.01 (PY ₹ 100.51) managed by a Trust.
- Employers contribution to ESIC CY ₹ 21.53 (PY ₹ 27.30)
- Employers contribution to State Labour welfare fund CY ₹ 0.35 (PY ₹ 0.31)

The net of provision for unfunded leave encashment liability up to March 2021 is ₹ 93.47 (upto March 20 ₹ 113.91)

### 26(b) Defined Benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The fair value of the plan assets of the trust administered by the Company, is deducted from the gross obligation.

#### (i) Movement of defined benefit obligation and plan assets

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

|  | Present value of obligation | Fair value of plan assets | Net Amount    |
|--|-----------------------------|---------------------------|---------------|
| <b>As at 1-Apr-2019</b>  | <b>446.63</b>               | <b>(173.61)</b>           | <b>273.02</b> |
| Current service cost   | 36.42                       | -                         | 36.42         |
| Interest expenses / (income)   | 34.79                       | (13.52)                   | 21.27         |
| <b>Total amount recognised in Statement of Profit and Loss</b>                 | <b>71.21</b>                | <b>(13.52)</b>            | <b>57.69</b>  |
| Return on plan assets, excluding amount included in interest expenses (income) | -                           | (8.49)                    | (8.49)        |
| (Gain)/loss from change in financial assumption                                | 33.60                       | -                         | 33.60         |
| Experience (gain)/ losses  | (33.71)                     | -                         | (33.71)       |
| <b>Total amount recognised in other comprehensive income</b>                   | <b>(0.11)</b>               | <b>(8.49)</b>             | <b>(8.60)</b> |
| Employer contributions   | -                           | -                         | -             |
| Benefit payments   | (40.56)                     | -                         | (40.56)       |
| <b>As at 31-Mar-2020</b>   | <b>477.17</b>               | <b>(195.62)</b>           | <b>281.55</b> |
| Current & Past service cost  | 37.15                       | -                         | 37.15         |
| Interest expenses (income)   | 32.88                       | (13.48)                   | 19.40         |
| <b>Total amount recognised in Statement of Profit and Loss</b>                 | <b>70.03</b>                | <b>(13.48)</b>            | <b>56.55</b>  |

|  | Present value of obligation | Fair value of plan assets | Net Amount    |
|--|-----------------------------|---------------------------|---------------|
| Remeasurements   |                             |                           |               |
| Return on plan assets, excluding amount included in interest expenses / (income) | -                           | (6.54)                    | (6.54)        |
| (Gain)/loss from change in financial assumption                                  | 0.84                        | -                         | 0.84          |
| Experience (gain)/ losses  | 14.33                       | -                         | 14.33         |
| <b>Total amount recognised in other comprehensive income</b>                     | <b>15.17</b>                | <b>(6.54)</b>             | <b>8.63</b>   |
| Employer contributions   | -                           | -                         | -             |
| Benefit payments   | (58.17)                     | -                         | (58.17)       |
| <b>As at 31-Mar-2021</b>   | <b>504.20</b>               | <b>(215.64)</b>           | <b>288.56</b> |

**(ii) Net assets / liabilities**

An analysis of net (deficit)/assets is provided below for the Company's principal defined benefit gratuity scheme.

| # Plan                              | 31-Mar-21     | 31-Mar-20     |
|-------------------------------------|---------------|---------------|
| Present value of funded obligations | 504.20        | 477.17        |
| Fair value of plan assets #         | (215.64)      | (195.62)      |
| <b>Deficit of gratuity plan</b>     | <b>288.56</b> | <b>281.55</b> |

# Planned assets are with ICICI Prudential group gratuity plan in debt fund.

**(iii) Analysis of plan assets is as follows:**

|                           | 31-Mar-21   | 31-Mar-20   |
|---------------------------|-------------|-------------|
| Insurer managed funds (%) | 100%        | 100%        |
| Others (%)                | 0%          | 0%          |
| <b>Total</b>              | <b>100%</b> | <b>100%</b> |

**(iv) Actuarial assumptions and sensitivity analysis**

|  | 31-Mar-21  | 31-Mar-20  |
|--|--|--|
| Salary growth rate                     | 7.00% p.a. for the next 5 years, 4.00% p.a. thereafter, starting from the 6th year | 7.00% p.a. for the next 5 years, 4.00% p.a. thereafter, starting from the 6th year |
| Discount rate                          | 6.87%  | 6.89%  |
| Expected rate of return on plan assets | 6.87%  | 6.89%  |
| Attrition rates                        | 2.00%  | 2.00%  |
| Mortality rate during employment       | Indian Assured Lives Mortality(2006-08)  | Indian Assured Lives Mortality(2006-08)  |
| Mortality rate after employment        | N.A  | N.A  |

Notes:

- 1) Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.
- 2) Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- 3) Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

Sensitivity of the defined benefit obligation to changes in weighted principal assumptions is

|                                       | Impact on present benefit obligation |           |
|---------------------------------------|--------------------------------------|-----------|
|                                       | 31-Mar-21                            | 31-Mar-20 |
| Discount rate - Increase by 0.5%      | (20.21)                              | (19.22)   |
| Discount rate- Decrease by 0.5%       | 21.78                                | 20.74     |
| Salary growth rate - Increase by 0.5% | 21.94                                | 20.88     |
| Salary growth rate- Decrease by 0.5%  | (20.52)                              | (19.50)   |
| Attrition rate - Increase by 0.5%     | 4.59                                 | 4.47      |
| Attrition rate- Decrease by 0.5%      | (4.92)                               | (4.81)    |

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice it is unlikely to occur, and changes in some of the assumptions may be correlated. The methods and types of assumption used in preparing the sensitivity analysis did not change compared to previous period.



## Contd...26) Employee Benefits Obligations...

(All amount in ₹ Million, unless otherwise stated)

**Expected contribution for next 12 months**

|                         | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|-------------------------|------------------|------------------|
| Prescribed contribution | 106.19           | 105.84           |

Defined benefit liability and employer contribution:

The company has agreed that it will eliminate the deficit in defined benefit obligation over the next 10 years. Funding levels are monitored annually. The company considers that the contribution rates set at the last valuation date are significant to eliminate the deficit over the agreed period .

The expected maturity analysis of undiscounted gratuity is as follows:

|  | <b>Less than a year</b> | <b>Between 1 - 3 years</b> | <b>Between 3 - 5 years</b> | <b>Between 5 - 10 years</b> | <b>More than 10 years</b> | <b>Total</b> |
|--|-------------------------|----------------------------|----------------------------|-----------------------------|---------------------------|--------------|
| <b>31-Mar-21</b>                       |                         |                            |                            |                             |                           |              |
| Defined benefit obligations (gratuity) | 39.93                   | 67.08                      | 88.59                      | 235.00                      | 614.20                    | 1,044.80     |
| <b>31-Mar-20</b>                       |                         |                            |                            |                             |                           |              |
| Defined benefit obligations (gratuity) | 46.72                   | 55.87                      | 83.37                      | 221.10                      | 594.71                    | 1,001.77     |

Gratuity is a defined benefit plan and entity is exposed to the Following Risks:

**Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

**Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

**27) SEGMENT INFORMATION**

In accordance with Ind AS 108 "Operating Segments", segment information has been given in the Consolidated financial statements of the Company, and therefore, no separate disclosure on segment information is given in these financial statements.

**28) EARNING PER SHARE**

Basic and diluted earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

|  | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|--|------------------|------------------|
| <b>(a) Basic earning per share (INR)</b>   | <b>(5.96)</b>    | <b>(9.86)</b>    |
| <b>(b) Diluted earning per share (INR)</b>   | <b>(5.96)</b>    | <b>(9.86)</b>    |
| <b>(c) Reconciliation of earning used in calculating EPS</b>   |                  |                  |
| <b>Basic earning per share</b>   |                  |                  |
| Profit attributable to the equity share holders of the company used in calculating basic earning per share | (3,073.19)       | (5,083.01)       |
| <b>Diluted earning per share</b>   |                  |                  |
| Profit attributable to the equity share holders of the company used in calculating earning per share       | (3,073.19)       | (5,083.01)       |
| <b>(d) Weighted average number of shares used as denominator</b>   |                  |                  |
| Weighted average number of shares used as denominator in calculating basic earning per share               | 515,660,357      | 515,660,357      |
| Weighted average number of shares used as denominator in calculating diluted earning per share             | 515,660,357      | 515,660,357      |

**29) CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

- Contingent liabilities not provided for in respect of

| <b>i) Claims not acknowledged as debts in respect of:</b>   | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|---|------------------|------------------|
| <b>Customs and excise duty [paid under protest ₹ Nil (PY ₹12.95)]</b>                             | <b>14.60</b>     | <b>266.08</b>    |
| - Excise duty [paid under protest ₹ Nil (PY ₹ 12.95)]   | 14.60            | 266.08           |
| <b>Other taxes &amp; levies [paid under protest ₹ 46.09 (PY ₹ 45.08)]</b>                         | <b>127.96</b>    | <b>108.63</b>    |
| - Sales Tax,VAT,CST [paid under protest ₹ 28.50 (PY ₹ 27.49)]                                     | 101.11           | 81.78            |
| - Income Tax [paid under protest ₹ 17.59 (PY ₹ 17.59)]  | 26.85            | 26.85            |
| <b>Others (legal case)</b>  | <b>42.10</b>     | <b>46.18</b>     |
| <b>ii) Performance guarantees given by the Company's bankers in the normal course of business</b> | <b>4,081.66</b>  | <b>5,670.12</b>  |

In respect of (i) above, the Company has taken necessary legal steps to protect its position in respect of these claims, which, in its opinion, based on legal advice, are not expected to devolve. It is not possible to make any further determination of the liabilities, which may arise, or the amounts, which may be refundable in respect of these claims.

The Company has provided Corporate Guarantee amounting to ₹ 27,070.92 (Previous Year ₹ 27,739.69 against facilities availed by Subsidiaries and Associate Company for the purpose of their business. The amount of facility availed by the subsidiary as on 31st March, 2021 is ₹ 18,391.34 (Previous Year ₹ 19,090.28)

It is not practicable for the Company to estimate the timings of the cash outflows, if any, in respect of the above pending resolution of the same.

**30) COMMITMENTS**

Capital expenditure contracted for at end of the year but not recognised as liabilities is as follows:

|   | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|---|------------------|------------------|
| On account for acquisition of Property, plant and equipment<br>(Net of Advance of ₹ 122.19 (PY ₹ 130.43)) | 31.49            | 59.20            |

**31) MICRO, SMALL AND MEDIUM ENTERPRISES**

To the extent, the Company has received intimation from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details are provided as under:

|  | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|--|------------------|------------------|
| (i) Principal amount outstanding at the end of the year  | 388.76           | 128.01           |
| (ii) Interest on Principal amount due at the end of the year   | 136.19           | 58.74            |
| (iii) Interest and Principal amount paid beyond appointment day  | -                | -                |
| (iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the amount of interest specified under MSME Development Act.   | -                | -                |
| (v) The amount of interest accrued and remaining unpaid at the end of the year   | 136.19           | 58.74            |
| (vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSME Development Act. | 136.19           | 58.74            |

**32) RESEARCH AND DEVELOPMENT EXPENDITURE**

Expenditure incurred on in-house research & development facility by the Company:

Expenditure (charged out through the natural heads of the accounts) in respect of eligible facilities

|                            | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|----------------------------|------------------|------------------|
| <b>Revenue expenditure</b> |                  |                  |
| Agri Park                  | 121.75           | 120.90           |
| Energy Park                | 14.56            | 15.76            |
| Plastic Park               | 29.71            | 43.63            |
|                            | <b>166.02</b>    | <b>180.29</b>    |
| <b>Capital expenditure</b> |                  |                  |
| Agri Park                  | 15.96            | 11.84            |
| Energy Park                | 10.45            | -                |
| Plastic Park               | 0.11             | 0.06             |
|                            | <b>26.52</b>     | <b>11.90</b>     |
| <b>TOTAL</b>               | <b>192.54</b>    | <b>192.19</b>    |

(All amount in ₹ Million, unless otherwise stated)

**33) REVENUE FROM OPERATION**

The Company are engaged in providing solutions in agriculture, piping and infrastructure through manufacturing of Micro Irrigation Systems, PVC Pipes, HDPE Pipes, Plastic Sheets, Agro Processed Products, Renewable Energy Solutions, Tissue Culture Plants, and other agricultural inputs.

**(A) Disaggregation of revenue into Operating Segments and Geographical areas**

Revenue from contracts with customers disaggregated on the basis of geographical region and major businesses is as below:

|              | <b>2020-21</b>   |                      |                  |
|--------------|------------------|----------------------|------------------|
|              | <b>India</b>     | <b>Outside India</b> | <b>Total</b>     |
| Hi-Tech      | 12,254.34        | 1,654.93             | 13,909.27        |
| Plastic      | 6,571.16         | 883.91               | 7,455.07         |
| Others       | 199.88           | -                    | 199.88           |
| <b>Total</b> | <b>19,025.38</b> | <b>2,538.84</b>      | <b>21,564.22</b> |
|              | <b>2019-20</b>   |                      |                  |
|              | <b>India</b>     | <b>Outside India</b> | <b>Total</b>     |
| Hi-Tech      | 10,330.94        | 1,320.98             | 11,651.91        |
| Plastic      | 6,919.36         | 1,178.45             | 8,097.81         |
| Others       | 264.25           | 20.35                | 284.60           |
| <b>Total</b> | <b>17,514.54</b> | <b>2,519.78</b>      | <b>20,034.32</b> |

Note 1: Other operating revenues includes Incentives and assistance, sale of scrap, provision no longer required etc. to statement of profit and loss.

Note 2: Out of the total revenue recognised under Ind AS 115 during the year, ₹3,656.33 (previous year: ₹ 3,808.92) is recognised over a period of time and ₹ 17,907.88 (previous year: ₹ 16,225.40) is recognised at a point in time.

**(B) Contract balances**

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers Receivables, which are included in 'Trade receivables'

|  | <b>2020-21</b> | <b>2019-20</b> |
|--|----------------|----------------|
| Trade Receivables                            | 21,432.95      | 22,325.69      |
| Contract assets: Incomplete project          | 998.64         | 1,039.61       |
| Contract liabilities : Advance from customer | 960.33         | 911.34         |

**(C) Other Information**

|  |        |        |
|--|--------|--------|
| (a) revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period  | 776.34 | 489.17 |
| (b) revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods | Nil    | Nil    |
| Significant payment terms  |        |        |
| (c) Financing Component  | Nil    | Nil    |

**(D) Reconciliation of Revenue from operations with contract price (Other Than EPC Contract)**

|                        | <b>2020-21</b>   | <b>2019-20</b>   |
|------------------------|------------------|------------------|
| Contract Price         | 21,136.69        | 19,542.64        |
| Less :                 |                  |                  |
| Sales Returns          | (49.40)          | (173.00)         |
| Trade & Cash Discount  | (2,759.73)       | (2,446.81)       |
| Incentives             | (249.40)         | (446.56)         |
| Other Operating Income | (170.28)         | (250.87)         |
| <b>Total</b>           | <b>17,907.88</b> | <b>16,225.40</b> |

**(E) Reconciliation of contracted price with revenue during the year for EPC contract**

|  | 2020-21          | 2019-20          |
|--|------------------|------------------|
| Opening contracted price of orders at the start of the year  | 36,261.12        | 22,732.56        |
| Add: Fresh orders/change orders received (net)   | -                | 13,528.56        |
| Increase due to additional consideration recognised as per contractual terms/(decrease) due to scope reduction-net | 182.98           | -                |
| Increase due to exchange rate movements (net)  | -                | -                |
| Less: Orders completed during the year   |                  |                  |
| <b>Closing contracted price of orders on hand at the end of the year</b>   | <b>36,444.1</b>  | <b>36,261.1</b>  |
| <b>Total Revenue recognised during the year:</b>   |                  |                  |
| (a) Revenue out of orders completed during the year  | Nil              | Nil              |
| (b) Revenue out of orders under execution at the end of the year (I)   | 3,656.33         | 3,808.92         |
| Revenue recognised upto previous year (from orders pending completion at the end of the year) (II)                 | 17,013.59        | 13,204.68        |
| Increase/(Decrease) due to exchange rate movements (net) (III)   | Nil              | Nil              |
| Balance revenue to be recognised in future viz. Order book (IV)  | 15,774.17        | 19,247.52        |
| <b>Closing contracted price of orders on hand at the end of the year (I+II+III+IV)</b>                             | <b>36,444.10</b> | <b>36,261.12</b> |

Note: As per the contract, the Remaining performance obligations and its expected conversion into revenue with in 2-5 years (previous Year 2-6 years)

**34) DISCLOSURE AS PER SECTION 186 OF THE COMPANIES ACT, 2013**

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

(i) Details of Investments made during the year : Nil

(ii) Details of loans & guarantee given by the Company are as follows:

| Name of Party  | Relationship                      | Nature    | Amount Outstanding at |                  | Purpose  |
|--|-----------------------------------|-----------|-----------------------|------------------|--|
|  |                                   |           | 31- Mar-21            | 31- Mar-20       |  |
| Jain International Trading B.V., Netherlands         | Wholly Owned Subsidiary Companies | Loan      | 165.82                | 162.92           | General Corporate Purpose                              |
| Jain Farm Fresh Foods Ltd.                           |                                   | Loan      | 998.50                | 919.60           | Business Takeover                                      |
| Jain Processed Foods Trading & Investments Pvt. Ltd. |                                   | Loan      | 17.85                 | 16.20            | General Corporate Purpose                              |
| <b>TOTAL</b>   |                                   |           | <b>1,182.17</b>       | <b>1,098.71</b>  |  |
| Jain International Trading B. V., Netherlands        | Wholly Owned Subsidiary Companies | Guarantee | 14,700.94             | 15,077.18        | Issue of Bonds   |
| Sustainable Agro Commercial Finance Ltd              | Associate Company                 | Guarantee | 439.20                | 641.00           | Term Loan Facility / Credit Facility                   |
| Jain Overseas BV, Netherlands                        | Step Down Subsidiary              | Guarantee | 275.64                | 320.39           | Term Loan Facility                                     |
| Jain America Holdings Inc, USA                       | Step Down Subsidiary              | Guarantee | 2,975.55              | 3,051.71         | For acquisition of Dealers in United States of America |
| <b>TOTAL</b>   |                                   |           | <b>18,391.34</b>      | <b>19,090.28</b> |  |

(All amount in ₹ Million, unless otherwise stated)

**35) OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

The following table sets out the carrying amounts of financial assets and financial liabilities which has not been set-off as at the reporting date:

|                              | Gross and Net amounts of financial instruments in the Balance Sheet | Related financial instruments that are not offset | Net amount    |
|------------------------------|---|---|---------------|
| <b>31-MAR-21</b>             |   |   |               |
| <b>Financial assets</b>      |   |   |               |
| Derivative assets            | -   | -   | -             |
| <b>Total</b>                 |   |   |               |
| <b>Financial liabilities</b> |   |   |               |
| Derivative liabilities       | (3.38)  | -   | (3.38)        |
| <b>Total</b>                 | <b>(3.38)</b>   | <b>-</b>  | <b>(3.38)</b> |
| <b>31-MAR-20</b>             |   |   |               |
| <b>Financial assets</b>      |   |   |               |
| Derivative assets            | 60.43   | -   | 60.43         |
| <b>Total</b>                 |   |   |               |
| <b>Financial liabilities</b> |   |   |               |
| Derivative liabilities       | (13.90)   | -   | (13.90)       |
| <b>Total</b>                 | <b>46.53</b>  | <b>-</b>  | <b>46.53</b>  |

**36) RELATED PARTY TRANSACTIONS AND BALANCES****A) Related parties and their relations****1) Subsidiary Companies – First Level**

| Name of Party                              |   |
|--|---|
| JISL Overseas Ltd., Mauritius              | Jain Farm Fresh Foods Ltd.                            |
| Jain International Trading BV, Netherlands | Jain Processed Foods Trading and Investment Pvt. Ltd. |

**2) Fellow Subsidiary Companies – Second/Multi Level**

| Name of Party   | Relation  |
|---|---|
| Jain America Holdings, Inc (Formerly Jain (Americas) Inc, USA | Subsidiary of JISL Overseas Ltd., Mauritius         |
| Jain (Europe) Ltd., UK  | Subsidiary of JISL Overseas Ltd., Mauritius         |
| Jain Overseas B.V., Netherlands                               | WOS of Jain International Trading BV, Netherlands   |
| Jain Mena DMCC, Dubai   | WOS of Jain International Trading BV, Netherlands   |
| Jain Distribution Holdings, Inc                               | Subsidiary of Jain America Holdings, Inc.           |
| Jain Irrigation Inc, Delaware                                 | WOS of Jain America Holdings, Inc, Delaware         |
| Pacific Shelf 1218 Ltd, UK                                    | WOS of Northern Ireland Plastics, Ltd U.K. -        |
| Excel Plastic Piping Systems SAS, France                      | WOS of Jain (Europe) Ltd., UK                       |
| Ex-cel Plastics Ltd., Ireland                                 | WOS of Jain (Europe) Ltd., UK                       |
| Agri Valley Irrigation, LLC USA                               | Subsidiary of Jain Distribution Holding INC, USA    |
| Irrigation Design and Construction LLC, USA                   | Subsidiary of Jain Distribution Holding INC, USA    |
| ET Water System Inc., USA                                     | WOS of Jain Irrigation Inc, Delaware                |
| Point Source Irrigation Inc., USA                             | WOS of Jain Irrigation Inc, Delaware                |
| Jain Agricultural Services LLC, USA                           | WOS of Jain Irrigation Inc, Delaware                |
| Northern Ireland Plastics, Ltd U.K.                           | WOS of Jain (Europe) Ltd., UK                       |
| Killyleagh Box Co. Ltd, U.K.                                  | WOS of Northern Ireland Plastics, Ltd U.K.          |
| JISL Global SA, Switzerland                                   | WOS of Jain Overseas B.V. Netherland                |
| JISL (Israel) BV, Netherland                                  | WOS of Jain Overseas B.V. Netherland                |
| JISL Systems SA, Switzerland                                  | WOS of JISL Global SA, Switzerland                  |
| THE Machines Yvonand SA, Switzerland                          | WOS of JISL Systems SA, Switzerland                 |
| Gavish Control Systems Ltd., Israel                           | Subsidiary of Jain (Israel) BV, Netherland          |
| Naandan Jain Irrigation Ltd., Israel                          | Subsidiary of Jain (Israel) BV, Netherland          |
| Pro Tool AG, Switzerland                                      | Subsidiary of THE Machine Yvonand S.A., Switzerland |



Contd...36) Related party transactions

(All amount in ₹ Million, unless otherwise stated)

| Name of Party   | Relation   |
|---|--|
| Jain Agricultural Services Australia Pty. Ltd, Australia          | Subsidiary of Jain Agricultural Services INC, USA                          |
| NaanDan Jain UK Ltd, U.K.   | Subsidiaries of Naandan Jain Irrigation Ltd.                               |
| NaanDan Jain Iberica S.C., Spain                                  |  |
| NaanDan Jain Austrailia Pty Ltd, Australia                        |  |
| NaanDan Jain Italia S.R.L., Italy                                 |  |
| K.D.H. International Ltd.,Israel                                  |  |
| Jain Sulama Sistemleri Sanayi Ve Ticaret Anonim Sirkti, Turkey    |  |
| NaanDanJain Irrigation SA (Pty) Ltd., South Africa                |  |
| NaanDan Jain Irrigation Projects S.R.L. Romania                   |  |
| Naan Dan Agro Pro Ltd., Israel                                    |  |
| NaanDanJain Chile S.A.Chile                                       |  |
| NaanDan Jain Peru S.A.C, Peru                                     |  |
| NaanDan Do Brasil Participacoes Ltd, Brazil                       |  |
| - Naandanjain France SAS France                                   |  |
| Agrologico Sistemas Technologicos, S.A., Costa Rica               |  |
| Agrologico De Guatemala, S.A. Guatemala                           |  |
| NaanDan Jain Maxico, S.A. De C.V. Mexico                          |  |
| NaanDanJain (China) Agricultural Science & Technology Co., Ltd    |  |
| NaanDan Jain Industria E Comercio De Equipmentos Ltd., Brazil     |  |
| Briggs (U.K.) Ltd. U.K.   | WOS of NaanDan Jain UK Ltd. U.K.   |
| ICAA Ltd.S.A. de C.V. 2002,Mexico                                 | WOS of NaanDan Agro-Pro Ltd., Israel                                       |
| Jain America Foods, Inc (Formerly Jain Americas) Inc, USA         | Subsidiary of Jain International Foods Ltd                                 |
| Jain Farm Fresh Foods Inc, USA                                    | WOS of Jain America Foods Inc., USA<br>(Formerly Jain (Americas) Inc. USA) |
| Jain Irrigation Holding, Inc, Delaware                            |  |
| Jain International Foods Ltd. (Formerly SQF 2009 Ltd)             | WOS of Jain Farm Fresh Foods Ltd.  |
| Sleaford Food Group Ltd., UK                                      | WOS of Jain International Foods Ltd.,<br>(Formerly SQF 2009 Ltd.)          |
| Sleaford Quality Foods Ltd, UK                                    | WOS of Sleaford Food Group Ltd., UK  |
| Arnolds Quick Dried Foods Ltd., UK                                | WOS of Sleaford Food Group Ltd., UK  |
| Jain Farm Fresh Gida Sanayi Ve<br>Ticarate Anomin Sirketi, Turkey | WOS of Jain International Foods Ltd.,<br>(Formerly SQF 2009 Ltd.)          |
| JlIO, California  | WOS of Jain Irrigation Holding, Inc, Delaware                              |
| Jain Farm Fresh Holding SPRL, Belgium                             | Subsidiary of Jain International Foods Ltd.,                               |
| Innovafood N.V, Belgium   | WOS of Jain Farm Fresh Holding SPRL, Belgium                               |
| Solution Key Ltd  | WOS of Jain Farm Fresh Holding SPRL, Belgium                               |
| Driptech India Pvt.Ltd., Jalgaon                                  | Subsidiary of Jain Processed Foods Trading and<br>Investment Pvt.Ltd.      |
| Jain Netherlands Holding I B.V.                                   | Subsidiary Jain Overseas B.V., Netherlands                                 |
| Jain Netherlands Holding II B.V.                                  | Subsidiary Jain Overseas B.V., Netherlands                                 |

**3) Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence**

| Name of Companies   |  |
|---|--|
| Jain Extrusion & Moulding Pvt. Ltd.                                       | Pixel Point Pvt. Ltd.                          |
| Jain Vanguard Polybutylene Ltd.   | Labh Subh Securities International Ltd.        |
| Atlaz Technology Pvt. Ltd.  | Jain Brothers Industries Pvt. Ltd.             |
| JAF Products Pvt. Ltd.  | Cosmos Investment & Trading Pvt. Ltd.          |
| Jalgaon Investments Pvt. Ltd.   | Stock & Securities India Pvt. Ltd.             |
| Jain Rotfil Heaters Pvt. Ltd.   | Timbron India Pvt. Ltd.                        |
| Jain E-agro.com India Pvt. Ltd.   | Gandhi Research Foundation (Section 8 Company) |
| Kantabai Bhavarlal Jain Family Knowledge Institute<br>(Section 8 Company) |  |

## Contd...36) Related party transactions

(All amount in ₹ Million, unless otherwise stated)

|  |   |
|--|---|
| <b>Partnership Firms</b>                         |   |
| Jain Computer & Allied Servies                   | Jalgaon Udyog                                       |
| Jalgaon Metal & Bricks Manufacturing Co.         |   |
| <b>Proprietorship</b>                            |   |
| PVC Trading House                                | Plastic Enterprises                                 |
| Drip & Pipe Suppliers                            | Jain Sons & Investments Corporation                 |
| <b>Trust</b>                                     |   |
| Anubhuti Scholarship Foundation                  | Bhavarlal and Kantabai Jain Multipurpose Foundation |
| <b>Trust Entities (not Section 8 Companies.)</b> |   |
| Jain Family Holding Trust                        | Jain Family Investment Trust                        |
| Jain Family Enterprises Trust                    | Jain Family Investment Management Trust             |
| Jain Family Trust                                |   |
| <b>Foreign Companies</b>                         |   |
| Jain Investments & Finance B.V., Netherlands     | Jain Overseas Investments Ltd., Mauritius           |

## 4) Key Management Personnel

|  |   |
|--|---|
| <b>Name</b>  |   |
| Shri Ashok B Jain (Whole Time Director)                | Shri Atul B Jain (Chief Financial Officer)    |
| Shri Anil B Jain (Vice Chairman and Managing Director) | Shri R. Swaminathan (Whole Time Director)     |
| Shri Ajit B Jain (Joint Managing Director)             | Shri Avdhut V Ghodgaonkar (Company Secretary) |

## 5) Relatives of Key Management Personnel

|  |  |
|--|--|
| <b>Name</b>                                      |  |
| Mrs. Jyoti Ashok Jain (Wife of Ashok B. Jain)    | Mr. Atman Ashok Jain (Son of Ashok B. Jain)                    |
| Mrs. Nisha Anil Jain (Wife of Anil B. Jain)      | Ms. Ashuli Anil Jain (Daughter of Anil B. Jain)                |
| Mrs. Shobhana Ajit Jain (Wife of Ajit B. Jain)   | Shri. Abhedya Ajit Jain (Son of Ajit B. Jain)                  |
| Mrs. Bhavna Atul Jain (Wife of Atul B. Jain)     | Shri. Abhang Ajit Jain (Son of Ajit B. Jain)                   |
| Shri. Athang Anil Jain (Son of Anil B. Jain)     | Shri. Anmay Atul Jain (Son of Atul B. Jain)                    |
| Mrs. Ambika Athang Jain (Wife of Athang A. Jain) | Mrs. Sangeeta Avdhut Ghodgaonkar (Wife of Mr. Ghodgaonkar)     |
| Ms. Amoli Anil Jain (Daughter of Anil B. Jain)   | Ms. Samruddhi Avdhut Ghodgaonkar (Daughter of Mr. Ghodgaonkar) |
| Ms. Arohi Ashok Jain (Daughter of Ashok B. Jain) | Ms. Siddhi Avdhut Ghodgaonkar (Daughter of Mr. Ghodgaonkar)    |

## 6) Non-Executive Directors:

|   |                    |
|---|--------------------|
| <b>Name</b>                               |                    |
| Shri Devendra R. Mehta                    | Dr.Narendra Jadhav |
| Shri Ghanshyam Dass                       | Shri Mukul Sarkar  |
| Mrs.Radhika C. Pereira                    | Shri Uday R. Garg  |
| Shri Harishchandra Prasad Singh           | Ms.Nancy Barry     |
| Shri Johannes Bastiaan Boudewijn Mohrmann |                    |

## 7) Relatives of Non-Executive Directors:

|   |  |
|---|--|
| <b>Name</b>   |  |
| Dr.Deependra Mehta (Son of Mr/Devendra Raj Mehta)     | Mr.Aman C. Pereira (Son of Mrs.Radhika Pereira)    |
| Mrs.Bimala Singh (Wife of Mr. H.P. Singh)             | Mrs.Vasundhara Jadhav (Wife of Mr.Narendra Jadhav) |
| Mrs.Neeta Singh (Daughter of Mr.H.P. Singh)           | Mr.Tanmoy Jadhav (Son of Mr.Narendra Jadhav)       |
| Mrs.Babita Singh (Daughter of Mr.H.P. Singh)          | Dr.Apoorva Jadhav (Daughter of Mr.Narendra Jadhav) |
| Mrs.Indu Bhardwaj (Wife of Mr. Ghanshyam Dass)        | Mr.Ishaan Sarkar (Son of Mr.Mukul Sarkar)          |
| Mrs.Shrutika Bhardwaj (Daughter of Mr.Ghanshyam Dass) | Mrs.Myriam Yuchin Chang Wu (Wife of Mr.Uday Garg)  |
| Mrs.Stuti Bhardwaj (Daughter of Mr.Ghanshyam Dass)    | Mr.Rohan Garg (Son of Mr.Uday Garg)                |
| Mr.Carlton Pereira (Husband of Mrs.Radhika Pereira)   | Mr.Devan Garg (Son of Mr.Uday Garg)                |

## 8) Associate Company

|  |  |
|--|--|
| Sustainable Agro-Commercial Finance Ltd. |  |
|--|--|

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021**

[1] Wholly Owned Subsidiary Companies

[2] Fellow Subsidiary Companies

[3] Companies / Firms in which director, director's relatives are Directors / Shareholders / Partners

[4] Key management personnel

[5] Relatives of Key management personnel

[6] Associate Company

**B) Summary of Related Party Transactions from 1-Apr-20 to 31-Mar-21**

| Sr. Transactions  | [1]            | [2]             | [3]           | [4] | [5] | [6]           | Total           |
|---|----------------|-----------------|---------------|-----|-----|---------------|-----------------|
| <b>1) Purchase of Goods /Services</b>                         | <b>24.73</b>   | <b>45.69</b>    | <b>2.53</b>   | -   | -   | -             | <b>72.96</b>    |
|   | <b>(27.48)</b> | <b>(199.35)</b> | <b>(0.69)</b> | -   | -   | -             | <b>(227.52)</b> |
| Naandan Jain Irrigation Ltd., Israel                          | -              | 25.44           | -             | -   | -   | -             | 25.44           |
|   | -              | (27.32)         | -             | -   | -   | -             | (27.32)         |
| THE Machine S.A., Switzerland                                 | -              | -               | -             | -   | -   | -             | -               |
|   | -              | (0.14)          | -             | -   | -   | -             | (0.14)          |
| Jain Sulama Sistemleri Sanayi VeTicaret Anonim Sirkti, Turkey | -              | 5.06            | -             | -   | -   | -             | 5.06            |
|   | -              | -               | -             | -   | -   | -             | -               |
| NaanDan Jain Iberica S.C., Spain                              | -              | 2.24            | -             | -   | -   | -             | 2.24            |
|   | -              | (1.52)          | -             | -   | -   | -             | (1.52)          |
| Jain America Holdings Inc, USA                                | -              | 0.68            | -             | -   | -   | -             | 0.68            |
|   | -              | (7.54)          | -             | -   | -   | -             | (7.54)          |
| New Jain Irrigation Inc, USA                                  | -              | 10.43           | -             | -   | -   | -             | 10.43           |
|   | -              | (88.83)         | -             | -   | -   | -             | (88.83)         |
| Ex-cel Plastic, Ireland                                       | -              | -               | -             | -   | -   | -             | -               |
|   | -              | (1.29)          | -             | -   | -   | -             | (1.29)          |
| Ex-cel Plastic, France  | -              | -               | -             | -   | -   | -             | -               |
|   | -              | (57.07)         | -             | -   | -   | -             | (57.07)         |
| Jain Agricultural Services Australia Pty. Ltd, Australia      | -              | 0.22            | -             | -   | -   | -             | 0.22            |
|   | -              | (14.12)         | -             | -   | -   | -             | (14.12)         |
| Gavish Control Systems Ltd., Israel                           | -              | 0.18            | -             | -   | -   | -             | 0.18            |
|   | -              | (0.15)          | -             | -   | -   | -             | (0.15)          |
| Jain Farm Fresh Foods Ltd.                                    | 24.73          | -               | -             | -   | -   | -             | 24.73           |
|   | (27.48)        | -               | -             | -   | -   | -             | (27.48)         |
| Gandhi Research Foundation                                    | -              | -               | 0.02          | -   | -   | -             | 0.02            |
|   | -              | -               | (0.47)        | -   | -   | -             | (0.47)          |
| Driptech India Pvt.Ltd.                                       | -              | 1.44            | -             | -   | -   | -             | 1.44            |
|   | -              | (1.37)          | -             | -   | -   | -             | (1.37)          |
| Jain Health Care Services                                     | -              | -               | 2.09          | -   | -   | -             | 2.09            |
|   | -              | -               | (0.22)        | -   | -   | -             | (0.22)          |
| Bhavarlal and Kantabai Jain Multipurpose Foundation           | -              | -               | 0.42          | -   | -   | -             | 0.42            |
|   | -              | -               | -             | -   | -   | -             | -               |
| <b>2) Other expenditure</b>                                   | -              | -               | -             | -   | -   | <b>0.49</b>   | <b>0.49</b>     |
|   | -              | <b>(3.06)</b>   | -             | -   | -   | <b>(7.83)</b> | <b>(10.90)</b>  |
| THE Machine S.A., Switzerland                                 | -              | -               | -             | -   | -   | -             | -               |
|   | -              | (3.06)          | -             | -   | -   | -             | (3.06)          |
| Sustainable Agro-Commercial Finance Ltd.                      | -              | -               | -             | -   | -   | 0.49          | 0.49            |
|   | -              | -               | -             | -   | -   | (7.83)        | (7.83)          |
| <b>3) Purchase of Capital Goods</b>                           | -              | <b>0.38</b>     | -             | -   | -   | -             | <b>0.38</b>     |
|   | <b>(1.95)</b>  | <b>(32.83)</b>  | -             | -   | -   | -             | <b>(34.78)</b>  |
| Protool A.G., Switzerland                                     | -              | -               | -             | -   | -   | -             | -               |
|   | -              | (30.34)         | -             | -   | -   | -             | (30.34)         |
| Jain Irrigation Inc, USA                                      | -              | -               | -             | -   | -   | -             | -               |
|   | -              | (2.49)          | -             | -   | -   | -             | (2.49)          |

## Contd...36) Related party transactions

(All amount in ₹ Million, unless otherwise stated)

| Sr. Transactions   | [1]            | [2]               | [3]           | [4]           | [5]      | [6]           | Total             |
|--|----------------|-------------------|---------------|---------------|----------|---------------|-------------------|
| Jain America Holdings Inc, USA                                 | -              | 0.38              | -             | -             | -        | -             | 0.38              |
|  | -              | -                 | -             | -             | -        | -             | -                 |
| Jain Farm Fresh Foods Ltd.                                     | -              | -                 | -             | -             | -        | -             | -                 |
|  | (1.95)         | -                 | -             | -             | -        | -             | (1.95)            |
| <b>4) Sale of Goods</b>  | <b>47.74</b>   | <b>2,044.60</b>   | <b>0.82</b>   | <b>-</b>      | <b>-</b> | <b>-</b>      | <b>2,093.17</b>   |
|  | <b>(81.40)</b> | <b>(1,827.05)</b> | <b>(6.29)</b> | <b>(0.00)</b> | <b>-</b> | <b>(0.95)</b> | <b>(1,915.69)</b> |
| Jain ( Europe ) Ltd., UK                                       | -              | 76.57             | -             | -             | -        | -             | 76.57             |
|  | -              | (99.52)           | -             | -             | -        | -             | (99.52)           |
| Jain Sulama Sistemleri Sanayi VeTicaret Anonim Sirkti, Turkey. | -              | 205.16            | -             | -             | -        | -             | 205.16            |
|  | -              | (142.62)          | -             | -             | -        | -             | (142.62)          |
| Naandan Jain Irrigation Ltd., Israel                           | -              | 178.33            | -             | -             | -        | -             | 178.33            |
|  | -              | (117.91)          | -             | -             | -        | -             | (117.91)          |
| NaanDan Jain Mexico, S.A. De C.V., Mexico                      | -              | 126.11            | -             | -             | -        | -             | 126.11            |
|  | -              | (120.80)          | -             | -             | -        | -             | (120.80)          |
| NaanDan Jain S.R.L.,Italy                                      | -              | 25.87             | -             | -             | -        | -             | 25.87             |
|  | -              | (14.27)           | -             | -             | -        | -             | (14.27)           |
| NaanDan Jain France Sarl., France                              | -              | 46.13             | -             | -             | -        | -             | 46.13             |
|  | -              | (18.00)           | -             | -             | -        | -             | (18.00)           |
| NaanDan Jain Irrigation Projects S.R.L., Romania               | -              | 35.07             | -             | -             | -        | -             | 35.07             |
|  | -              | -                 | -             | -             | -        | -             | -                 |
| NaanDan Jain Iberica S.C., Spain                               | -              | 187.42            | -             | -             | -        | -             | 187.42            |
|  | -              | (167.97)          | -             | -             | -        | -             | (167.97)          |
| NaanDan Jain Industria E Comercio de Equipmentos Ltd., Brazil  | -              | 132.76            | -             | -             | -        | -             | 132.76            |
|  | -              | (89.78)           | -             | -             | -        | -             | (89.78)           |
| NaanDan Jain Australia Pty Ltd., Australia                     | -              | 64.62             | -             | -             | -        | -             | 64.62             |
|  | -              | (108.59)          | -             | -             | -        | -             | (108.59)          |
| NaanDan Jain Peru S.A.C., Peru                                 | -              | 8.56              | -             | -             | -        | -             | 8.56              |
|  | -              | (4.98)            | -             | -             | -        | -             | (4.98)            |
| NaanDanJain Irrigation SA (Pty) Ltd., South Africa             | -              | 24.36             | -             | -             | -        | -             | 24.36             |
|  | -              | (13.72)           | -             | -             | -        | -             | (13.72)           |
| Ex-cel Plastic, Ireland  | -              | 26.37             | -             | -             | -        | -             | 26.37             |
|  | -              | (16.21)           | -             | -             | -        | -             | (16.21)           |
| Jain America Holdings Inc, USA                                 | -              | 400.44            | -             | -             | -        | -             | 400.44            |
|  | -              | (501.58)          | -             | -             | -        | -             | (501.58)          |
| Jain Irrigation Inc, USA                                       | -              | 318.04            | -             | -             | -        | -             | 318.04            |
|  | -              | (284.31)          | -             | -             | -        | -             | (284.31)          |
| Driptech India Pvt. Ltd.,Jalgaon                               | -              | 83.52             | -             | -             | -        | -             | 83.52             |
|  | -              | (68.23)           | -             | -             | -        | -             | (68.23)           |
| Jain Farm Fresh Foods Ltd.                                     | 47.74          | -                 | -             | -             | -        | -             | 47.74             |
|  | (81.40)        | -                 | -             | -             | -        | -             | (81.40)           |
| Ex-cel Plastic, France   | -              | -                 | -             | -             | -        | -             | -                 |
|  | -              | (25.72)           | -             | -             | -        | -             | (25.72)           |
| Jain Mena DMCC, Dubai  | -              | 9.11              | -             | -             | -        | -             | 9.11              |
|  | -              | (16.92)           | -             | -             | -        | -             | (16.92)           |
| Jain Agricultural Services Australia Pty. Ltd, Australia       | -              | 0.89              | -             | -             | -        | -             | 0.89              |
|  | -              | -                 | -             | -             | -        | -             | -                 |
| Jain Agricultural Services , USA                               | -              | 0.68              | -             | -             | -        | -             | 0.68              |
|  | -              | -                 | -             | -             | -        | -             | -                 |
| Agrologico sistemas Tecnologicos S.A.,Costa Rica               | -              | 4.70              | -             | -             | -        | -             | 4.70              |
|  | -              | -                 | -             | -             | -        | -             | -                 |
| Agrologico de Guatemala S.A. , Guatemala                       | -              | 44.47             | -             | -             | -        | -             | 44.47             |
|  | -              | (13.62)           | -             | -             | -        | -             | (13.62)           |
| Bhavarlal and Kantabai Jain Multipurpose Foundation            | -              | -                 | 0.39          | -             | -        | -             | 0.39              |
|  | -              | -                 | (6.23)        | -             | -        | -             | (6.23)            |

Contd...36) Related party transactions

(All amount in ₹ Million, unless otherwise stated)

| Sr. Transactions  | [1]             | [2]           | [3]           | [4]             | [5]            | [6]      | Total           |
|---|-----------------|---------------|---------------|-----------------|----------------|----------|-----------------|
| Gandhi Research Foundation                                      | -               | -             | -             | -               | -              | -        | -               |
|   | -               | -             | (0.06)        | -               | -              | -        | (0.06)          |
| Sustainable Agro-Commercial Finance Ltd.                        | -               | -             | -             | -               | -              | -        | -               |
|   | -               | -             | -             | -               | -              | (0.95)   | (0.95)          |
| A.V. Ghodgaonkar  | -               | -             | -             | -               | -              | -        | -               |
|   | -               | -             | -             | (0.00)          | -              | -        | (0.00)          |
| Jain Health Care Services                                       | -               | -             | 0.43          | -               | -              | -        | 0.43            |
|   | -               | -             | -             | -               | -              | -        | -               |
| NaanDanJain (China) Agricultural Science and Technology Co.,Ltd | -               | 45.42         | -             | -               | -              | -        | 45.42           |
|   | -               | (2.32)        | -             | -               | -              | -        | (2.32)          |
| <b>5) Sale of Services</b>                                      | <b>35.29</b>    | <b>-</b>      | <b>-</b>      | <b>-</b>        | <b>-</b>       | <b>-</b> | <b>35.29</b>    |
|   | <b>(178.82)</b> | <b>-</b>      | <b>-</b>      | <b>-</b>        | <b>-</b>       | <b>-</b> | <b>(178.82)</b> |
| Jain Farm Fresh Foods Ltd.                                      | 35.29           | -             | -             | -               | -              | -        | 35.29           |
|   | (178.82)        | -             | -             | -               | -              | -        | (178.82)        |
| <b>6) Rent Expenses</b>   | <b>-</b>        | <b>0.25</b>   | <b>2.67</b>   | <b>27.83</b>    | <b>21.21</b>   | <b>-</b> | <b>51.95</b>    |
|   | <b>-</b>        | <b>(0.25)</b> | <b>(2.78)</b> | <b>(28.60)</b>  | <b>(21.80)</b> | <b>-</b> | <b>(53.43)</b>  |
| Ashok B. Jain   | -               | -             | -             | 6.68            | -              | -        | 6.68            |
|   | -               | -             | -             | (6.87)          | -              | -        | (6.87)          |
| Ajit B. Jain  | -               | -             | -             | 16.54           | -              | -        | 16.54           |
|   | -               | -             | -             | (17.00)         | -              | -        | (17.00)         |
| Atul B. Jain  | -               | -             | -             | 4.61            | -              | -        | 4.61            |
|   | -               | -             | -             | (4.73)          | -              | -        | (4.73)          |
| Jyoti Ashok Jain  | -               | -             | -             | -               | 5.64           | -        | 5.64            |
|   | -               | -             | -             | -               | (5.80)         | -        | (5.80)          |
| Nisha Anil Jain   | -               | -             | -             | -               | 13.75          | -        | 13.75           |
|   | -               | -             | -             | -               | (14.13)        | -        | (14.13)         |
| Shobhana Ajit Jain  | -               | -             | -             | -               | 0.91           | -        | 0.91            |
|   | -               | -             | -             | -               | (0.93)         | -        | (0.93)          |
| Bhavana Atul Jain   | -               | -             | -             | -               | 0.91           | -        | 0.91            |
|   | -               | -             | -             | -               | (0.93)         | -        | (0.93)          |
| Drip & Pipe Suppliers   | -               | -             | 0.39          | -               | -              | -        | 0.39            |
|   | -               | -             | (0.40)        | -               | -              | -        | (0.40)          |
| JAF Products Pvt. Ltd.  | -               | -             | 0.08          | -               | -              | -        | 0.08            |
|   | -               | -             | (0.08)        | -               | -              | -        | (0.08)          |
| Jain Brothers Industries Pvt. Ltd.                              | -               | -             | 2.09          | -               | -              | -        | 2.09            |
|   | -               | -             | (2.15)        | -               | -              | -        | (2.15)          |
| Driptech India Pvt. Ltd.  | -               | 0.25          | -             | -               | -              | -        | 0.25            |
|   | -               | (0.25)        | -             | -               | -              | -        | (0.25)          |
| Gandhi Research Foundation                                      | -               | -             | -             | -               | -              | -        | -               |
|   | -               | -             | (0.04)        | -               | -              | -        | (0.04)          |
| Jain Health Care Services                                       | -               | -             | 0.11          | -               | -              | -        | 0.11            |
|   | -               | -             | (0.11)        | -               | -              | -        | (0.11)          |
| <b>7) Remuneration &amp; Sitting Fees ^</b>                     | <b>-</b>        | <b>-</b>      | <b>-</b>      | <b>75.43</b>    | <b>-</b>       | <b>-</b> | <b>75.43</b>    |
|   | <b>-</b>        | <b>-</b>      | <b>-</b>      | <b>(154.59)</b> | <b>-</b>       | <b>-</b> | <b>(154.59)</b> |
| Ashok B. Jain   | -               | -             | -             | 15.24           | -              | -        | 15.24           |
|   | -               | -             | -             | (35.32)         | -              | -        | (35.32)         |
| Anil B. Jain  | -               | -             | -             | 15.24           | -              | -        | 15.24           |
|   | -               | -             | -             | (35.32)         | -              | -        | (35.32)         |
| Ajit B. Jain  | -               | -             | -             | 15.24           | -              | -        | 15.24           |
|   | -               | -             | -             | (35.32)         | -              | -        | (35.32)         |
| Atul B. Jain  | -               | -             | -             | 15.24           | -              | -        | 15.24           |
|   | -               | -             | -             | (35.32)         | -              | -        | (35.32)         |



## Contd...36) Related party transactions

(All amount in ₹ Million, unless otherwise stated)

| Sr. Transactions                     | [1] | [2] | [3] | [4]    | [5] | [6] | Total  |
|--------------------------------------|-----|-----|-----|--------|-----|-----|--------|
| R. Swaminathan                       | -   | -   | -   | 3.61   | -   | -   | 3.61   |
|                                      | -   | -   | -   | (3.61) | -   | -   | (3.61) |
| A.V. Ghodgaonkar                     | -   | -   | -   | 7.16   | -   | -   | 7.16   |
|                                      | -   | -   | -   | (6.60) | -   | -   | (6.60) |
| Devendra R. Mehta                    | -   | -   | -   | 0.40   | -   | -   | 0.40   |
|                                      | -   | -   | -   | (0.65) | -   | -   | (0.65) |
| Ghanshyam Dass                       | -   | -   | -   | 0.40   | -   | -   | 0.40   |
|                                      | -   | -   | -   | (0.55) | -   | -   | (0.55) |
| Radhika C Pereira                    | -   | -   | -   | 0.55   | -   | -   | 0.55   |
|                                      | -   | -   | -   | (1.10) | -   | -   | (1.10) |
| Harishchandra Prasad Singh           | -   | -   | -   | 0.50   | -   | -   | 0.50   |
|                                      | -   | -   | -   | (0.75) | -   | -   | (0.75) |
| Johannes Bastiaan Boudewijn Mohrmann | -   | -   | -   | 0.50   | -   | -   | 0.50   |
|                                      | -   | -   | -   | (0.05) | -   | -   | (0.05) |
| Dr.Narendra Jadhav                   | -   | -   | -   | 0.45   | -   | -   | 0.45   |
|                                      | -   | -   | -   | -      | -   | -   | -      |
| Mukul Sarkar                         | -   | -   | -   | 0.15   | -   | -   | 0.15   |
|                                      | -   | -   | -   | -      | -   | -   | -      |
| Uday R. Garg                         | -   | -   | -   | 0.40   | -   | -   | 0.40   |
|                                      | -   | -   | -   | -      | -   | -   | -      |
| Ms.Nancy Barry                       | -   | -   | -   | 0.35   | -   | -   | 0.35   |
|                                      | -   | -   | -   | -      | -   | -   | -      |

Key Managerial Personnel and Relatives of Promoters who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above

|  |          |        |   |        |   |          |          |
|--|----------|--------|---|--------|---|----------|----------|
| <b>8) Loans &amp; Other Advances Given</b>           | -        | -      | - | -      | - | -        | -        |
|  | (879.36) | -      | - | (1.00) | - | -        | (880.36) |
| Jain Farm Fresh Foods Ltd.                           | -        | -      | - | -      | - | -        | -        |
|  | (879.36) | -      | - | -      | - | -        | (879.36) |
| A.V.Ghodgaonkar                                      | -        | -      | - | -      | - | -        | -        |
|  | -        | -      | - | (1.00) | - | -        | (1.00)   |
| <b>9) Interest on Loans Given</b>                    | 94.25    | -      | - | -      | - | -        | 94.25    |
|  | (53.29)  | -      | - | -      | - | -        | (53.29)  |
| Jain International Trading B.V., Netherlands         | 7.01     | -      | - | -      | - | -        | 7.01     |
|  | (6.80)   | -      | - | -      | - | -        | (6.80)   |
| Jain Farm Fresh Foods Ltd.                           | 85.30    | -      | - | -      | - | -        | 85.30    |
|  | (44.71)  | -      | - | -      | - | -        | (44.71)  |
| Jain Processed Foods Trading & Investments Pvt. Ltd. | 1.94     | -      | - | -      | - | -        | 1.94     |
|  | (1.78)   | -      | - | -      | - | -        | (1.78)   |
| <b>10) Interest on Loans Taken</b>                   | -        | -      | - | -      | - | 65.22    | 65.22    |
|  | -        | -      | - | -      | - | (55.44)  | (55.44)  |
| Sustainable Agro-Commercial Finance Ltd.             | -        | -      | - | -      | - | 65.22    | 65.22    |
|  | -        | -      | - | -      | - | (55.44)  | (55.44)  |
| <b>11) Loans &amp; Advances Taken</b>                | -        | -      | - | -      | - | -        | -        |
|  | -        | -      | - | -      | - | (470.00) | (470.00) |
| Sustainable Agro-Commercial Finance Ltd.             | -        | -      | - | -      | - | -        | -        |
|  | -        | -      | - | -      | - | (470.00) | (470.00) |
| <b>12) Rent Received</b>                             | -        | 0.72   | - | -      | - | 0.30     | 1.02     |
|  | -        | (0.72) | - | -      | - | (0.33)   | (1.05)   |
| Sustainable Agro-Commercial Finance Ltd.             | -        | -      | - | -      | - | 0.30     | 0.30     |
|  | -        | -      | - | -      | - | (0.33)   | (0.33)   |

| Sr. Transactions   | [1]           | [2]           | [3] | [4] | [5] | [6]            | Total          |
|--|---------------|---------------|-----|-----|-----|----------------|----------------|
| Driptech India Pvt. Ltd.                                 | -             | 0.72          | -   | -   | -   | -              | 0.72           |
|  | -             | (0.72)        | -   | -   | -   | -              | (0.72)         |
| <b>13) Loan And Advances Taken Repaid</b>                | -             | -             | -   | -   | -   | <b>58.01</b>   | <b>58.01</b>   |
|  | -             | -             | -   | -   | -   | <b>(20.23)</b> | <b>(20.23)</b> |
| Sustainable Agro-Commercial Finance Ltd.                 | -             | -             | -   | -   | -   | 58.01          | 58.01          |
|  | -             | -             | -   | -   | -   | (20.23)        | (20.23)        |
| <b>14) Repayment of loans and advances given</b>         | <b>0.13</b>   | -             | -   | -   | -   | -              | <b>0.13</b>    |
|  | <b>(0.24)</b> | -             | -   | -   | -   | -              | <b>(0.24)</b>  |
| Jain Processed Foods Trading & Investments Pvt. Ltd.     | 0.13          | -             | -   | -   | -   | -              | 0.13           |
|  | (0.24)        | -             | -   | -   | -   | -              | (0.24)         |
| <b>15) Deemed investment through corporate guarantee</b> | -             | -             | -   | -   | -   | -              | -              |
|  | -             | <b>(2.57)</b> | -   | -   | -   | -              | <b>(2.57)</b>  |
| Jain Irrigation Inc, USA                                 | -             | -             | -   | -   | -   | -              | -              |
|  | -             | (2.57)        | -   | -   | -   | -              | (2.57)         |

**C) Summary of Related Party Balances as at 31-March-21**

| Sr. Balances as at   | [1]                | [2]               | [3]           | [4] | [5] | [6]             | Total              |
|--|--------------------|-------------------|---------------|-----|-----|-----------------|--------------------|
| <b>Balances Receivables &amp; Payables as on 31-March-2021</b> |                    |                   |               |     |     |                 |                    |
| <b>1) Investment in</b>  | <b>10,949.20</b>   | <b>0.00</b>       | -             | -   | -   | <b>612.49</b>   | <b>11,561.69</b>   |
|  | <b>(10,949.20)</b> | <b>(0.00)</b>     | -             | -   | -   | <b>(612.64)</b> | <b>(11,561.84)</b> |
| JISL Overseas Ltd., Mauritius                                  | 2,946.53           | -                 | -             | -   | -   | -               | 2,946.53           |
|  | (2,946.53)         | -                 | -             | -   | -   | -               | (2,946.53)         |
| Jain International Trading B.V., Netherlands                   | 1,180.94           | -                 | -             | -   | -   | -               | 1,180.94           |
|  | (1,180.94)         | -                 | -             | -   | -   | -               | (1,180.94)         |
| Jain Irrigation Holdings Inc, USA                              | 0.00               | -                 | -             | -   | -   | -               | 0.00               |
|  | (0.00)             | -                 | -             | -   | -   | -               | (0.00)             |
| Jain Farm Fresh Foods Ltd.                                     | 6,801.63           | -                 | -             | -   | -   | -               | 6,801.63           |
|  | (6,801.63)         | -                 | -             | -   | -   | -               | (6,801.63)         |
| Jain Processed Foods Trading & Investments Pvt. Ltd.           | 20.10              | -                 | -             | -   | -   | -               | 20.10              |
|  | (20.10)            | -                 | -             | -   | -   | -               | (20.10)            |
| Driptech India Pvt. Ltd.                                       | -                  | 0.00              | -             | -   | -   | -               | 0.00               |
|  | -                  | (0.00)            | -             | -   | -   | -               | (0.00)             |
| Sustainable Agro-Commercial Finance Ltd.                       | -                  | -                 | -             | -   | -   | 612.49          | 612.49             |
|  | -                  | -                 | -             | -   | -   | (612.64)        | (612.64)           |
| <b>2) Loan given to</b>  | <b>1,182.17</b>    | -                 | -             | -   | -   | -               | <b>1,182.17</b>    |
|  | <b>(1,098.71)</b>  | -                 | -             | -   | -   | -               | <b>(1,098.71)</b>  |
| Jain International Trading B.V., Netherlands                   | 165.82             | -                 | -             | -   | -   | -               | 165.82             |
|  | (162.92)           | -                 | -             | -   | -   | -               | (162.92)           |
| Jain Farm Fresh Foods Ltd.                                     | 998.50             | -                 | -             | -   | -   | -               | 998.50             |
|  | (919.60)           | -                 | -             | -   | -   | -               | (919.60)           |
| Jain Processed Foods Trading & Investments Pvt. Ltd.           | 17.85              | -                 | -             | -   | -   | -               | 17.85              |
|  | (16.20)            | -                 | -             | -   | -   | -               | (16.20)            |
| <b>3) Accounts Receivable</b>                                  | <b>775.94</b>      | <b>4,526.49</b>   | <b>6.19</b>   | -   | -   | -               | <b>5,308.61</b>    |
|  | <b>(699.30)</b>    | <b>(4,201.48)</b> | <b>(6.02)</b> | -   | -   | -               | <b>(4,906.80)</b>  |
| Jain ( Europe ) Ltd., UK                                       | -                  | 376.19            | -             | -   | -   | -               | 376.19             |
|  | -                  | (292.28)          | -             | -   | -   | -               | (292.28)           |
| NaanDan Jain Mexico, S.A. De C.V., Mexico                      | -                  | 364.10            | -             | -   | -   | -               | 364.10             |
|  | -                  | (410.94)          | -             | -   | -   | -               | (410.94)           |
| Jain Sulama Sistemleri Sanayi VeTicaret Anonim Sirkti, Turkey. | -                  | 391.94            | -             | -   | -   | -               | 391.94             |
|  | -                  | (333.88)          | -             | -   | -   | -               | (333.88)           |
| NaanDan Jain S.R.L.,Italy                                      | -                  | 25.64             | -             | -   | -   | -               | 25.64              |
|  | -                  | (7.39)            | -             | -   | -   | -               | (7.39)             |

## Contd...36) Related party transactions

(All amount in ₹ Million, unless otherwise stated)

| Sr. Balances as at  | [1]      | [2]             | [3]           | [4]           | [5]            | [6]           | Total           |
|---|----------|-----------------|---------------|---------------|----------------|---------------|-----------------|
| NaanDan Jain France Sarl., France                               | -        | 31.00           | -             | -             | -              | -             | 31.00           |
|   | -        | (39.18)         | -             | -             | -              | -             | (39.18)         |
| NaanDan Jain Iberica S.C., Spain                                | -        | 11.49           | -             | -             | -              | -             | 11.49           |
|   | -        | (63.14)         | -             | -             | -              | -             | (63.14)         |
| NaanDan Jain Australia Pty Ltd., Australia                      | -        | 62.13           | -             | -             | -              | -             | 62.13           |
|   | -        | (115.19)        | -             | -             | -              | -             | (115.19)        |
| NaanDan Jain Irrigation Projects S.R.L., Romania                | -        | 34.70           | -             | -             | -              | -             | 34.70           |
|   | -        | -               | -             | -             | -              | -             | -               |
| NaanDan Jain Peru S.A.C., Peru                                  | -        | 53.16           | -             | -             | -              | -             | 53.16           |
|   | -        | (63.75)         | -             | -             | -              | -             | (63.75)         |
| Naandan Jain Irrigation Ltd., Israel                            | -        | 493.53          | -             | -             | -              | -             | 493.53          |
|   | -        | (371.26)        | -             | -             | -              | -             | (371.26)        |
| NaanDan Jain Industria E Comercio de Equipmentos Ltd., Brazil   | -        | 161.93          | -             | -             | -              | -             | 161.93          |
|   | -        | (147.00)        | -             | -             | -              | -             | (147.00)        |
| NaanDanJain Irrigation SA (Pty) Ltd., South Africa              | -        | 33.03           | -             | -             | -              | -             | 33.03           |
|   | -        | (29.28)         | -             | -             | -              | -             | (29.28)         |
| Ex-cel Plastic, Ireland   | -        | 26.49           | -             | -             | -              | -             | 26.49           |
|   | -        | (20.60)         | -             | -             | -              | -             | (20.60)         |
| Protool A.G., Switzerland                                       | -        | -               | -             | -             | -              | -             | -               |
|   | -        | (11.30)         | -             | -             | -              | -             | (11.30)         |
| Jain America Holdings Inc, USA                                  | -        | 961.32          | -             | -             | -              | -             | 961.32          |
|   | -        | (1,032.93)      | -             | -             | -              | -             | (1,032.93)      |
| New Jain Irrigation Inc, USA                                    | -        | 1,361.19        | -             | -             | -              | -             | 1,361.19        |
|   | -        | (1,154.33)      | -             | -             | -              | -             | (1,154.33)      |
| Driptech India Pvt. Ltd.  | -        | 1.68            | -             | -             | -              | -             | 1.68            |
|   | -        | (8.96)          | -             | -             | -              | -             | (8.96)          |
| Ex-cel Plastic, France  | -        | 142.00          | -             | -             | -              | -             | 142.00          |
|   | -        | (173.12)        | -             | -             | -              | -             | (173.12)        |
| Jain Mena DMCC, Dubai   | -        | (73.44)         | -             | -             | -              | -             | (73.44)         |
|   | -        | 78.94           | -             | -             | -              | -             | 78.94           |
| Jain Agricultural Services Australia Pty.Ltd, Australia         | -        | 0.90            | -             | -             | -              | -             | 0.90            |
|   | -        | -               | -             | -             | -              | -             | -               |
| Jain Agricultural Services , USA                                | -        | 0.69            | -             | -             | -              | -             | 0.69            |
|   | -        | -               | -             | -             | -              | -             | -               |
| Agrologico sistemas Tecnologicos S.A. ,Costa Rica               | -        | 4.70            | -             | -             | -              | -             | 4.70            |
|   | -        | -               | -             | -             | -              | -             | -               |
| Agrologico de Guatemala S.A., Guatemala                         | -        | 22.39           | -             | -             | -              | -             | 22.39           |
|   | -        | (5.71)          | -             | -             | -              | -             | (5.71)          |
| Bhavarlal and Kantabai Jain Multipurpose Foundation             | -        | -               | 5.76          | -             | -              | -             | 5.76            |
|   | -        | -               | (0.09)        | -             | -              | -             | (0.09)          |
| Gandhi Research Foundation                                      | -        | -               | -             | -             | -              | -             | -               |
|   | -        | -               | (5.93)        | -             | -              | -             | (5.93)          |
| NaanDanJain (China) Agricultural Science and Technology Co.,Ltd | -        | 39.71           | -             | -             | -              | -             | 39.71           |
|   | -        | (0.17)          | -             | -             | -              | -             | (0.17)          |
| Jain Healthcare Services  | -        | -               | 0.43          | -             | -              | -             | 0.43            |
|   | -        | -               | -             | -             | -              | -             | -               |
| Jain Farm Fresh Foods Ltd.                                      | 775.94   | -               | -             | -             | -              | -             | 775.94          |
|   | (699.30) | -               | -             | -             | -              | -             | (699.30)        |
| <b>4) Accounts Payable</b>                                      | -        | <b>431.75</b>   | <b>(0.26)</b> | -             | <b>0.14</b>    | <b>10.00</b>  | <b>441.63</b>   |
|   | -        | <b>(493.95)</b> | <b>(1.54)</b> | <b>(0.01)</b> | <b>(-0.03)</b> | <b>(9.24)</b> | <b>(504.71)</b> |
| THE Machine S.A., Switzerland                                   | -        | -               | -             | -             | -              | -             | -               |
|   | -        | (36.38)         | -             | -             | -              | -             | (36.38)         |
| Naandan Jain Irrigation Ltd., Israel                            | -        | 121.08          | -             | -             | -              | -             | 121.08          |
|   | -        | (103.71)        | -             | -             | -              | -             | (103.71)        |

**Contd...36) Related party transactions**

(All amount in ₹ Million, unless otherwise stated)

| <b>Sr. Balances as at</b>                                      | <b>[1]</b> | <b>[2]</b> | <b>[3]</b>   | <b>[4]</b>    | <b>[5]</b>    | <b>[6]</b> | <b>Total</b>  |
|--|------------|------------|--------------|---------------|---------------|------------|---------------|
| NaanDan Jain Iberica S.C., Spain                               | -          | 3.81       | -            | -             | -             | -          | 3.81          |
|  | -          | (1.57)     | -            | -             | -             | -          | (1.57)        |
| Jain ( Europe ) Ltd., UK                                       | -          | 78.26      | -            | -             | -             | -          | 78.26         |
|  | -          | (80.26)    | -            | -             | -             | -          | (80.26)       |
| Jain Sulama Sistemleri Sanayi VeTicaret Anonim Sirkti, Turkey. | -          | 11.64      | -            | -             | -             | -          | 11.64         |
|  | -          | (6.77)     | -            | -             | -             | -          | (6.77)        |
| NaanDan Jain Industria E Comercio de Equipmentos Ltd., Brazil  | -          | 0.17       | -            | -             | -             | -          | 0.17          |
|  | -          | (0.17)     | -            | -             | -             | -          | (0.17)        |
| NaanDan Jain Australia Pty Ltd., Australia                     | -          | 3.64       | -            | -             | -             | -          | 3.64          |
|  | -          | (3.74)     | -            | -             | -             | -          | (3.74)        |
| Gavish Control Systems Ltd., Israel                            | -          | 13.55      | -            | -             | -             | -          | 13.55         |
|  | -          | (14.12)    | -            | -             | -             | -          | (14.12)       |
| Protool A.G., Switzerland                                      | -          | -          | -            | -             | -             | -          | -             |
|  | -          | (18.24)    | -            | -             | -             | -          | (18.24)       |
| Ex-cel Plastic, Ireland  | -          | 7.40       | -            | -             | -             | -          | 7.40          |
|  | -          | (8.08)     | -            | -             | -             | -          | (8.08)        |
| Ex-cel Plastic, France   | -          | 40.26      | -            | -             | -             | -          | 40.26         |
|  | -          | (74.99)    | -            | -             | -             | -          | (74.99)       |
| Jain Agricultural Services Australia Pty.Ltd, Australia        | -          | 24.79      | -            | -             | -             | -          | 24.79         |
|  | -          | (25.20)    | -            | -             | -             | -          | (25.20)       |
| Jain America Holdings Inc, USA                                 | -          | 2.48       | -            | -             | -             | -          | 2.48          |
|  | -          | (3.46)     | -            | -             | -             | -          | (3.46)        |
| Jain Irrigation Inc, USA                                       | -          | 124.67     | -            | -             | -             | -          | 124.67        |
|  | -          | (117.27)   | -            | -             | -             | -          | (117.27)      |
| JAF Product Pvt.Ltd.   | -          | -          | 0.04         | -             | -             | -          | 0.04          |
|  | -          | -          | (0.03)       | -             | -             | -          | (0.03)        |
| Drip & Pipe Supplier   | -          | -          | 0.21         | -             | -             | -          | 0.21          |
|  | -          | -          | (0.14)       | -             | -             | -          | (0.14)        |
| Jain Brothers Industries Pvt.Ltd.                              | -          | -          | 1.15         | -             | -             | -          | 1.15          |
|  | -          | -          | (0.77)       | -             | -             | -          | (0.77)        |
| Jain Health Care Services                                      | -          | -          | 0.20         | -             | -             | -          | 0.20          |
|  | -          | -          | (0.17)       | -             | -             | -          | (0.17)        |
| Sustainable Agro-Commercial Finance Ltd.                       | -          | -          | -            | -             | -             | 10.00      | 10.00         |
|  | -          | -          | -            | -             | -             | (9.24)     | (9.24)        |
| Gandhi Reseach Foundation                                      | -          | -          | 0.14         | -             | -             | -          | 0.14          |
|  | -          | -          | (0.85)       | -             | -             | -          | (0.85)        |
| Bhavarlal & Kantabai Multipurpose Foundation                   | -          | -          | (2.00)       | -             | -             | -          | (2.00)        |
|  | -          | -          | (-0.43)      | -             | -             | -          | (-0.43)       |
| Jain Abhedya Ajit  | -          | -          | -            | -             | 0.14          | -          | 0.14          |
|  | -          | -          | -            | -             | (-0.03)       | -          | (-0.03)       |
| Swaminathan R.   | -          | -          | -            | -             | -             | -          | -             |
|  | -          | -          | -            | (0.01)        | -             | -          | (0.01)        |
| <b>5) Advance Given</b>  | -          | -          | -            | <b>11.17</b>  | -             | -          | <b>11.17</b>  |
|  | -          | -          | -            | (13.87)       | -             | -          | (13.87)       |
| A.V.Ghodgaonkar  | -          | -          | -            | 11.17         | -             | -          | 11.17         |
|  | -          | -          | -            | (13.87)       | -             | -          | (13.87)       |
| <b>6) Deposit Receivable</b>                                   | -          | -          | <b>13.35</b> | <b>138.86</b> | <b>105.96</b> | -          | <b>258.18</b> |
|  | -          | -          | (15.82)      | (164.60)      | (125.58)      | -          | (306.00)      |
| Ashok B. Jain  | -          | -          | -            | 33.37         | -             | -          | 33.37         |
|  | -          | -          | -            | (39.55)       | -             | -          | (39.55)       |
| Ajit B. Jain   | -          | -          | -            | 82.48         | -             | -          | 82.48         |
|  | -          | -          | -            | (97.78)       | -             | -          | (97.78)       |

## Contd...36) Related party transactions

(All amount in ₹ Million, unless otherwise stated)

| Sr. Balances as at                                | [1] | [2] | [3]     | [4]            | [5]     | [6]             | Total           |
|---|-----|-----|---------|----------------|---------|-----------------|-----------------|
| Atul B. Jain                                      | -   | -   | -       | 23.02          | -       | -               | 23.02           |
|   | -   | -   | -       | (27.28)        | -       | -               | (27.28)         |
| Jyoti Ashok Jain                                  | -   | -   | -       | -              | 28.18   | -               | 28.18           |
|   | -   | -   | -       | -              | (33.40) | -               | (33.40)         |
| Nisha Anil Jain                                   | -   | -   | -       | -              | 68.66   | -               | 68.66           |
|   | -   | -   | -       | -              | (81.38) | -               | (81.38)         |
| Shobhana Ajit Jain                                | -   | -   | -       | -              | 4.56    | -               | 4.56            |
|   | -   | -   | -       | -              | (5.40)  | -               | (5.40)          |
| Bhavana Atul Jain                                 | -   | -   | -       | -              | 4.56    | -               | 4.56            |
|   | -   | -   | -       | -              | (5.40)  | -               | (5.40)          |
| Jain Brothers Industries Pvt. Ltd.                | -   | -   | 10.39   | -              | -       | -               | 10.39           |
|   | -   | -   | (12.33) | -              | -       | -               | (12.33)         |
| Jalgaon Shop Drip & Pipe Supplier                 | -   | -   | 2.00    | -              | -       | -               | 2.00            |
|   | -   | -   | (2.36)  | -              | -       | -               | (2.36)          |
| Jain Health Care Services                         | -   | -   | 0.56    | -              | -       | -               | 0.56            |
|   | -   | -   | (0.66)  | -              | -       | -               | (0.66)          |
| JAF Products Pvt. Ltd.                            | -   | -   | 0.40    | -              | -       | -               | 0.40            |
|   | -   | -   | (0.47)  | -              | -       | -               | (0.47)          |
| <b>7) Loans payable</b>                           | -   | -   | -       | -              | -       | <b>464.65</b>   | <b>464.65</b>   |
|   | -   | -   | -       | -              | -       | <b>(462.66)</b> | <b>(462.66)</b> |
| Sustainable Agro-Commercial Finance Ltd.          | -   | -   | -       | -              | -       | 464.65          | 464.65          |
|   | -   | -   | -       | -              | -       | (462.66)        | (462.66)        |
| <b>8) Remuneration &amp; Sitting Fees Payable</b> | -   | -   | -       | <b>100.60</b>  | -       | -               | <b>100.60</b>   |
|   | -   | -   | -       | <b>(89.45)</b> | -       | -               | <b>(89.45)</b>  |
| Ashok B. Jain                                     | -   | -   | -       | 24.47          | -       | -               | 24.47           |
|   | -   | -   | -       | (21.72)        | -       | -               | (21.72)         |
| Anil B. Jain                                      | -   | -   | -       | 27.87          | -       | -               | 27.87           |
|   | -   | -   | -       | (24.88)        | -       | -               | (24.88)         |
| Ajit B. Jain                                      | -   | -   | -       | 20.94          | -       | -               | 20.94           |
|   | -   | -   | -       | (19.44)        | -       | -               | (19.44)         |
| Atul B. Jain                                      | -   | -   | -       | 26.16          | -       | -               | 26.16           |
|   | -   | -   | -       | (23.37)        | -       | -               | (23.37)         |
| Johannes Bastiaan Boudewijn Mohrmann              | -   | -   | -       | 0.46           | -       | -               | 0.46            |
|   | -   | -   | -       | (0.05)         | -       | -               | (0.05)          |
| Uday R. Garg                                      | -   | -   | -       | 0.37           | -       | -               | 0.37            |
|   | -   | -   | -       | -              | -       | -               | -               |
| Ms.Nancy Barry                                    | -   | -   | -       | 0.32           | -       | -               | 0.32            |
|   | -   | -   | -       | -              | -       | -               | -               |

**Note:**

Previous year's figures are given in bracket

The Company, in its quest for rural development, has supported through investment in buildings, facility and infrastructure in an initiative by Bhavarlal & Kantabai Jain Multipurpose Foundation to establish a residential school called "Anubhuti School" based upon Indian ethos and values. The Company also derives benefit from this investment in the form of usage of these facilities; children of Company's associates get priority admission into the school, etc.

The Company with help of trust will make further efforts to get extra gains from this investment as part of its corporate social responsibility initiative commitments.

The transactions with Related Party are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding Balances at the year end are unsecured and settlement occurs in cash for the year ended 31<sup>st</sup> March, 2021, the Company has recorded the receivable relating to amount due from Related Parties. This assessment is undertaken each Financial Year through examining the Financial position of the Related Parties and the market in which the Related Party operates.



### 37) FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk, and credit risk, which may have an adverse effect on its financial performance. In order to minimise the adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures and interest rate swap, principal only swap to hedge variable interest rate exposures. The sources of risk, which the entity is exposed to and how the entity manages these risks and their impact on financial statements is given below:

The sources of risk, which the entity is exposed to and how the entity manages these risks and their impact on financial statements is given below:

| Risk                           | Exposure from   | Measurement                                    | Management  |
|--------------------------------|---|--|---|
| Credit risk                    | Trade receivables, Cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost | "Aging analysis, Credit ratings"               | Credit limits, Letters of credit and diversification of bank deposits |
| Liquidity risk                 | Borrowings, Trade payables and other liabilities  | Cash flow forecasts                            | Availability of committed credit lines and borrowing facilities       |
| Market risk - Foreign Currency | Foreign currency receivables and payables; borrowings and lendings; Forecasted foreign currency transactions                | Cash flow forecasting and Sensitivity analysis | Foreign exchange forward contracts, natural hedge                     |
| Market risk - Interest rate    | Long-term borrowings at variable interest rates   | Sensitivity analysis                           | Interest rate swaps   |

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The board and the risk management committee provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instrument, etc.

#### [A] Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

##### Trade and other receivables

"The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in normal course of business.. Credit terms are in line with industry trends."

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

|                                 | 31-Mar-21        | 31-Mar-20        |
|---------------------------------|------------------|------------------|
| Neither past due nor impaired   | 18,628.33        | 15,639.12        |
| Past due but not impaired       |                  |                  |
| - Past due 0 - 180 days         | 2,045.29         | 4,913.11         |
| - Past due more than 180 days # | 4,700.36         | 5,353.12         |
|                                 | <b>25,373.98</b> | <b>25,905.35</b> |
| Impairment allowance            | (3,941.03)       | (3,579.66)       |
| <b>Total</b>                    | <b>21,432.95</b> | <b>22,325.69</b> |

Expected credit loss assessment for customers as at 31 March 2020 and 31 March 2021

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk. Trade receivable as on March 31, 2021 includes ₹ 15,875.08 receivable from various Central and State Government Authorities towards projects work undertaken as also supply of materials, payments of which are not forthcoming

## Contd...37) Financial Risk Management

(All amount in ₹ Million, unless otherwise stated)

regularly and balance confirmation from such parties are awaited as on March 31, 2021. The Company is in process of completion of such projects and is constantly following up with for recovery. In past, the Company was able to realise substantial amounts and no write off was necessitated on account of non recovery. The Company is hopeful that entire dues would be realised in near future and hence, no specific provision for doubtful debts is considered necessary apart from provisioning made under expected credit loss in line with Ind AS 109 "Financial Instruments".

# The above debtors includes Government receivables which does not carry any due date.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

|                                     | Amount          |
|-------------------------------------|-----------------|
| <b>Balance as at April 1, 2019</b>  | <b>1,602.10</b> |
| Impairment loss recognised          | 1,977.56        |
| Amounts written off / written back  | -               |
| <b>Balance as at March 31, 2020</b> | <b>3,579.66</b> |
| Impairment loss recognised          | 361.37          |
| Amounts written off / written back  | -               |
| <b>Balance as at March 31, 2021</b> | <b>3,941.03</b> |

**Cash and cash equivalents**

"Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies. Investments of surplus funds are made only with approved Financial Institutions/ Counterparty."

**Derivatives**

The derivatives are entered into with credit worthy banks and financial institution counterparties. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

**[B] Liquidity risk**

Liquidity risk is the risk that the Company encounters difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through committed credit facilities to meet the obligations when due.

As on Mar 31, 2021 the Company has defaulted in payment to the Lenders and consequently entered into Resolution Plan with them. The Company's liquidity position will improved post implementation of the Resolution Plan as envisaged in Note No 42.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The Company manages its liquidity risk by preparing month on month cash flow projections to monitor liquidity requirements. In addition, the Company projects cash flows and considering the level of liquid assets necessary to meet these, monitoring the balance sheet liquidity ratios against internal an external regulatory requirements and maintaining debt financing plans.

**(i) Maturities of financial liabilities**

The below table analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are contractual undiscounted cash flows, balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

|   | Carrying Amount  | Less than 12 Months | 1 - 2 years     | 2 - 5 years     | More than 5 years | Total            |
|---|------------------|---------------------|-----------------|-----------------|-------------------|------------------|
| <b>31-Mar-21</b>                          |                  |                     |                 |                 |                   |                  |
| <b>Non-derivatives</b>                    |                  |                     |                 |                 |                   |                  |
| Borrowings (including interest)           | 38,226.19        | 35,566.64           | 2,097.19        | 1,449.25        | -                 | 39,113.08        |
| Lease liability                           | 2.25             | 1.31                | 0.94            | -               | -                 | 2.25             |
| Trade payables                            | 2,931.75         | 2,931.75            | -               | -               | -                 | 2,931.75         |
| Other financial liabilities               | 2,234.65         | 2,234.65            | -               | -               | -                 | 2,234.65         |
| <b>Derivatives</b>                        |                  |                     |                 |                 |                   |                  |
| Interest rate swap / Principal only swaps | 3.38             | 2.20                | 1.18            | -               | -                 | 3.38             |
|   | <b>43,398.22</b> | <b>40,736.55</b>    | <b>2,099.31</b> | <b>1,449.25</b> | <b>-</b>          | <b>44,285.11</b> |

|   | Carrying Amount  | Less than 12 Months | 1 - 2 years     | 2 - 5 years     | More than 5 years | Total            |
|---|------------------|---------------------|-----------------|-----------------|-------------------|------------------|
| <b>31-Mar-20</b>                          |                  |                     |                 |                 |                   |                  |
| <b>Non-derivatives</b>                    |                  |                     |                 |                 |                   |                  |
| Borrowings (including interest)           | 32,889.02        | 29,054.04           | 1,683.55        | 3,124.91        | 426.40            | 34,288.90        |
| Lease liability                           | 3.92             | 1.08                | 2.84            | -               | -                 | 3.92             |
| Trade payables                            | 4,207.49         | 4,207.49            | -               | -               | -                 | 4,207.49         |
| Other financial liabilities               | 2,194.77         | 2,194.77            | -               | -               | -                 | 2,194.77         |
| <b>Derivatives</b>                        |                  |                     |                 |                 |                   |                  |
| Interest rate swap / Principal only swaps | 13.90            | 28.06               | -               | -               | -                 | 28.06            |
| Foreign currency forward contracts        | 7.66             | 7.66                | -               | -               | -                 | 7.66             |
|   | <b>39,316.76</b> | <b>35,493.10</b>    | <b>1,686.39</b> | <b>3,124.91</b> | <b>426.40</b>     | <b>40,730.80</b> |

Note: Outstanding against financial guarantees issued by the company on behalf of subsidiary ₹ 18,391.34 (PY ₹19,090.28) are with respect to borrowing raised by the respective entity. These amounts will be payable on default by the concerned entity. As of the reporting date, none of the subsidiaries have defaulted and hence, the company does not have any present obligation to third parties in relation to such guarantee.

### [C] Market risk

#### (i) Foreign currency risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices etc. The Company operations involve foreign exchange transactions including import, export as well as financing and investment transactions and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US\$, EUR, GBP and CHF. Foreign currency risk arises from future commercial transactions and recognised in assets and liabilities denominated in foreign currency that is not Company's functional currency (i.e., INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of a high probable forecast transactions.

#### (a) Foreign currency risk exposure

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

|  | US\$            | EUR           | GBP           | CHF          | Others       | Total           |
|--|-----------------|---------------|---------------|--------------|--------------|-----------------|
| <b>31-Mar-21</b>   |                 |               |               |              |              |                 |
| Financial assets   |                 |               |               |              |              |                 |
| Trade receivables  | 4,612.54        | 531.52        | 137.62        | -            | -            | 5,281.68        |
| Cash and cash equivalents                                  | -               | -             | -             | -            | 0.50         | 0.50            |
| Loans and advances (including interest accrued thereon)    | 165.82          | -             | -             | -            | 16.52        | 182.34          |
| <b>Net exposure to foreign currency risk (assets)</b>      | <b>4,778.36</b> | <b>531.52</b> | <b>137.62</b> | <b>-</b>     | <b>17.02</b> | <b>5,464.52</b> |
| Financial liabilities                                      |                 |               |               |              |              |                 |
| Borrowings (including current maturity)                    | 1,567.69        | 168.72        | -             | -            | -            | 1,736.41        |
| Trade payables   | 634.72          | 134.21        | -             | 23.76        | 3.33         | 796.02          |
| Other financial liabilities                                | 196.69          | 3.14          | -             | -            | 0.28         | 200.11          |
| <b>Net exposure to foreign currency risk (liabilities)</b> | <b>2,399.10</b> | <b>306.07</b> | <b>-</b>      | <b>23.76</b> | <b>3.61</b>  | <b>2,732.54</b> |
| <b>Rupee Conversion Rate</b>                               | <b>73.50</b>    | <b>86.10</b>  | <b>100.95</b> | <b>77.78</b> |              |                 |
| <b>31-MAR-20</b>   |                 |               |               |              |              |                 |
| Financial assets   |                 |               |               |              |              |                 |
| Trade Receivables  | 4,358.25        | 658.08        | 83.90         | -            | -            | 5,100.23        |
| Less forward agst Export                                   | (188.46)        | -             | -             | -            | -            | (188.46)        |
| Cash and cash equivalents                                  | 3.15            | -             | -             | -            | 0.50         | 3.65            |
| Loans and advances   | 162.92          | -             | -             | -            | -            | 162.92          |
| <b>Net exposure to foreign currency risk (assets)</b>      | <b>4,335.86</b> | <b>658.08</b> | <b>83.90</b>  | <b>-</b>     | <b>0.50</b>  | <b>5,078.34</b> |

## Contd...37) Financial Risk Management

(All amount in ₹ Million, unless otherwise stated)

|  | US\$            | EUR           | GBP          | CHF          | Others      | Total           |
|--|-----------------|---------------|--------------|--------------|-------------|-----------------|
| Financial liabilities                                      |                 |               |              |              |             |                 |
| Borrowings (including current maturity)                    | 1,607.81        | 162.74        | -            | -            | -           | 1,770.55        |
| Less POS & forward agst Borrowing                          | (549.24)        | -             | -            | -            | -           | (549.24)        |
| Trade Payables   | 603.20          | 213.63        | -            | 58.47        | 1.49        | 876.79          |
| Other financial liabilities                                | 94.32           | 0.57          | -            | -            | -           | 94.89           |
| <b>Net exposure to foreign currency risk (liabilities)</b> | <b>1,756.09</b> | <b>376.94</b> | <b>-</b>     | <b>58.47</b> | <b>1.49</b> | <b>2,192.99</b> |
| <b>Rupee Conversion Rate</b>                               | <b>75.39</b>    | <b>83.05</b>  | <b>93.08</b> | <b>77.78</b> |             |                 |

**(b) Foreign currency sensitivity analysis**

The sensitivity of profit and loss / Equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The following tables demonstrate the sensitivity to a reasonably possible change in US\$ and EUR exchange rates, with all other variables held constant:

| Impact on profit after tax | 31-Mar-21 | 31-Mar-20 |
|----------------------------|-----------|-----------|
| <b>US\$</b>                |           |           |
| - Increase by 2%           | 30.96     | 33.57     |
| - Decrease by 2%           | (30.96)   | (33.57)   |
| <b>EUR</b>                 |           |           |
| - Increase by 2%           | 2.93      | 3.66      |
| - Decrease by 2%           | (2.93)    | (3.66)    |
| <b>GBP</b>                 |           |           |
| - Increase by 2%           | 1.79      | 1.09      |
| - Decrease by 2%           | (1.79)    | (1.09)    |
| <b>CHF</b>                 |           |           |
| - Increase by 2%           | (0.31)    | (0.76)    |
| - Decrease by 2%           | 0.31      | 0.76      |

**(ii) Cashflow and fair value interest rate risk**

"Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. In order to optimize the Company's position with regards to interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio. Accordingly, the Company endeavors to gradually reduce the exposure to variable interest rate borrowings. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the group to cash flow interest rate risk. The Company's borrowings at variable rate were mainly denominated in INR, US\$, and CHF."

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.

The Company manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under these swaps, the Company agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

**(a) Interest rate exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period is as follows:

|                          | 31-Mar-21        | 31-Mar-20        |
|--------------------------|------------------|------------------|
| Variable rate borrowings | 32,792.33        | 30,836.97        |
| Fixed rate borrowings    | 477.15           | 485.36           |
| <b>Total</b>             | <b>33,269.48</b> | <b>31,322.33</b> |

**(b) Sensitivity**

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates. A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

**Impact on profit after tax**

|  | 31-Mar-21 | 31-Mar-20 |
|--|-----------|-----------|
| Interest rates - Increase by 50 basis points (50 basis points) | (106.67)  | (100.31)  |
| Interest rates - decrease by 50 basis points (50 basis points) | 106.67    | 100.31    |

**(iii) Other market price risks:**

The Company is exposed to equity price risk, which arises from FVTPL equity securities. The Company has a very insignificant portion of amounts invested in unquoted equity instruments other than subsidiaries, joint venture and associates. The management monitors the proportion of equity instruments in its investment portfolio based on market indices.

**38) CAPITAL MANAGEMENT**

- i) The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet, including non controlling interests).

The Company's target is to maintain a debt equity ratio under 1:1. The gearing ratios were as follows:

|                                 | 31-Mar-21   | 31-Mar-20   |
|---------------------------------|-------------|-------------|
| Debt                            | 33,269.48   | 31,322.33   |
| Less: Cash & Cash Equivalent    | (2,778.25)  | (1,168.94)  |
| Net Debt                        | 30,491.23   | 30,153.39   |
| Total Equity                    | 39,125.30   | 42,163.77   |
| <b>Net Debt to equity ratio</b> | <b>0.78</b> | <b>0.72</b> |

" Note: for the purpose of calculating Debt Equity Ratio, interest accrued & due has not been considered.

Metrics are maintained in excess of any debt covenant restrictions.

- ii) Due to the losses incurred, the Company has not declared any dividend for the FY 2019-20 and no dividend has been proposed for the FY 2020-21.

**39) FINANCIAL INSTRUMENTS**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2.13 & 2.15 to the financial statements.

**i) Financial assets & liabilities**

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2021 and March 31, 2020:

| Particulars               | 31 <sup>st</sup> March 2021 |          |                  | 31 <sup>st</sup> March 2020 |          |                  |
|---------------------------|-----------------------------|----------|------------------|-----------------------------|----------|------------------|
|                           | FVTPL                       | FVOCI    | Amortised cost   | FVTPL                       | FVOCI    | Amortised cost   |
| <b>Financial assets</b>   |                             |          |                  |                             |          |                  |
| <b>Investments</b>        |                             |          |                  |                             |          |                  |
| Equity instruments        | 0.97                        | -        | 0.02             | 0.79                        | -        | 6.03             |
| Loans                     | -                           | -        | 1,107.76         | -                           | -        | 1,157.84         |
| Trade receivables         | -                           | -        | 21,432.95        | -                           | -        | 22,325.69        |
| Cash and cash equivalents | -                           | -        | 2,328.43         | -                           | -        | 1,041.50         |
| Other Bank Balances       | -                           | -        | 449.82           | -                           | -        | 127.44           |
| Other Financial Assets    | -                           | -        | 5,312.85         | -                           | -        | 4,628.66         |
| <b>Total</b>              | <b>0.97</b>                 | <b>-</b> | <b>30,631.83</b> | <b>0.79</b>                 | <b>-</b> | <b>29,287.16</b> |



## Contd...39) Financial Instruments

(All amount in ₹ Million, unless otherwise stated)

| Particulars                  | 31 <sup>st</sup> March 2021 |          |                  | 31 <sup>st</sup> March 2020 |          |                  |
|------------------------------|-----------------------------|----------|------------------|-----------------------------|----------|------------------|
|                              | FVTPL                       | FVOCI    | Amortised cost   | FVTPL                       | FVOCI    | Amortised cost   |
| <b>Financial liabilities</b> |                             |          |                  |                             |          |                  |
| Borrowing                    | -                           | -        | 28,856.83        | -                           | -        | 28,186.85        |
| Lease liabilities            | -                           | -        | 2.25             | -                           | -        | 3.92             |
| Trade Payable                | -                           | -        | 2,931.70         | -                           | -        | 4,207.49         |
| Other financial Liabilities  | 12.64                       | -        | 11,594.80        | 258.58                      | -        | 6,659.92         |
| <b>Total</b>                 | <b>12.64</b>                | <b>-</b> | <b>43,385.58</b> | <b>258.58</b>               | <b>-</b> | <b>39,058.18</b> |

There are no other categories of financial instruments others than those mentioned above.

## ii) Fair values hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

**Quoted prices in an active market (Level 1):** This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares.

**Valuation techniques with observable inputs (Level 2):** This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Company's over-the-counter (OTC) derivative contracts.

**Valuation techniques with significant unobservable inputs (Level 3):** This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

|                                       | Notes | Level 1     | Level 2      | Level 3  | Total        |
|---------------------------------------|-------|-------------|--------------|----------|--------------|
| <b>31<sup>st</sup> March, 2021</b>    |       |             |              |          |              |
| <b>Financial assets</b>               |       |             |              |          |              |
| <b>Investments at FVTPL</b>           |       |             |              |          |              |
| Equity instruments (Quoted)           | (iii) | 0.41        |              |          | 0.41         |
| Equity instruments (Unquoted)         | (iii) | -           | 0.56         |          | 0.56         |
| <b>Total financial assets</b>         |       | <b>0.41</b> | <b>0.56</b>  | <b>-</b> | <b>0.97</b>  |
| <b>Financial liabilities</b>          |       |             |              |          |              |
| <b>Financial instruments at FVTPL</b> |       |             |              |          |              |
| Derivative liability                  |       |             | 3.38         |          | 3.38         |
| Financial guarantee                   |       |             | 9.26         |          | 9.26         |
| <b>Total financial liabilities</b>    |       | <b>-</b>    | <b>12.64</b> | <b>-</b> | <b>12.64</b> |

There were no movement between level 1 and level 2 during the period.

Financial Instruments measured at fair value

|                                       |       |             |               |          |               |
|---------------------------------------|-------|-------------|---------------|----------|---------------|
| <b>31<sup>st</sup> March, 2020</b>    |       |             |               |          |               |
| <b>Financial assets</b>               |       |             |               |          |               |
| <b>Investments at FVTPL</b>           |       |             |               |          |               |
| Equity instruments                    | (iii) | 0.23        |               |          | 0.23          |
| Unquoted                              | (iii) | -           | 0.56          |          | 0.56          |
| <b>Total financial assets</b>         |       | <b>0.23</b> | <b>0.56</b>   | <b>-</b> | <b>0.79</b>   |
| <b>Financial liabilities</b>          |       |             |               |          |               |
| <b>Financial instruments at FVTPL</b> |       |             |               |          |               |
| Derivative liability                  |       |             | 21.56         | -        | 21.56         |
| Financial guarantee                   |       |             | 237.02        |          | 237.02        |
| <b>Total financial liabilities</b>    |       | <b>-</b>    | <b>258.58</b> | <b>-</b> | <b>258.58</b> |

There were no movement between level 1 and level 2 during the period.

## iii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Quoted investments (Equity Shares)- Market Value
- Unquoted Investments - As determined by the Management, there is no significant change in the value of Unquoted investment in equity shares valuing ₹ 0.56 (PY ₹ 0.56)
- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

(All amount in ₹ Million, unless otherwise stated)

#### 40) Subsidiaries

The group's subsidiaries at 31 March 2021 are set out below. Unless otherwise stated, they have share capital that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by group. The country of incorporation or registration is also their principal place of business.

| Name of entity   | Place of business/<br>country of incorporation | Ownership interest held by the group |                | Ownership interest held by non-controlling interests |                | Principal activities   |
|--|--|--------------------------------------|----------------|--|----------------|--|
|  |  | 31-Mar-21<br>%                       | 31-Mar-20<br>% | 31-Mar-21<br>%                                       | 31-Mar-20<br>% |  |
| Subsidiaries   |  |                                      |                |  |                |  |
| JISL Overseas Limited  | Mauritius                                      | 100.00                               | 100.00         | -  | -              | Investment arm   |
| Jain International Trading B.V.  | Netherlands                                    | 100.00                               | 100.00         | -  | -              | Investment arm   |
| Jain Processed Foods Trading & Investments Pvt. Ltd.                         | India  | 100.00                               | 100.00         | -  | -              | Marketing arms   |
| Jain Farm Fresh Foods Limited  | India  | 88.81                                | 88.81          | 11.19  | 11.19          | Food Business  |
| Step down Subsidiaries   |  |                                      |                |  |                |  |
| Driptech India Pvt. Ltd.   | India  | 75.00                                | 75.00          | 25.00  | 25.00          | produces affordable, high-quality irrigation systems designed for small-plot farmers.          |
| Jain ( Europe ) Limited.   | United Kingdom                                 | 100.00                               | 100.00         | -  | -              | key marketing and distribution arm in the UK and other European countries.                     |
| Jain International Foods Limited (Erst. SQF 2009 Limited)*                   | United Kingdom                                 | 100.00                               | 100.00         | -  | -              | Marketing arms   |
| Ex-Cel Plastics Limited  | Ireland  | 100.00                               | 100.00         | -  | -              | manufacturing of plastic sheets  |
| Jain America Foods Inc. (Erstwhile Jain (Americas) Inc.)                     | United States of America                       | 100.00                               | 100.00         | -  | -              | key marketing, distribution and investment arm in the United States for Food business.         |
| Jain America Holdings Inc.   | United States of America                       | 100.00                               | 100.00         | -  | -              | key marketing, distribution and investment arm in the United States for Plastic sheet business |
| Jain Irrigation Holding Inc.   | United States of America                       | 100.00                               | 100.00         | -  | -              | Investment arm   |
| "Jain Farm Fresh Foods Inc., USA (Erstwhile Cascade Specialities Inc., USA)" | United States of America                       | 100.00                               | 100.00         | -  | -              | onion, garlic dehydration and frozen foods business  |
| JIO (Erstwhile Jain Irrigation Inc.)   | United States of America                       | 100.00                               | 100.00         | -  | -              | Investment arm   |
| Jain Irrigation Inc.   | United States of America                       | 100.00                               | 100.00         | -  | -              | drip tape manufacturing and distribution business  |
| Jain Agricultural Services, LLC.   | United States of America                       | 100.00                               | 100.00         | -  | -              | Manufacture, Develop and sells Moisture monitoring system                                      |
| Point Source Irrigation Inc.   | United States of America                       | 100.00                               | 100.00         | -  | -              | Drip tape manufacturing and distribution business  |
| Jain Overseas B.V. Netherlands   | Netherlands                                    | 100.00                               | 100.00         | -  | -              | Investment arm   |
| Jain (Israel) B.V. Netherlands   | Netherlands                                    | 100.00                               | 100.00         | -  | -              | Investment arm   |
| Jain Netherlands Holding I B.V.  | Netherlands                                    | 100.00                               | 100.00         | -  | -              | Investment arm   |
| Jain Netherlands Holding II B.V.   | Netherlands                                    | 100.00                               | 100.00         | -  | -              | Investment arm   |

(All amount in ₹ Million, unless otherwise stated)

## Contd...40) Subsidiaries

| Name of entity  | Place of business/<br>country of<br>incorporation | Ownership interest held<br>by the group |                | Ownership interest held by<br>non-controlling interests |                | Principal activities  |
|---|---|---|----------------|---|----------------|---|
|   |   | 31-Mar-21<br>%                          | 31-Mar-20<br>% | 31-Mar-21<br>%  | 31-Mar-20<br>% |   |
| NaandanJain Irrigation Ltd. @                         | Israel  | 100.00                                  | 100.00         | -   | -              | manufacturing of drip / sprinkler irrigation  |
| Gavish Control Systems Ltd.                           | Israel  | 51.00                                   | 51.00          | 49.00   | 49.00          | manufacturing of software and computer equipment for agriculture applications               |
| JISL Global SA  | Switzerland                                       | 100.00                                  | 100.00         | -   | -              | Investment arm  |
| JISL Systems SA                                       | Switzerland                                       | 100.00                                  | 100.00         | -   | -              | Investment arm  |
| Protool AG. *   | Switzerland                                       | -                                       | 75.00          | -   | 25.00          | manufacturer of plastic injection mould   |
| THE Machines Yuvnand S.A. *                           | Switzerland                                       | -                                       | 100.00         | -   | -              | manufacturer of plastic extrusion equipment with laser technology.                          |
| Jain Agriculture Services Australia Pty Ltd.          | Australia   | 100.00                                  | 100.00         | -   | -              | Hardware and software development for farm weather management                               |
| Excel Plastic Piping Systems SAS                      | France  | 100.00                                  | 100.00         | -   | -              | Plastics pipes  |
| Jain Mena DMCC  | United Arab Emirates                              | 100.00                                  | 100.00         | -   | -              | key marketing, distribution   |
| Jain Distribution Holdings Inc.,                      | United States of America                          | 100.00                                  | 100.00         | -   | -              | Investment arm  |
| Agri-Valley Irrigation LLC., #                        | United States of America                          | 100.00                                  | 80.00          | -   | 20.00          | irrigation design installation services, key marketing, distribution of irrigation products |
| Irrigation Design and Construction LLC., #            | United States of America                          | 100.00                                  | 80.00          | -   | 20.00          | irrigation design installation services, key marketing, distribution of irrigation products |
| Jain Farm Fresh Holdings SPRL,                        | Belgium   | 100.00                                  | 100.00         | -   | -              | Investment arm  |
| Innovafood NV,  | Belgium   | 100.00                                  | 100.00         | -   | -              | key marketing, distribution   |
| Pacific Shelf 1218 Ltd.                               | United Kingdom                                    | 100.00                                  | 100.00         | -   | -              | manufacturing of plastic sheets   |
| Northern Ireland Plastics Ltd.,                       | United Kingdom                                    | 100.00                                  | 100.00         | -   | -              | manufacturing of plastic sheets   |
| Killyleagh Box Co. Ltd.,                              | United Kingdom                                    | 100.00                                  | 100.00         | -   | -              | manufacturing of plastic sheets   |
| Packless (Europe) Ltd.,                               | United Kingdom                                    | 100.00                                  | 100.00         | -   | -              | manufacturing of plastic sheets   |
| ET Water Systems Inc.                                 | United States of America                          | 100.00                                  | 100.00         | -   | -              | manufacturing of software and computer equipment for agriculture applications               |
| Jain Farm Fresh Gida Sanayi Ve Ticaret Anonim Sirketi | Turkey  | 60.00                                   | 60.00          | 40.00   | 40.00          | Food Business   |
| Solution Key Ltd.                                     | Hong Kong   | 100.00                                  | 100.00         | -   | -              | Food Business   |

# The Company through its step down subsidiaries had bought the balance stake of minority shareholders during the current financial year.

\* These entities have been sold during the FY 2020-21

**\*Subsidiaries of Jain International Foods Ltd. (Erstwhile SQF 2009 Ltd.) are as under:**

| Name of the subsidiaries          | Place of business/<br>country of incorporation | Ownership interest held by the group |           | Ownership interest held by non-controlling interests |           |
|-----------------------------------|--|--------------------------------------|-----------|--|-----------|
|                                   |  | 31-Mar-21                            | 31-Mar-20 | 31-Mar-21  | 31-Mar-20 |
|                                   |  | %                                    | %         | %  | %         |
| Sleaford Food Group Limited       | United Kingdom                                 | 100.00                               | 100.00    | -  | -         |
| Sleaford Quality Foods Limited    | United Kingdom                                 | 100.00                               | 100.00    | -  | -         |
| Arnolds Quick Dried Foods Limited | United Kingdom                                 | 100.00                               | 100.00    | -  | -         |

**@ Subsidiaries of NaandanJain Irrigation Limited, Israel are as under.**

| Subsidiaries   |                |        |        |       |       |
|--|----------------|--------|--------|-------|-------|
| Naan Dan Agro-Pro (Israel Company for Agricultural Applications) Ltd | Israel         | 100.00 | 100.00 | -     | -     |
| NaandanJain France Sarl  | France         | 100.00 | 100.00 | -     | -     |
| NaandanJain Mexico, S.A. De C.V.                                     | Mexico         | 100.00 | 100.00 | -     | -     |
| NaandanJain Australia Pty Ltd.                                       | Australia      | 100.00 | 100.00 | -     | -     |
| NaandanJain S.R.L.   | Italy          | 100.00 | 100.00 | -     | -     |
| Naandan Do Brasil Participacoes Ltda. (holding co)                   | Brazil         | 100.00 | 100.00 | -     | -     |
| NaandanJain Industria E Comercio de Equipmentos Ltd.                 | Brazil         | 100.00 | 100.00 | -     | -     |
| NaandanJain Iberica S.C.   | Spain          | 100.00 | 100.00 | -     | -     |
| NaandanJain Peru S.A.C   | Peru           | 100.00 | 100.00 | -     | -     |
| Jain Sulama Sistemleri Sanayi Ve Ticaret Anonim Sirkti               | Turkey         | 100.00 | 100.00 | -     | -     |
| NaandanJain Irrigation Projects S.R.L.                               | Romania        | 100.00 | 100.00 | -     | -     |
| Agrologico de Guatemala S.A.#  | Guatemala      | 60.00  | 60.00  | 40.00 | 40.00 |
| Agrologico sistemas Tecnologicos S.A.#                               | Costa Rica     | 60.00  | 60.00  | 40.00 | 40.00 |
| NaandanJain Irrigation SA (Pty) Ltd.,                                | South Africa   | 100.00 | 100.00 | -     | -     |
| NaandanJain Chile S.A  | Chile          | 100.00 | 100.00 | -     | -     |
| NaandanJain China Ltd.   | China          | 60.00  | 60.00  | 40.00 | 40.00 |
| NaandanJain UK Ltd.,   | United Kingdom | 100.00 | 100.00 | -     | -     |
| K.D.H. International Ltd.,   | Israel         | 100.00 | 100.00 | -     | -     |
| "ICAA Ltd. S.A. de C.V. 2002,"                                       | Mexico         | 100.00 | 100.00 | -     | -     |
| Briggs (U.K.) Ltd.,  | United Kingdom | 100.00 | 100.00 | -     | -     |

# The Company through its step down subsidiaries has the option to buy the balance stake of minority shareholders in these companies at a predetermined price or agreed valuation.

**41)** The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company's operations and revenue during the period were also impacted due to COVID-19. The Company has made assessment at the balance sheet date of the recoverability and carrying values of its assets and ability to pay its liabilities as they become due and effectiveness of internal financial controls at the balance sheet date, and has concluded that there are no material impact or adjustments required in the financial statements and does not anticipate any challenge in the Company's ability to continue as a going concern considering the restructuring plan as stated in Note 42. The impact of the pandemic may be different from that estimated as at the date of approval of these results and the management continues to closely monitor any material changes to future economic conditions.

**42)** During 2019-2020, the Company's lenders have signed an inter-creditor agreement as per RBI circular dated June 7, 2019, the Company has been engaged with the lenders on the resolution plan on a proactive basis. A formal resolution process involving lenders and professional advisors is on-going to approve the resolution plan. The proposed resolution plan has received requisite rating from the ICEs appointed by the lenders and we expect the activity to be completed in the near future subject to regulatory compliance and internal approvals of lenders. The financials and operations of the Company have been impacted on account of adverse liquidity conditions being faced by the Company since previous year till date. As on March 31, 2021, the Company has principal outstanding including interest thereon overdues to the working capital and term loan lenders aggregating to ₹ 37,578.78 million which is part of resolution plan. As at March 31, 2021, the networth of the Company (Standalone basis) stands at ₹ 39,125.30 million. Post implementation of the resolution plan, the Company's ability to pay debt obligations and to optimise operations will improve significantly.

- 43)** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
- 44)** Comparative previous year's figures have been reworked, regrouped and reclassified to the extent possible, wherever necessary to confirm to current year's classification and presentation.
- 45)** The financial statements have been approved by the Board of Directors in their meeting held on June 30, 2021.

As per our report of even date attached  
For Singhi & Co.  
Chartered Accountants  
Firm Registration Number: 302049E

For and on behalf of the Board of Directors

Sd/-  
Navindra Kumar Surana  
**Partner**  
**Membership No. 053816**

Sd/-  
Avdhut V. Ghodgaonkar  
**Company Secretary**

Sd/-  
Anil B. Jain  
**Vice Chairman &  
Managing Director**  
**DIN 00053035**

Sd/-  
Atul B. Jain  
**Joint Managing  
Director & CFO**  
**DIN 00053407**

Sd/-  
Ghanshyam Dass  
**Director**  
**DIN 01807011**

Date : **June 30, 2021**  
Place : **Kolkata**

Date : **June 30, 2021**  
Place : **Mumbai**

# INDEPENDENT AUDITOR'S REPORT

## To the Members of Jain Irrigation Systems Limited

### Report on the Audit of Consolidated Financial Statements

#### Opinion

- 1) We have audited the accompanying consolidated financial statements of **Jain Irrigation Systems Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries including step down subsidiaries (Holding Company and its subsidiaries including step down subsidiaries together referred to as "the Group") which includes the Group's share of profit in associate, which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated Statement of Profit and loss (including Other Comprehensive Income), the consolidated statement of Changes in Equity and the consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").
- 2) 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 of the subsidiaries including step down subsidiaries and associate referred to in the Other Matter section below, the aforesaid Consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2021, their consolidated total comprehensive income (comprising consolidated loss and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

- 3) We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the consolidated 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 financial statements under the provisions of the Act and the Rules there under, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to the Other Matters paragraph below, other than the unaudited financial statements / financial information as certified by the Management and referred to the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

#### Material Uncertainty relating to Going concern

- 4) As stated in Note 47 to the Consolidate Financial Statements, there have been delays in meeting its debt obligations by the Holding Company. Further the Holding Company has incurred the cash losses during the year ended March 31, 2021, and also during the previous year ended March 31, 2020. The Resolution Plan submitted by the Holding Company is under the consideration of Lenders and Management proposes to raise funds through monetization of its noncore assets, mobilization of additional funds and other strategic initiative to meet its obligation. The consolidated financial results have been prepared on going concern basis. The appropriateness of assumption of going concern is dependent upon the approval and successful implementation of a resolution plan, the Company's ability to raise requisite finance, generate cash flows in future to meet its obligations and to earn profits in future. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Holding Company's / Group's ability to continue as going concern.

Our report is not modified in respect of above matters.

#### Key Audit Matters

- 5) Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated 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 the matter described below to be the key audit matter to be communicated in our report.



| Descriptions of Key Audit Matter   | How we addressed the matter in our audit   |
|--|--|
| <p><b>Revenue Recognition of the Holding Company</b></p> <p>(Refer Note 2.4, 20 and 44 of the Consolidated Financial Statements)</p> <p>There exists a risk that Revenue is recognised during the cut off period though the control of the goods may not have been passed on to the customer. The Holding company generates a significant portion of its revenue from engineering contracts, which include both contracts related to Micro Irrigation Systems and PE &amp; PVC Pipes. These contracts are accounted under the percentage of completion method ("POCM"). The application of revenue recognition accounting standards Ind AS 115 is complex and involves a number of judgments and estimates. Further revenue is accounted for under the POCM which also requires significant judgments and estimates in particular with respect to estimation of the cost to complete. Due to the estimates, judgment and complexity involved in the application of the revenue recognition accounting standards, we have considered this matter as a key audit matter.</p> | <p><b>Our audit procedures included :</b></p> <p>As part of our audit, we understood the Holding company's policies and processes, control mechanisms and methods in relation to the revenue recognition and evaluated the design and operative effectiveness of the financial controls from the above through our test of control procedures.</p> <ul style="list-style-type: none"> <li>• Tested a sample of sales transactions for compliance with the Holding company's accounting principles to assess the completeness, occurrence and accuracy of revenue recorded. Also revenue is recognised when the Holding company satisfies a performance obligation.</li> <li>• We have performed procedures to ensure that the revenue recognition criteria adopted by Holding company for all major revenue streams is appropriate and in line with the Holding company's accounting policies.</li> <li>• We have focused on Management's judgment in applying the methodology and the estimates made to determine the amount of revenue to be recorded in their project calculations.</li> <li>• We have evaluated the management's process to recognize revenue over a period of time, total cost estimates, total cost incurred allocation of cost to projects, cost to completion, and status of the projects and re-calculated the arithmetic accuracy of the same.</li> <li>• We have examined contracts with exceptions including contracts with low or negative margins, loss making contracts, etc. to determine the level of provisioning.</li> <li>• Our tests of detail focused on transactions occurring within proximity of the year end and obtaining evidence to support the appropriate timing of revenue recognition, based on terms and conditions set out in sales contracts and delivery documents or system generated reports. We considered the appropriateness and accuracy of any cut-off adjustments.</li> <li>• We have tested the Holding Company's system generated reports, based on which revenue is accrued at the year end, and performed tests of details on the accrued revenue and accounts receivable balances recognized in the balance sheet at the year end.</li> <li>• Traced disclosure information to accounting records and other supporting documentation.</li> </ul> |
| <p><b>Valuation of inventories of the Holding Company:</b></p> <p>(Refer to Note 2.11 and 11 to the Consolidated Financial Statements)</p> <p>Inventories are carried at the lower of cost and net realizable value. As a result, the management applies judgment in determining the appropriate provisions for obsolete stock based upon a detailed analysis of old inventory, net realizable value below cost based upon future plans for sale of inventory.</p>   | <p><b>Our audit procedures included :</b></p> <p>We have obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories and related provisions by:</p> <ul style="list-style-type: none"> <li>• Performing walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk.</li> <li>• Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification. Reviewing the physical verification working papers conducted by the management.</li> <li>• Comparing the net realizable value to the cost price of inventories to check for completeness of the associated provision.</li> <li>• Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year.</li> <li>• Re-computing provisions recorded to verify that they are in line with the Holding company's policy.</li> <li>• Traced disclosure information to accounting records and other supporting documentation.</li> </ul>   |

| Descriptions of Key Audit Matter  | How we addressed the matter in our audit   |
|---|--|
| <p><b>Valuation and existence of Trade Receivables of Holding Company-</b></p> <p>(Refer to Note 2.12 and 7(c) to the Consolidated financial statements).</p> <p>Trade receivables are mainly comprised of receivables from central and state government owned enterprises. We have identified valuation and existence of trade receivables as a significant audit matter on account of the significant management judgment involved with respect to the recoverability and existence of trade receivables and the provisions for impairment of receivables and the importance of cash collection with reference to the working capital management of the business.</p> | <p><b>Our audit procedures included :</b></p> <ul style="list-style-type: none"> <li>● We have understood and tested the design and operating effectiveness of controls as established by the Management over trade receivable.</li> <li>● We have checked supporting of underline documents like Invoices, Eway Bills etc. on test basis. We have also verified on test basis invoices duly approved by Government Authorities/Customer in order to ensure existence of trade receivables.</li> <li>● Discussing with the management and obtaining a list of accounts receivables with relevant amount of settlement, during the year or subsequent to the end of the reporting period identified by the management and their assessment on the recoverability of accounts receivables.</li> <li>● Obtaining understanding on how the Holding company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivable.</li> <li>● We have checked the ageing analysis, on a sample basis and subsequent receipt of the trade receivables, to the source documents, including bank statements.</li> <li>● We have evaluated the historical accuracy of the management's assessment of impairment for accounts receivables on a sample basis by examining the actual write-offs, the reversal of previous recorded allowance and new allowances recorded in the current year in respect of accounts receivables at the end of the previous financial year.</li> <li>● We have performed balance confirmation procedure for Holding Company.</li> <li>● Traced disclosure information to accounting records and other supporting documentation.</li> </ul> |

- 6) The following Key audit matter was included in the Memorandum of Work Performed dated May 28, 2021 issued by other auditor, whose audit report contained an unmodified audit opinion on the financial information of Jain International Foods Limited, a step down subsidiary of the Holding Company, which has been reproduced by us as under:

| The description of the matter  | Why the matter was considered to be of the most significance   | Reference to the related disclosure(s) in the financial statements, if any  | How the matter was addressed in the audit  | Conclusions reached, the related rationales and the actions taken, including relevant audit procedures performed.                            |
|--|--|---|--|--|
| Box 6 - VAT Return. During our reconciliation we identified that VAT coding had been amended post VAT return submission. | This means that QBO does not represent the VAT return which has been filed. Box 6 (VAT Return) differs by nearly £2.5 million in quarter ending 31st March 2021. | This does not impact financial disclosures within the financial statements. | Box 6 (VAT Return) to turnover reconciliation completed and differences identified and noted. No adjustments required but a management letter point has been raised in relation to this point. | VAT coding to be reviewed in advance of VAT return submissions in detail and that coding to be applied accurately when posting transactions. |

#### Information Other than the consolidated financial statements and auditor's report thereon

- 7) The Holding Company's Board of Directors is responsible for the other information. The other information comprise the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

### **Management's Responsibility for the consolidated financial statements**

- 8) The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associate in accordance with Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its associate are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate for preventing and detecting fraud 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
- 9) In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate 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 or to cease operations, or has no realistic alternative but to do so.
- 10) The respective Board of Directors of the companies included in the Group and of its associate is responsible for overseeing the financial reporting process of the Group and of its associate.

### **Auditors' Responsibility for the Audit of the consolidated financial statements**

- 11) Our objectives are to obtain reasonable assurance about whether the consolidated 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 financial statements.
- 12) 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 consolidated 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 Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate 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 consolidated 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 and its associate to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 the entities or business activities within the Group to express an opinion on the consolidated 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 financial statements of which we are the independent auditors. For the other entities included in the consolidated 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.
- 13) Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.
- 14) We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated 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.
- 15) 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.
- 16) From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 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 Matters

- 17) We did not audit the financial statements of 62 subsidiaries (including 58 step down subsidiaries) included in the Statement, whose financial statements reflect total assets of ₹ 1,222,342 lakhs and net assets of ₹ 337,226 lakhs as at March 31, 2021, total revenues of ₹ 425,473 lakhs, total comprehensive income of ₹ (-) 6,404 lakhs and net cash outflow amounting to ₹ 9,873 lakhs for the year ended on that date. These Financial Statements/Consolidated Financial Statements/ Consolidated Financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries including step down subsidiaries and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries including step down subsidiaries and associate is based solely on the reports of the other auditors.
- 18) Certain of these subsidiaries including step down subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted the financial statements of such subsidiaries including step down subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's Management. Our report in so far as it relates to the balances and affairs of such subsidiaries including step down subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Holding Company and audited by us.

- 19) The consolidated financial statements include the financial statements of 2 steps down subsidiaries including step down subsidiaries which have not been audited by their auditors, whose financial statements reflect total assets of ₹ Nil and net assets of ₹ Nil as at March 31, 2021, total revenues of ₹ 14,683 lakhs, total comprehensive income of ₹ (-) 564 lakhs and net cash outflow amounting to ₹ 2,684 lakhs for the year ended on that date. The Statement also includes the Group's share of net profit after tax of ₹ 324 lakhs and total comprehensive Income of ₹ (-) 3 lakhs for the year ended March 31, 2021 as considered in the consolidated financial statement, in respect of one associate, based on their financial statements which have not been audited by their auditors and the same has been certified by the respective management. According to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated 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 and the financial statements / financial information certified by the Management.

- 20) The Comparative financial information of the Group and its associate for the year ended March 31, 2020 included in the Consolidated Financial Statements are based on the previously issued audited Consolidated Financial Statements prepared in accordance Ind AS and audited by the predecessor auditor whose report for the year ended March 31, 2020 dated July 31, 2020 expressed an unmodified opinion on those Consolidated Financial Statements.

Our opinion is not modified in respect of above matter.

### **Report on Other Legal and Regulatory Requirements**

- 21) As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on separate Financial Statements of subsidiaries including step down subsidiaries and associate incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, 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 of the aforesaid Consolidated Financial Statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and report of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Cash Flow Statement and the 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 Financial Statements.
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e) The matter described under the Material Uncertainty Related to Going Concern section above, in our opinion, may have an adverse effect on the functioning of the Company
- f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries including step down subsidiaries and associate incorporated in India, none of the directors of the Group companies and its associate, incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding Company and subsidiaries including step down subsidiaries incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid /provided by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2021 on the consolidated financial position of the group and its associate. Refer Note 30 to the Consolidated Financial Statements.
- ii) Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries including step down subsidiaries and associate incorporated in India during the year ended March 31, 2021.

**For Singhi & Co.**

Chartered Accountants

Firm Registration Number: 302049E

Sd/-

**(Navindra Kumar Surana)**

Partner

Membership Number: 053816

UDIN: 21053816AAAAFT4360

**Place:** Kolkata

**Date:** June 30, 2021



# ANNEXURE -A TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 21 (g) under 'Report on Other Legal and Regulatory Requirements' section of our report on Consolidated Financial Statements to the Members 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")**

- 1) In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting with reference to consolidated financial statements of Jain Irrigation Systems Limited (hereinafter referred to as "the Holding Company") and its subsidiaries including step down subsidiaries and its associate which are incorporated in India, as of that date.

## **Management's responsibility for internal financial controls**

- 2) The respective Board of Directors of the Holding Company, subsidiaries including step down subsidiaries and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting with reference to financial statement criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

## **Auditor's responsibility**

- 3) Our responsibility is to express an opinion on internal financial control over financial reporting with reference to consolidated financial statements of the Holding Company and its subsidiaries including step down subsidiaries and its associate incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.
- 4) Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with respect to these consolidated financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to these 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
- 5) We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the its subsidiaries including step down subsidiaries and its associate incorporated in India, in terms of their report referred to in the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

## **Meaning of internal financial control over financial reporting with reference to consolidated financial statements**

- 6) A company's internal financial control over financial reporting with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to the Consolidated 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent limitation of internal financial control over financial reporting with reference to consolidated financial statements**

- 7) Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated 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 over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

- 8) In our opinion, to the best of our information and according to the explanations given to us and based on the considerations of the reports of the other auditors as referred in Other Matters paragraph below, the Holding Company, its subsidiaries including step down subsidiaries and its associate incorporated in India, have, in all material respects, an adequate internal financial controls over financial reporting system with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2021, based on the internal financial control over financial reporting criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matters**

- 9) Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiaries including step down subsidiaries and its associate, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such company incorporated in India.

**For Singhi & Co.**

Chartered Accountants

Firm Registration Number: 302049E

Sd/-

**(Navindra Kumar Surana)**

Partner

Membership Number: 053816

UDIN: 21053816AAAAFT4360

**Place:** Kolkata

**Date:** June 30, 2021

# CONSOLIDATED BALANCE SHEET

## AS AT 31<sup>ST</sup> MARCH 2021

| (All amount in ₹ Million, unless otherwise stated)                           |       |                   |                   |
|--|-------|-------------------|-------------------|
|  | Notes | 31-Mar-21         | 31-Mar-20         |
| <b>ASSETS</b>  |       |                   |                   |
| <b>Non-current assets</b>  |       |                   |                   |
| Property, plant and equipment  | 3     | 44,700.79         | 48,234.91         |
| Right of use assets  | 5     | 2,146.11          | 2,379.13          |
| Capital work-in-progress   | 3     | 209.65            | 559.65            |
| Investment property  | 6     | 206.88            | 229.87            |
| Goodwill on consolidation  | 4     | 7,669.05          | 7,988.50          |
| Other intangible assets  | 4     | 1,046.78          | 1,060.16          |
| Investment in Associate  | 38[f] | 861.06            | 828.94            |
| Financial assets   |       |                   |                   |
| (i) Investments  | 7[a]  | 12.49             | 18.31             |
| (ii) Loans   | 7[e]  | 11.48             | 4.07              |
| (iii) Other financial assets   | 7[f]  | 3,573.17          | 3,747.79          |
| Deferred tax assets (net)  | 9     | 2,380.44          | 1,701.20          |
| Income tax assets (net)  | 10    | 217.18            | 93.59             |
| Other non-current assets   | 8     | 335.25            | 433.21            |
| <b>Total non-current assets</b>  |       | <b>63,370.33</b>  | <b>67,279.33</b>  |
| <b>Current assets</b>  |       |                   |                   |
| Inventories  | 11    | 20,045.58         | 21,764.27         |
| Biological assets other than bearer plant                                    | 12    | 792.81            | 840.13            |
| Financial assets   |       |                   |                   |
| (i) Investments  | 7[b]  | 11.25             | 10.00             |
| (i) Trade receivables  | 7[c]  | 24,899.93         | 28,159.69         |
| (ii) Cash and cash equivalents   | 7[d]  | 4,100.86          | 2,362.21          |
| (iii) Bank balances other than (ii) above                                    | 7[d]  | 554.65            | 181.63            |
| (iv) Loans   | 7[e]  | 518.27            | 644.38            |
| (v) Other financial assets   | 7[f]  | 4,382.32          | 3,572.46          |
| Other current assets   | 8     | 8,157.45          | 7,068.42          |
| <b>Total current assets</b>  |       | <b>63,463.12</b>  | <b>64,603.19</b>  |
| <b>Total assets</b>  |       | <b>126,833.45</b> | <b>131,882.52</b> |
| <b>EQUITY AND LIABILITIES</b>  |       |                   |                   |
| <b>EQUITY</b>  |       |                   |                   |
| Equity share capital   | 13    | 1,031.32          | 1,031.32          |
| Other equity   | 14    | 28,647.22         | 33,679.69         |
| <b>Equity attributable to owners of JISL</b>                                 |       | <b>29,678.54</b>  | <b>34,711.01</b>  |
| Non-controlling interests  |       | 1,126.57          | 1,430.61          |
| <b>Total Equity</b>  |       | <b>30,805.11</b>  | <b>36,141.63</b>  |
| <b>LIABILITIES</b>   |       |                   |                   |
| <b>Non-current liabilities</b>   |       |                   |                   |
| <b>Financial liabilities</b>   |       |                   |                   |
| (i) Borrowings   | 15(a) | 24,917.28         | 27,642.43         |
| (ii) Lease Liabilities   | 15(d) | 1,336.62          | 1,604.12          |
| (iii) Other financial liabilities  | 15(e) | 1,238.82          | 1,020.40          |
| Provisions   | 16    | 328.61            | 434.69            |
| Deferred tax liabilities (net)   | 18    | 319.07            | 1,993.56          |
| <b>Total non-current liabilities</b>   |       | <b>28,140.40</b>  | <b>32,695.20</b>  |
| <b>Current liabilities</b>   |       |                   |                   |
| Financial liabilities  |       |                   |                   |
| (i) Borrowings   | 15(b) | 35,284.41         | 36,079.37         |
| (ii) Lease Liabilities   | 15(d) | 630.89            | 562.32            |
| (iii) Trade payables   | 15(c) |                   |                   |
| - Total outstanding dues of micro and small enterprises                      |       | 589.18            | 222.64            |
| - Total outstanding dues of creditors other than micro and small enterprises |       | 9,009.60          | 11,031.75         |
| (iv) Other financial liabilities   | 15(e) | 18,456.69         | 11,769.93         |
| Provisions   | 16    | 370.38            | 394.27            |
| Current tax liabilities (net)  | 17    | 112.53            | 129.23            |
| Other current liabilities  | 19    | 3,434.26          | 2,856.18          |
| <b>Total current liabilities</b>   |       | <b>67,887.94</b>  | <b>63,045.69</b>  |
| <b>Total liabilities</b>   |       | <b>96,028.34</b>  | <b>95,740.89</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |       | <b>126,833.45</b> | <b>131,882.52</b> |

Significant Accounting Policies

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For Singhi &amp; Co.

Chartered Accountants

Firm Registration Number: 302049E

Sd/-  
Navindra Kumar Surana  
**Partner**  
Membership No. 053816

Sd/-  
Avdhut V. Ghodgaonkar  
**Company Secretary**

Sd/-  
Anil B. Jain  
**Vice Chairman &  
Managing Director**  
DIN 00053035

Sd/-  
Atul B. Jain  
**Joint Managing  
Director & CFO**  
DIN 00053407

Sd/-  
Ghanshyam Dass  
**Director**  
DIN 01807011

Date : June 30, 2021

Place : Kolkata

2  
(1 to 53)

For and on behalf of the Board of Directors

Date : June 30, 2021

Place : Jalgaon

Annual Report 2019-20

# STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED AT 31<sup>ST</sup> MARCH 2021

| (All amount in ₹ Million, unless otherwise stated)                                      |       |                   |                   |
|---|-------|-------------------|-------------------|
|   | Note  | 31-Mar-21         | 31-Mar-20         |
| <b>INCOME</b>   |       |                   |                   |
| Revenue from operations   | 20    | 56,668.84         | 59,226.47         |
| Other income  | 21    | 1,463.81          | 731.91            |
| <b>Total income</b>   |       | <b>58,132.65</b>  | <b>59,958.38</b>  |
| <b>EXPENSES</b>   |       |                   |                   |
| Cost of materials consumed  | 22    | 29,494.78         | 30,604.12         |
| Change in inventories of finished goods and work in progress                            | 23    | 2,199.50          | 2,557.75          |
| Employee benefits expense   | 24    | 8,047.54          | 9,116.13          |
| Finance costs   | 27    | 7,460.24          | 6,919.32          |
| Depreciation and amortisation expense   | 25    | 3,509.27          | 3,467.91          |
| Other expenses  | 26    | 13,445.94         | 17,265.78         |
| <b>Total expenses</b>   |       | <b>64,157.27</b>  | <b>69,931.01</b>  |
| <b>Profit/(Loss) before share of profit of Associate and income tax</b>                 |       | <b>(6,024.62)</b> | <b>(9,972.63)</b> |
| Share of profit of Associate  | 38[f] | 32.44             | 17.54             |
| <b>Profit/(Loss) from continuing operation before tax</b>                               |       | <b>(5,992.18)</b> | <b>(9,955.09)</b> |
| <b>Income tax expense</b>   |       |                   |                   |
| Current tax   | 28    | 180.07            | 280.11            |
| Deferred tax  | 28    | (2,485.73)        | (3,229.38)        |
| <b>Total tax expense</b>  |       | <b>(2,305.66)</b> | <b>(2,949.27)</b> |
| <b>Profit / (Loss) after tax from continuing operation</b>                              |       | <b>(3,686.52)</b> | <b>(7,005.82)</b> |
| Profit / (Loss) from discontinued operation before tax                                  | 38[a] | (210.69)          | (244.50)          |
| Tax expense of discontinued operation   | 38[a] | 129.93            | (55.84)           |
| <b>Profit / (Loss) after tax from discontinued operation</b>                            |       | <b>(340.62)</b>   | <b>(188.66)</b>   |
| <b>Profit / (Loss) for the year</b>   |       | <b>(4,027.14)</b> | <b>(7,194.48)</b> |
| <b>Other comprehensive income</b>   |       |                   |                   |
| (i) Items that will not be reclassified to profit or loss                               |       |                   |                   |
| - Remeasurements of defined benefit obligations gains / (loss)                          |       | (6.70)            | 6.10              |
| - Income tax relating to the above items  | 28    | 2.40              | (2.30)            |
| - Share of OCI in associate   | 38[f] | (0.30)            | -                 |
| (ii) Items that will be reclassified to profit or loss                                  |       |                   |                   |
| - Exchange differences on translation of foreign operations                             |       | (521.32)          | (2,288.30)        |
| <b>Other comprehensive income for the year, net of tax</b>                              |       | <b>(525.92)</b>   | <b>(2,284.50)</b> |
| <b>Total comprehensive income for the year</b>  |       | <b>(4,553.06)</b> | <b>(9,478.98)</b> |
| Profit/(Loss) attributable to:  |       |                   |                   |
| Owners of the company   |       | (3,956.55)        | (7,151.38)        |
| Non-controlling interest  |       | (70.59)           | (43.10)           |
|   |       | <b>(4,027.14)</b> | <b>(7,194.48)</b> |
| <b>Other Comprehensive Income attributable to:</b>                                      |       |                   |                   |
| Owners of the company   |       | (533.29)          | (2,308.60)        |
| Non-controlling interest  |       | 7.37              | 24.10             |
|   |       | <b>(525.92)</b>   | <b>(2,284.50)</b> |
| <b>Total comprehensive income attributable to:</b>                                      |       |                   |                   |
| Owners of the company   |       | (4,489.84)        | (9,459.98)        |
| Non-controlling interest  |       | (63.22)           | (19.00)           |
|   |       | <b>(4,553.06)</b> | <b>(9,478.98)</b> |
| <b>Total comprehensive income attributable to Owners of the company</b>                 |       |                   |                   |
| From continuing operation   |       | (4,149.22)        | (9,271.32)        |
| From discontinuing operation  |       | (340.62)          | (188.66)          |
|   |       | <b>(4,489.84)</b> | <b>(9,459.98)</b> |
| <b>Earnings per equity share for profit from continuing operation</b>                   |       |                   |                   |
| Basic earnings per share (face value ₹ 2)   | 29    | (7.01)            | (13.50)           |
| Diluted earnings per share (face value ₹ 2)   | 29    | (7.01)            | (13.50)           |
| <b>Earnings per equity share for profit from discontinued operation</b>                 |       |                   |                   |
| Basic earnings per share (face value ₹ 2)   | 29    | (0.66)            | (0.37)            |
| Diluted earnings per share (face value ₹ 2)   | 29    | (0.66)            | (0.37)            |
| <b>Earnings per equity share for profit from continued &amp; discontinued operation</b> |       |                   |                   |
| Basic earnings per share (face value ₹ 2)   | 29    | (7.67)            | (13.87)           |
| Diluted earnings per share (face value ₹ 2)   | 29    | (7.67)            | (13.87)           |

Significant Accounting Policies

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm Registration Number: 302049E

Sd/-  
Navindra Kumar Surana  
**Partner**  
Membership No. 053816

Sd/-  
Avdhut V. Ghodgaonkar  
**Company Secretary**

Sd/-  
Anil B. Jain  
**Vice Chairman & Managing Director**  
DIN 00053035

Sd/-  
Atul B. Jain  
**Joint Managing Director & CFO**  
DIN 00053407

Sd/-  
Ghanshyam Dass  
**Director**  
DIN 01807011

Date : June 30, 2021

Place : Kolkata

Financial Statements (Consolidated)

For and on behalf of the Board of Directors

Date : June 30, 2021

Place : Jalgaon

# CONSOLIDATED CASH FLOW STATEMENT

## FOR THE YEAR ENDED AT 31<sup>ST</sup> MARCH 2021

| (All amount in ₹ Million, unless otherwise stated)                           |                   |                   |
|--|-------------------|-------------------|
|  | 31-Mar-21         | 31-Mar-20         |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                                   |                   |                   |
| Profit /( Loss) before tax, share of profit in associate                     | (6,024.62)        | (9,972.63)        |
| Profit before tax from discontinued operation                                | (210.69)          | (244.50)          |
| <b>Adjustments for:</b>  |                   |                   |
| Depreciation and amortisation expense  | 3,509.27          | 3,655.20          |
| Amount written off and provisions  | 924.10            | 3,064.86          |
| Unrealized forex exchange gain / loss  | (316.81)          | (1,510.52)        |
| Loss/ (profit) on asset sale/ discard of property, plant and equipment (net) | (7.24)            | (7.81)            |
| Loss/ (profit) on sale of investments (net)                                  | (1,215.18)        | (0.59)            |
| Finance cost   | 7,460.24          | 6,881.44          |
| Provisions no longer required written back                                   | (99.06)           | (178.55)          |
| Provision for gratuity   | 19.12             | 72.39             |
| Provision for leave encashment   | (24.03)           | (24.61)           |
| Sundry credit balance appropriated   | (61.44)           | (72.63)           |
| Dividend and interest income   | (241.21)          | (66.63)           |
| Change in fair value of biological assets                                    | 10.08             | 32.95             |
| Fair value changes of derivatives  | 42.26             | 1.38              |
| Fair value changes of embedded derivatives                                   | 66.97             | (363.54)          |
| Fair value changes of investments  | (0.18)            | 0.55              |
| EPCG Income on deferred incentive liabilities transfer to income             | (19.09)           | (86.90)           |
| <b>Operating profit before working capital changes</b>                       | <b>3,812.49</b>   | <b>1,179.86</b>   |
| <b>Adjustments for changes in working capital:</b>                           |                   |                   |
| (Increase)/Decrease in inventory   |                   |                   |
| (Increase) / decrease in trade receivables                                   | 1,846.27          | (299.10)          |
| (Increase) / decrease in inventories and biological assets                   | (747.38)          | 3,148.73          |
| (Increase) / decrease in loans and other financial assets                    | (1,017.35)        | (70.32)           |
| (Increase) / decrease in other assets  | (1,167.02)        | (3,506.41)        |
| Increase / (decrease) in trade payables                                      | (1,184.28)        | (6,260.98)        |
| Increase / (decrease) in other financial liabilities                         | 1,011.13          | (319.49)          |
| Increase / (decrease) in other liabilities                                   | 597.22            | 95.32             |
| <b>Cash generated from operations</b>  | <b>3,151.09</b>   | <b>(6,032.39)</b> |
| Income tax paid  | (447.80)          | (714.31)          |
| <b>Net cash from generated operating activities</b>                          | <b>2,703.30</b>   | <b>(6,746.70)</b> |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                                   |                   |                   |
| Purchase of property, plant and equipment                                    | (1,048.89)        | (2,802.21)        |
| Sale of property, plant and equipment  | 159.44            | 119.55            |
| Purchase of investments  | (1.25)            | (22.00)           |
| Sale of investments  | 6.00              | 10.66             |
| Sale of investments in subsidiary companies                                  | 4,843.91          | -                 |
| Share application money paid   | (4.25)            | -                 |
| Investment in subsidiary companies   | (749.90)          | (26.23)           |
| Payment to minority interest   | (34.81)           | (44.16)           |
| Maturity of fixed deposits placed  | (373.02)          | 99.13             |
| Interest & dividend received   | 231.41            | 82.25             |
| <b>Net cash (used in) investing activities</b>                               | <b>3,028.64</b>   | <b>(2,583.02)</b> |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                                   |                   |                   |
| Investment by minority shareholder   | -                 | 80.36             |
| Proceeds from term loan borrowings   | 744.65            | 284.30            |
| Repayment towards term loans borrowings                                      | (1,413.76)        | (2,063.38)        |
| Increase/(decrease) in working capital borrowings (net)                      | (799.30)          | 16,849.03         |
| Interest and finance charges paid  | (2,591.05)        | (4,691.67)        |
| Dividend and dividend distribution tax paid                                  | (1.16)            | (2.23)            |
| <b>Net cash (used in) financing activities</b>                               | <b>(4,060.62)</b> | <b>10,456.41</b>  |

| (All amount in ₹ Million, unless otherwise stated)                              |                  |                  |
|---|------------------|------------------|
|   | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
| Net Increase/(decrease) in cash and cash equivalents                            | 1,671.32         | 1,126.69         |
| Cash and cash equivalents as at the beginning of the year                       | 2,362.21         | 1,174.09         |
| <b>Cash and cash equivalents as at the end of the year</b>                      | <b>4,033.53</b>  | <b>2,300.78</b>  |
| Cash and cash equivalents includes:   |                  |                  |
| <b>Cash and cash equivalents</b>  |                  |                  |
| Cash on hand  | 13.46            | 35.20            |
| Bank balances   |                  |                  |
| - In current accounts & Cheques in hand   | 2,584.34         | 2,127.74         |
| - Cheques on hand   | -                | 199.10           |
| Fixed deposits (having maturity value less than 3 months)                       | 1,503.06         | 0.17             |
| <b>Total</b>  | <b>4,100.86</b>  | <b>2,362.21</b>  |
| Overdrawn bank balances (considered as cash and cash equivalents for cash flow) | (67.33)          | (61.43)          |
| <b>Total</b>  | <b>4,033.53</b>  | <b>2,300.78</b>  |

Significant Accounting Policies

2

The accompanying notes are an integral part of these financial statements

(1 to 53)

#### Explanatory note to statements of cash flows:

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm Registration Number: 302049E

For and on behalf of the Board of Directors

Sd/-

Navindra Kumar Surana

**Partner**

**Membership No. 053816**

Sd/-

Avdhut V. Ghodgaonkar

**Company Secretary**

Sd/-

Anil B. Jain

**Vice Chairman &  
Managing Director  
DIN 00053035**

Sd/-

Atul B. Jain

**Joint Managing  
Director & CFO  
DIN 00053407**

Sd/-

Ghanshyam Dass

**Director  
DIN 01807011**

Date : **June 30, 2021**

Place : **Kolkata**

Date : **June 30, 2021**

Place : **Jaigaon**



(All amount in ₹ Million, unless otherwise stated)

# STATEMENT OF CHANGE IN EQUITY

## FOR THE YEAR ENDED AT 31<sup>ST</sup> MARCH 2021

### A. Equity Share Capital

|                      | Amount   |
|----------------------|----------|
| As at March 31, 2019 | 1,031.32 |
| As at March 31, 2020 | 1,031.32 |
| As at March 31, 2021 | 1,031.32 |

### B. Other Equity

| Particulars                                      | Attributable to owners |                            |                            |                 |                                      |  | Total equity attributable to owners of the company | Non controlling interest | Total      |
|--|------------------------|----------------------------|----------------------------|-----------------|--------------------------------------|--|--|--------------------------|------------|
|  | Reserves and Surplus   |                            |                            |                 | Foreign currency translation reserve | Foreign currency monetary items translation difference account |  |                          |            |
|  | Capital reserve        | Securities premium reserve | Capital redemption reserve | General reserve |                                      |  |  |                          |            |
| Balance at March 31, 2019                        | 2,213.64               | 14,571.95                  | 896.72                     | 2,115.57        | 25,390.83                            | (2,006.87)   | (82.24)  | 1,412.69                 | 44,512.29  |
| Profit for the year                              | -                      | -                          | -                          | -               | (7,151.38)                           | -  | -  | (43.10)                  | (7,194.48) |
| Other comprehensive income (net of deferred tax) | -                      | -                          | -                          | -               | 3.80                                 | (2,288.30)   | -  | -                        | (2,284.50) |
| Transaction with non controlling interest        | 7.83                   |                            |                            |                 |                                      | (24.09)  |  | -                        | (16.26)    |
| Total comprehensive income for the year          | 7.83                   | -                          | -                          | -               | (7,147.58)                           | (2,312.39)   | -  | (43.10)                  | (9,495.24) |
| Exchange gain / (loss) during the year           | -                      | -                          | -                          | -               | -                                    | -  | 52.24  | -                        | 52.24      |
| Amortised during the year                        | -                      | -                          | -                          | -               | -                                    | -  | (20.92)  | -                        | (20.92)    |
| Transactions with owners of Company              |                        |                            |                            |                 |                                      |  |  |                          |            |
| - Opening impact of IND AS-116                   | -                      | -                          | -                          | -               | 0.91                                 | -  | -  | -                        | 0.91       |
| - Distribution of profit                         | -                      | -                          | -                          | -               | -                                    | -  | -  | 61.02                    | 61.02      |
| Balance at March 31, 2020                        | 2,221.47               | 14,571.95                  | 896.72                     | 2,115.57        | 18,244.17                            | (4,319.27)   | (50.92)  | 1,430.61                 | 35,110.31  |
| Profit/(Loss) for the year                       | -                      | -                          | -                          | -               | (3,956.55)                           | -  | -  | (70.59)                  | (4,027.14) |
| Other comprehensive income (net of deferred tax) | -                      | -                          | -                          | -               | (4.60)                               | (521.32)   | -  | -                        | (525.92)   |
| Transferred from statement of profit and loss    | -                      | -                          | -                          | (31.62)         | -                                    | -  | -  | -                        | (31.62)    |
| Transaction with non controlling interest        | -                      | -                          | -                          | -               | -                                    | (7.35)   |  |                          | (7.35)     |
| Total comprehensive income for the year          | -                      | -                          | -                          | (31.62)         | (3,961.15)                           | (528.68)   | -  | (70.59)                  | (4,592.04) |

(All amount in ₹ Million, unless otherwise stated)

| Particulars  | Attributable to owners |                            |                            |                 |                   | Foreign currency translation reserve | Foreign currency monetary items translation difference account | Total equity attributable to owners of the company | Non controlling interest | Total            |
|--|------------------------|----------------------------|----------------------------|-----------------|-------------------|--------------------------------------|--|--|--------------------------|------------------|
|  | Reserves and Surplus   |                            |                            |                 |                   |                                      |  |  |                          |                  |
|  | Capital reserve        | Securities premium reserve | Capital redemption reserve | General reserve | Retained earnings |                                      |  |  |                          |                  |
| Exchange gain / (loss) during the year   | -                      | -                          | -                          | -               | -                 | -                                    | 40.36  | 40.36  | -                        | 40.36            |
| Adjustment on account of acquiring non controlling interest (refer note 38(b)) | -                      | -                          | -                          | -               | (551.39)          | -                                    | -  | (551.39)   | -                        | (551.39)         |
| Transactions with owners of Company  |                        |                            |                            |                 |                   |                                      |  |  |                          |                  |
| - Distribution of profit   | -                      | -                          | -                          | -               | -                 | -                                    | -  | -  | (233.45)                 | -                |
| <b>Balance at March 31, 2021</b>   | <b>2,221.47</b>        | <b>14,571.95</b>           | <b>896.72</b>              | <b>2,083.95</b> | <b>13,731.63</b>  | <b>(4,847.94)</b>                    | <b>(10.56)</b>   | <b>28,647.22</b>                                   | <b>1,126.57</b>          | <b>29,773.79</b> |

As per our report of even date attached

For Singhi & Co.  
Chartered Accountants  
Firm Registration Number: 302049E

For and on behalf of the Board of Directors

Sd/-  
Navindra Kumar Surana  
**Partner**  
**Membership No. 053816**

Date : **June 30, 2021**  
Place : **Kolkata**

Sd/-  
Avdhut V. Ghodgaonkar  
**Company Secretary**

Sd/-  
Anil B. Jain  
**Vice Chairman & Managing Director**  
**DIN 00053035**

Sd/-  
Atul B. Jain  
**Joint Managing Director & CFO**  
**DIN 00053407**

Sd/-  
Ghanshyam Dass  
**Director**  
**DIN 01807011**

Date : **June 30, 2021**  
Place : **Jalgaon**

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

## 1) Company overview

Jain Irrigation Systems Limited (the 'Company') is a company domiciled in India, with its registered office situated at Jain Plastic Park, NH No. 6 Bambhori, Jalgaon (425001), Maharashtra, India. The Company was incorporated on 30 December 1986 under the Companies Act, 1956 and its equity shares are listed on BSE Ltd. ('BSE') and National Stock Exchange of India Ltd. ('NSE'). The Company with its motto 'Small Ideas, Big Revolutions' with more than 10,000+ associates worldwide and revenue of ~USD 0.8 Billion, is an Indian multinational company with manufacturing plants across the globe. The Company and its subsidiaries (collectively referred to as "Group") are engaged in providing solutions in agriculture, piping, infrastructure through manufacturing of Micro Irrigation Systems, PVC Pipes, HDPE Pipes, Plastic Sheets, Agro Processed Products, Renewable Energy Solutions, Tissue Culture Plants, Equipment business, Financial Services and other agricultural inputs since more than 35 years. It has pioneered a silent Productivity Revolution with modern irrigation systems and innovative technologies in order to save precious water and has helped to get significant increase in crop yields, especially for more than 6 million small farmers. It has also ushered in new concept of large scale Integrated Irrigation Projects (IIP). 'More Crop Per Drop ®' is the company's approach to water security and food security. JISL is early pioneer for Internet of Things (IoT) in the agri-sector and is leading efforts to create global solutions with precision agriculture. JISL is listed in NSE-Mumbai at JISLJALEQS ordinary equity shares and JISLDVREQS – DVR equity shares and in BSE at code 500219 ordinary equity shares and 570004 – DVR equity shares. Please visit us at [www.jains.com](http://www.jains.com)

## 2) Significant accounting policies

### 2.1) Basis of preparation Consolidated Financial Statements

#### i) Statement of compliance

These Consolidated Financial Statements ("Financial Statements") have been prepared in accordance with Indian Accounting Standards ('IND AS') as per Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 (the 'Act') and the other relevant provisions of the Act and Rules therein.

The accounting policies are applied consistently to all the periods presented in the financial statements, except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Ministry of Corporate Affairs (MCA) has issued certain amendments to the existing Accounting Standards during the year ended March 31, 2020, which are effective from July 24, 2020,

- **IND AS 103 (Business Combinations):** Defined "business" in more detail, an optional test to identify concentration of fair value, element of Businesses and assessing whether an acquired process is substantive.
- **IND AS 107 (Financial Instruments: Disclosures):** Disclosures for uncertainty arising from interest rate benchmark reform.
- **IND AS 109 (Financial Instruments):** Temporary exceptions from applying specific hedge accounting requirements.
- **IND AS 116 (Leases):** Due to the pandemic COVID- 19 – Related rent concession, a clarification has been provided on accounting of rent concessions, whether to treat as a lease modification or not.
- **IND AS 1 and IND AS 8 (Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors):** Change/modification in the definition of "Material".
- **IND AS 10 (Events after the Reporting Period):** Definition for non – adjusting events and its effective date of application.
- **IND AS 34 (Interim Financial Reporting):** Consequential of the above amendments.
- **IND AS 37 (Provisions, Contingent Liabilities and Contingent Assets):** Consequential amendment and accounting of restructuring plan.

The amendments listed did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current and future periods.

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors in its meeting held on June 30, 2021

## ii) Functional and presentation currency

A) The Group's presentation and functional currency is Indian Rupee (₹).

B) All amounts disclosed in the financial statements and notes have been rounded off to the nearest million as per requirement of Schedule III, unless otherwise stated.

## iii) Basis of measurement

The financial statement has been prepared on a historical cost basis except for following items:

- Certain financial assets and liabilities (including derivative instruments) which are measured at fair value;
- Biological assets which are measured at fair value less costs to sell;
- Contingent consideration in a business combination; and
- Defined benefit plans - plan assets measured at fair value;

## iv) Use of estimates and judgements

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

- **Significant judgments when applying IND AS 115:** Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- **Impairment of Non-current Assets:** IND AS 36 requires that the Company assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include internal and external factors such as the Company's market capitalization, significant changes in the Company's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. CGU is usually the individual plant, unless the asset or asset Company is an integral part of a value chain where no independent prices for the intermediate products exist, a Company of plants is combined and managed to serve a common market, or where circumstances otherwise indicate significant interdependencies.

Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal systems. The Company uses internal business plans, quoted market prices and the Company's best estimate of commodity prices, currency rates, discount rates and other relevant information. A detailed forecast is developed for a period of three to five years with projections thereafter. The Company does not include a general growth factor to volumes or cash flows for the purpose of impairment tests, however, cash flows are generally increased by expected inflation and market recovery towards previously observed volumes is considered.

- **Employee retirement plans:** The Group provides defined benefit employee retirement plans. Measurement of obligations under such plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality etc.
- **Income taxes :** The Group calculates income tax expense based on reported income. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible) :** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.
- **Recoverability of advances/ receivables :** At each balance sheet date, based on discussions with the respective counter-parties and internal assessment of their credit worthiness, the management assesses the recoverability of outstanding receivables and advances. Such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factor.
- **Fair value measurements:** The Group applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.
- **Contingent assets and liabilities, uncertain assets and liabilities :** Liabilities that are uncertain in timing or amount are recognized when a liability arises from a past event and an outflow of cash or other resources is probable and can be reasonably estimated. Contingent liabilities are possible obligations where a future event will determine whether Company will be required to make a payment to settle the liability, or where the size of the payment cannot be determined reliably. Material contingent liabilities are disclosed unless a future payment is considered remote. Evaluation of uncertain liabilities and contingent liabilities and assets requires judgment and assumptions regarding the probability of realization and the timing and amount, or range of amounts, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts.
- **Right-of-use assets and lease liability :** Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

#### iv) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries and includes the Group's share of profit in its associate as at 31 March 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements

- The Group 's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiaries and ceases when the Company loses control of the subsidiaries. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Company ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

#### **v) Consolidation procedure:**

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group. When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.
- e) A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:
  - Derecognizes the assets (including goodwill) and liabilities of the subsidiary
  - Derecognizes the carrying amount of any non-controlling interests
  - Derecognizes the cumulative translation differences recorded in equity
  - Recognizes the fair value of the consideration received
  - Recognizes the fair value of any investment retained
  - Recognizes any surplus or deficit in profit or loss
  - Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.
- f) Investments are accounted for using Equity Method in accordance with IND AS 28 (Investment in Associate & Joint Venture).



- g) Non-controlling interests (NCI) : The non-controlling interests comprise the portion of equity of subsidiaries that are not owned, directly or indirectly, by the Group. Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

#### vi) Business combinations

In accordance with Ind AS 103, Group accounts for the business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as on the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combinations as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amount related to the settlement of pre-existing relationship with the acquiree. Such amount are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and change in the fair value if the contingent consideration are recognised in profit or loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date at fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the group (referred as common control business combinations) are accounted for using the pooling of interest method. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in financial statements of the Group in the same form in which they appeared in the consolidated financial statements of the transferor entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

#### vii) Current versus non-current classification:

The Group presents assets and liabilities in its Balance Sheet based on current versus non-current classification.

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle,
- Held primarily for the purpose of trade,
- Expected to be realized on demand or within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in normal operating cycle,
- it is held primarily for the purpose of trading,
- it is due to be settled on demand or within twelve months after the reporting date, and
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**2.2) Segment reporting**

For the purposes of presenting segment information, the activities of the Group are divided into operating segments in accordance with Ind AS 108 (Operating Segments). Operating segments are identified on the same basis that is used internally to manage and report on performance and takes account of the organisational structure of the Group based on the various products and services of the reportable segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies. Refer note 36 for segment information presented.

**2.3) Foreign currency transactions / translations****i) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income and expenses accordingly.

Non-monetary items that are measured at fair value in a foreign currency and are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss in the Statement of Profit and Loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are included in net profit in the Statement of Profit and Loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as Fair value through other comprehensive income ("FVOCI") are recognised in other comprehensive income ("OCI").

The Group has chosen to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP as permitted by Ind AS.

**ii) Foreign operations**

The assets and liabilities of foreign operations (subsidiaries, associates and joint ventures) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of the foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate, if the average rate approximates the actual rate at the date of the transaction.

When a foreign operation is disposed of in its entirety or partially such that the control, significant influence, or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit and loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant portion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or joint venture, while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

**2.4) Revenue****i) Sale of goods**

The Group recognises revenue when all the following criteria are satisfied:

- persuasive evidence of a contract with the customer exists;
- the performance obligations under the contract have been identified; and
- Control of goods or service is transferred to the customer.

Revenue represents the net invoice value of goods and services provided to customers after deducting for certain

incentives including, but not limited to discounts, volume rebates etc.

Control is specified as the ability to direct the use of the asset, to obtain benefits from the assets and to prevent others from doing so.

Revenue excludes any taxes and duties collected on behalf of the Government.

In other contracts, revenue is recognised when control is transferred based on the terms of contract which may either be point of sale (i.e. the plant) or where the goods is to be delivered to the destination specified by the customer, which is typically the vessel on which it is shipped, where the goods are delivered. In contracts where control is transferred at the point of sale and the Company provides transportation service, the transport service is treated as a distinct separate performance obligation under the contract and the same is recognised as revenue when the said performance obligation is completed. In case arrangement of transportation which is not part of consideration, the reimbursement of actual freight is adjusted with cost incurred.

In case of related party transactions where related party meets the definition of customer (ie a party that has contracted with the Company to obtain goods or services that are an output of the Company's ordinary activity in exchange for consideration) and the transactions are within the scope of the standard then the revenue is recognised based on the principles of IND AS 115.

Export incentives and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

## **ii) Rendering of services**

In contract involving rendering of services, revenue is recognised in profit or loss in the proportion of the stage of completion of the transaction at the reporting date and are measured net of Goods and Service Tax.

## **iii) Contract revenue**

Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably. When the outcome of the contract is ascertained reliably contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date to the total estimated contract costs. The estimates of cost and progress of contracts are measured at each reporting date by the management. The effect of such changes to estimates is recognized in the period in which such changes are determined. The estimated cost of each contract is determined based on the estimate of the cost to be incurred till the final completion of the contract and includes cost of materials, services, and other related overheads. Any projected losses on contracts under execution are recognized in full when identified.

## **iv) Interest income**

Interest income from debt instruments is recognised using the EIR method or proportionate basis. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

## **v) Dividend income**

Dividends are recognised in Statement of Profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

## **2.5) Government Grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a straight-line basis over the useful life of the related assets and presented within other income.

**2.6) Income Tax**

The income tax expense or credit for the period is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Current tax comprises of expected tax payable or receivable on taxable income/loss for the year or any adjustment or receivable in respect of previous year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting date and are expected to apply to the Group when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits (Minimum alternate tax credit entitlement) only if it is probable that future taxable amounts will be available to utilise those temporary differences, unused losses and unused tax credits. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable or no longer probable respectively that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**2.7) Leases****The Group as lessor**

Leases for which the Group is a lessor is classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and

**The Group as lessee**

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

**Lease Liability**

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

**Lease payments included in the measurement of the lease liability comprise:**

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.

**Right of Use (ROU) Assets**

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IND AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The Group applies IND AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, IND AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

**2.8) Impairment of non-financial assets**

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

## **2.9) Cash and cash equivalents**

Cash and cash equivalents in the Balance sheet includes cash on hand, cheques on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

## **2.10) Cash Flows**

Cash and cash equivalents in the Balance Sheet include cash on hand, cheques on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and overdrawn bank balances.

## **2.11) Inventories**

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory arrived on weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

However, materials and other supplies held for use in the production of inventories (finished goods, work-in-progress) are not written down below the cost if the finished products in which they will be used are expected to sell at or below the cost.

Materials in transit are valued at cost to date.

## **2.12) Financial assets**

### **i) Recognition and initial measurement**

Trade Receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

### **ii) Classification and subsequent measurement**

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of



the financial asset, the Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).

● **Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely consisting of Payments of Principal and Interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

● **Debt instruments at Fair value through Other Comprehensive Income (FVOCI)**

A 'debt instrument' is measured at the fair value through Other Comprehensive Income if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both

- collecting contractual cash flows and selling financial assets and
- contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

● **Debt instruments at Fair value through Profit or Loss (FVTPL)**

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortised cost or as FVOCI, is classified as FVTPL. After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss.

● **Equity investments**

All equity investments within the scope of Ind-AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Group decides to classify the same either as FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). Dividends on such equity instruments are recognised in the Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Dividends on such equity instruments are recognised in the Statement of Profit and Loss.

**iii) De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- the Group has transferred substantially all the risks and rewards of the asset, or
- the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

#### **iv) Impairment of financial assets**

On initial recognition of the financial assets, a loss allowance for expected credit loss is recognised for debt instruments at amortised cost and FVTOCI. For debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income in the statement of profit and loss and does not reduce the carrying amount of the financial asset in the balance sheet.

Expected credit loss of a financial instrument is measured in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Company assess whether the credit risk on a financial instrument has increased significantly since initial recognition.

When making the assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is INDicative of significant increases in credit risk since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.

## **2.13) Financial Liabilities**

### **i) Recognition and initial measurement**

Financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

### **ii) Subsequent measurement**

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

- Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit and Loss.

- Financial Liabilities at amortised cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the EIR method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance costs in the Statement of Profit and Loss.

### **iii) De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms,

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(All amount in ₹ Million, unless otherwise stated)

or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

## 2.14) Compound financial instruments

Compound financial instruments issued by the Group comprise convertible debentures denominated in INR that can be converted to equity shares at the option of the holder within prescribed timelines, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequently.

Interest related to the financial liability is recognised in profit and loss (unless it qualifies for inclusion in the cost of an asset). In case of conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

## 2.15) Derivatives and hedging activities

The Group holds derivative financial instruments such as forward contracts, interest rate and principal only swaps to mitigate risk of changes in exchange and interest rates. The counterparty for these contracts is generally banks.

### i) Cash flow hedges that qualify for hedge accounting:

The Group designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).

The Group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts accumulated in equity are reclassified to the Statement of Profit and Loss in the year when the hedged item affects profit or loss.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to the Statement of Profit and Loss.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

### ii) Derivatives that are not designated as hedges

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for fair value through profit and loss and are included in other income / expenses. Assets/ liabilities are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

### iii) Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contracts are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit and loss. Embedded derivatives closely related to the host contracts are not separated.

#### Embedded foreign currency derivatives

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,
- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency).

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss.

## 2.16) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

## 2.17) Property, plant and equipment

### i) Recognition and measurement:

Property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses, if any. Cost of Property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated attributable costs of dismantling and removing the item and restoring the site on which it is located.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs.

Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalised and the carrying amount of the item replaced is derecognised. Similarly, overhaul costs associated with major maintenance are capitalised and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognised. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

### ii) Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro rata basis using straight line method over the estimated useful life of the fixed assets taking into consideration their estimated residual values. All the assets have been provided depreciation based on life of assets in line with rates prescribed in Schedule II to the Act on Straight Line Method except green house, shades and poly houses depreciated at 10% and screw barrels used in moulding machines and PVC pipes are depreciated at 12.50% and 25% per annum. The Management believes that depreciation rates currently used fairly reflect its estimate of the useful life and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II.

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(All amount in ₹ Million, unless otherwise stated)

Significant components of assets having a life shorter than the main asset, if any are depreciated over the shorter life. Depreciation on additions to assets or on sale / disposal of assets is calculated from the beginning of the month of such addition or up to the month of such sale / scrapped, as the case may be. Leasehold land is amortised over the period of lease.

The following table represents the useful life of the fixed assets:

| Class of asset           | Life of the asset                              |
|--------------------------|--|
| Buildings                | 5 - 50 years                                   |
| Green / poly houses      | 3 - 10 years                                   |
| Plant and equipment      | 3 - 25 years                                   |
| Furniture and fixtures   | 3 - 20 years                                   |
| Office equipment         | 3 - 15 years                                   |
| Vehicles                 | 14 years                                       |
| Orchards (Bearer plants) | 15 years                                       |
| Leasehold land           | Lease period or useful life whichever is lower |

The assets residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

## 2.18) Investment Property

Investment property is property (land or a building or part of a building or both) held either to earn rental income or for capital appreciation or for both, but neither for sale in the ordinary course of business nor used in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss.

Depreciation on investment properties is provided on a pro rata basis using straight line method over the estimated useful lives of the investment property taking into consideration their estimated residual values. These assets have been provided depreciation based on life of assets in line with life prescribed in Schedule II to the Act, which is 10 years. The Management believes that depreciation rates currently used fairly reflect its estimate of the useful life and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II.

## 2.19) Intangible assets

### i) Recognition and measurement

Separately acquired intangible assets are stated initially at acquisition cost. Intangible assets such as patents, technical know-how, and non-compete acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses, if any.

Costs associated with maintaining software's is recognised as an expense as incurred. Product development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Group are recognised as intangible assets if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.

Directly attributable costs that are capitalised as part of the product development costs include employee costs and an appropriate portion of relevant overheads. Capitalised product development costs are recorded as intangible assets and amortised from the useful life as estimated by the management.

Research expenditure and development expenditure that do not meet the criteria as given above are recognised as an expense as incurred. Development costs previously recognised as expense are not recognised subsequent period.

### ii) Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

| Class of asset            | Life of the asset |
|---------------------------|-------------------|
| Computer software         | 1 - 6 years       |
| Technical know-how        | 5 - 10 years      |
| Non-compete fees          | 10 years          |
| Product development costs | 10 years          |
| Water rights              | 10 years          |

## 2.20) Bearer plants and biological assets

### i) Orchards

The Group is engaged into orchard activities. The Orchards are regarded as bearer plant and presented as property, plant and equipment. The orchards are recognised at historical cost less depreciation. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over a period of 15 years commencing from the 6th year from the date of planting. Orchard mortality is charged to Statement of Profit and Loss. The fruits growing on the trees are accounted for as biological assets until the point of harvest. Harvested fruits are transferred to inventory at fair value less costs to sell when harvested.

Bearer plants are classified as immature until the produce can be commercially harvested. At that point they are reclassified and depreciation commences. Immature bearer plants are measured at accumulated cost. Generally the harvesting period is 6 years.

### ii) Tissue culture plants

The Group sells tissue cultures plants of banana, strawberry, pomegranate & others to its customers. Tissue culture is a process where, propagation of a plant by using a plant part or single cell or group cell is done in a test tube under very controlled and hygienic conditions. Tissue culture primarily involves initiation of aseptic cultures from shoot-tips obtained from mother plants, multiplication of the shoots to the desired scale, induction of roots to individual shoots, primary & secondary hardening of the tender plantlets in the poly-house.

The aseptic cultures which are planted in test tubes in a controlled environment, which would be sold subsequently after secondary hardening are accounted for under Ind AS 41, Agriculture at fair value less cost to sell. Plants after completion of secondary hardening stage are transferred to inventory at fair value less costs to sell.

Costs to sell include the incremental selling costs, including fees, commission paid to brokers and dealers and estimated costs of transport to the market but excludes finance costs and income taxes. Changes in fair value are recognised in the Statement of Profit and Loss. Farming costs such as manure, soil preparation, laboratory maintenance and poly-house maintenance expenses are expensed as incurred.

The fair value of asptic cultures in laboratory, primary hardening and secondary hardening plants is determined using cash flow model based on the expected mortality, yield ratios from asptic cultures to final plants, and the market price for tissue cultured plants after allowing for plantation maintenance costs and other costs yet to be incurred in getting the tissue plantations to maturity.

## 2.21) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

## 2.22) Borrowing costs

Borrowing costs consist of interest and transactions costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.



Notes - contd..

(All amount in ₹ Million, unless otherwise stated)

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

## 2.23) Provisions and contingent liabilities

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Group, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

## 2.24) Employee Benefits

### i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

### ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that 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 at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### iii) Post-employment obligations

The Group operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund.
- Defined Benefit Plans - Gratuity obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

- **Defined contribution plans**

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### **iv) Share-based payments**

The fair value of options granted under the Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each year, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the Statement of Profit and Loss, with a corresponding adjustment to equity.

#### **v) Bonus plans**

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

#### **vi) Termination benefits**

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

### **2.25) Exceptional Item**

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Company.

### **2.26) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

Notes - contd..

(All amount in ₹ Million, unless otherwise stated)

**2.27) Earnings per share****i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group;
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

**ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**2.28) Non-Current Assets held for sale**

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification. Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortized.

**2.29) Fair Value**

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

**2.30) Events after Reporting date**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

**2.31) Research and Development**

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible Assets utilized for Research and Development are capitalized and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

## 2.32) Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

### Rounding Off:

For the purpose of rounding off the figures appearing in the Financial Statements for financial year ending 31.03.2022 the total income of the Company shall be considered instead of Turnover.

### Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a Company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.
- Security Deposits to be shown under the head of Other Non Current Assets instead of Long term Loan & Advances.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- Ratios-Following Ratios to be disclosed: -
 

|                                    |                                 |                                       |
|------------------------------------|---------------------------------|---------------------------------------|
| (a) Current Ratio,                 | (b) Debt-Equity Ratio,          | (c) Debt Service Coverage Ratio,      |
| (d) Return on Equity Ratio,        | (e) Inventory turnover ratio,   | (f) Trade Receivables turnover ratio, |
| (g) Trade payables turnover ratio, | (h) Net capital turnover ratio, | (i) Net profit ratio,                 |
| (j) Return on Capital employed,    | (k) Return on investment        |                                       |

### Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

(All amount in ₹ Million, unless otherwise stated)

**3) PPROPERTY, PLANT AND EQUIPMENT**

|  | Free hold land   | Factory buildings and godowns [1] & [2] | Green/ poly/ shed houses [2] | Plant and equip- ment's [2] | Furniture and fixtures [2] | Vehicles      | Office equip- ments [2] | Orchard activities | Leasehold improve- ments | Total            | Capital work in progress [3] |
|--|------------------|---|------------------------------|-----------------------------|----------------------------|---------------|-------------------------|--------------------|--------------------------|------------------|------------------------------|
| <b>Year ended March 31, 2020</b>                       |                  |   |                              |                             |                            |               |                         |                    |                          |                  |                              |
| <b>Gross Carrying Amount</b>                           |                  |   |                              |                             |                            |               |                         |                    |                          |                  |                              |
| Carrying amount as at March 31, 2019                   | 17,082.79        | 12,770.34                               | 508.27                       | 39,767.91                   | 674.86                     | 855.20        | 570.81                  | 636.23             | 791.20                   | 73,657.61        | 1,386.14                     |
| Exchange difference                                    | 1.35             | 162.85                                  | -                            | 1,082.05                    | 31.56                      | 13.74         | 19.56                   | -                  | 74.63                    | 1,385.74         | 31.22                        |
| Additions  | 207.68           | 492.50                                  | 203.50                       | 2,498.60                    | 73.71                      | 44.60         | 44.97                   | 56.11              | 30.02                    | 3,651.69         | 2,324.80                     |
| Transfer to fixed assets                               | -                | -                                       | -                            | -                           | -                          | -             | -                       | -                  | -                        | -                | (3,182.50)                   |
| Disposals / adjustments                                |                  | (0.16)                                  | -                            | (127.76)                    | (3.17)                     | (76.58)       | (0.61)                  | -                  | (1.85)                   | (210.13)         | -                            |
| <b>At March 31, 2020</b>                               | <b>17,291.82</b> | <b>13,425.53</b>                        | <b>711.77</b>                | <b>43,220.80</b>            | <b>776.96</b>              | <b>836.96</b> | <b>634.73</b>           | <b>692.34</b>      | <b>894.00</b>            | <b>78,484.91</b> | <b>559.65</b>                |
| <b>Accumulated depreciation and impairment, if any</b> |                  |   |                              |                             |                            |               |                         |                    |                          |                  |                              |
| As at March 31, 2019                                   | -                | 2,598.09                                | 141.09                       | 21,991.20                   | 547.58                     | 634.46        | 355.93                  | 131.70             | 388.65                   | 26,788.70        | -                            |
| Exchange difference                                    | -                | 34.34                                   | -                            | 598.14                      | 28.19                      | 19.04         | 9.79                    | -                  | 38.04                    | 727.54           | -                            |
| Charge for the year                                    | -                | 510.17                                  | 64.87                        | 2,077.64                    | 30.63                      | 49.07         | 43.41                   | 13.21              | 54.55                    | 2,843.55         | -                            |
| Disposals / adjustments                                | -                | (0.04)                                  | -                            | (35.54)                     | (1.97)                     | (64.26)       | (0.25)                  | -                  | (7.73)                   | (109.79)         | -                            |
| <b>At March 31, 2020</b>                               | <b>-</b>         | <b>3,142.56</b>                         | <b>205.96</b>                | <b>24,631.44</b>            | <b>604.43</b>              | <b>638.31</b> | <b>408.88</b>           | <b>144.91</b>      | <b>473.51</b>            | <b>30,250.00</b> | <b>-</b>                     |
| <b>Net Block at March 31, 2020</b>                     | <b>17,291.82</b> | <b>10,282.97</b>                        | <b>505.81</b>                | <b>18,589.36</b>            | <b>172.53</b>              | <b>198.65</b> | <b>225.85</b>           | <b>547.43</b>      | <b>420.49</b>            | <b>48,234.91</b> | <b>559.65</b>                |
| <b>Year ended March 31, 2021</b>                       |                  |   |                              |                             |                            |               |                         |                    |                          |                  |                              |
| <b>Gross Carrying Amount</b>                           |                  |   |                              |                             |                            |               |                         |                    |                          |                  |                              |
| Carrying amount as at March 31, 2020                   | 17,291.82        | 13,425.53                               | 711.77                       | 43,220.80                   | 776.96                     | 836.96        | 634.73                  | 692.34             | 894.00                   | 78,484.91        | 559.65                       |
| Exchange difference                                    | (16.68)          | 21.61                                   | -                            | (422.50)                    | 17.10                      | (8.33)        | 3.09                    | -                  | 0.37                     | (405.34)         | (2.72)                       |
| Additions  | 48.93            | 403.55                                  | 1.05                         | 640.10                      | 17.34                      | 37.03         | 104.05                  | 62.33              | 17.78                    | 1,332.16         | 508.70                       |
| Transfer to fixed assets                               | -                | -                                       | -                            | -                           | -                          | -             | -                       | -                  | -                        | -                | (855.99)                     |
| Disposals on discontinued operation (refer note 38(a)) | (12.39)          | (987.55)                                | -                            | (1,378.98)                  | (0.94)                     | (11.95)       | (39.60)                 | -                  | (138.90)                 | (2,570.31)       | -                            |
| Disposals / adjustments                                | (11.95)          | (39.30)                                 | -                            | (237.53)                    | (4.37)                     | (99.03)       | (14.74)                 | -                  | (6.85)                   | (413.77)         | -                            |
| <b>At March 31, 2021</b>                               | <b>17,299.73</b> | <b>12,823.84</b>                        | <b>712.82</b>                | <b>41,821.89</b>            | <b>806.09</b>              | <b>754.68</b> | <b>687.53</b>           | <b>754.67</b>      | <b>766.40</b>            | <b>76,427.65</b> | <b>209.65</b>                |
| <b>Accumulated depreciation and impairment, if any</b> |                  |   |                              |                             |                            |               |                         |                    |                          |                  |                              |
| As at March 31, 2020                                   | -                | 3,142.56                                | 205.96                       | 24,631.44                   | 604.43                     | 638.31        | 408.88                  | 144.91             | 473.51                   | 30,250.00        | -                            |
| Exchange difference                                    | -                | (1.68)                                  | -                            | 253.39                      | 15.68                      | (11.05)       | 4.96                    | -                  | 3.30                     | 264.60           | -                            |
| Charge for the year                                    | -                | 534.88                                  | 71.07                        | 1,879.06                    | 35.76                      | 38.53         | 37.21                   | 12.98              | 57.39                    | 2,666.88         | -                            |
| Disposals on discontinued operation                    | -                | (378.16)                                | -                            | (832.32)                    | (0.80)                     | (10.94)       | (32.80)                 | -                  | (96.01)                  | (1,351.03)       | -                            |
| Disposals / adjustments                                | -                | (10.10)                                 | -                            | 22.70                       | (4.13)                     | (90.81)       | (14.60)                 | -                  | (6.65)                   | (103.59)         | -                            |
| <b>At March 31, 2021</b>                               | <b>-</b>         | <b>3,287.50</b>                         | <b>277.03</b>                | <b>25,954.27</b>            | <b>650.94</b>              | <b>564.04</b> | <b>403.65</b>           | <b>157.89</b>      | <b>431.54</b>            | <b>31,726.86</b> | <b>-</b>                     |
| <b>Net Block at March 31, 2021</b>                     | <b>17,299.73</b> | <b>9,536.34</b>                         | <b>435.79</b>                | <b>15,867.62</b>            | <b>155.15</b>              | <b>190.64</b> | <b>283.88</b>           | <b>596.78</b>      | <b>334.86</b>            | <b>44,700.79</b> | <b>209.65</b>                |

Note: [1] Building includes tenancy rights gross value ₹ 505.21 (P.Y. ₹ 505.21)

[2] Property, plant and equipment addition during the year includes cost of self constructed assets amounting to ₹ 176.42 (P.Y. ₹ 1,061.55)

[3] Capital work in progress during the year includes cost of self constructed assets amounting to ₹ 64.24 (P.Y. ₹ 48.69)

(All amount in ₹ Million, unless otherwise stated)

(3) Pproperty, Plant and Equipment - contd..

[4] Contractual obligations

Refer to note 31 for disclosures of contractual commitments for the acquisition of Property, plant and equipment.

[5] Capital work-in-progress

Capital work-in-progress mainly comprises of factory buildings and plant and machinery purchased at various locations.

[6] Property, plant and equipment pledged as security

Property, plant and equipment pledged as security by the group

|  | 31-Mar-21        | 31-Mar-20        |
|--|------------------|------------------|
| Land                                     | 2,863.15         | 3,128.17         |
| Buildings                                | 3,435.41         | 4,069.21         |
| Green / poly houses                      | 42.11            | 61.85            |
| Plant and equipment's                    | 6,950.05         | 8,464.43         |
| Furniture, fixtures and office equipment | 26.45            | 30.95            |
| Vehicle                                  | 14.51            | 25.98            |
|  | <b>13,331.68</b> | <b>15,780.59</b> |

Property, Plant and Equipment as disclosed above of the group including its movable plant and machinery, equipments, appliances, furniture, vehicles, machinery spares and stores and accessories are provided as security to working capital lenders as a second charge and Exim bank and Canara bank as a first charge, except those which are mentioned above and provided as a security on exclusive basis. The Holding Company is in the process of release of charge over free hold land and buildings having carrying value of ₹ 145.59 (Mar 31, 2020 ₹ 145.59) and ₹ 205.98 (Mar 31, 2020 ₹ 213.99) respectively as at March 31, 2021.



(All amount in ₹ Million, unless otherwise stated)

**4) INTANGIBLE ASSETS**

|  | Goodwill      | Trademarks     | Computer software | Technical knowhow | Patents       | Non-compete fees | Product development | Water rights | Total           | Goodwill on consolidation |
|--|---------------|----------------|-------------------|-------------------|---------------|------------------|---------------------|--------------|-----------------|---------------------------|
| <b>YEAR ENDED MARCH 31, 2020</b>                       |               |                |                   |                   |               |                  |                     |              |                 |                           |
| <b>Gross Carrying Amount</b>                           |               |                |                   |                   |               |                  |                     |              |                 |                           |
| Carrying amount as at March 31, 2019                   | 486.24        | 77.36          | 720.16            | 35.04             | 94.98         | 185.82           | 474.78              | 75.13        | 2,149.51        | 7,549.77                  |
| Exchange difference                                    | 37.91         | 2.65           | 48.62             | -                 | 9.76          | 0.15             | (13.16)             | -            | 85.93           | -                         |
| Acquisition  | -             | -              | -                 | -                 | -             | -                | -                   | -            | -               | 438.73                    |
| Additions  | -             | 0.15           | 161.26            | -                 | 5.87          | -                | 35.54               | -            | 202.82          | -                         |
| Disposals / adjustments                                | -             | -              | 0.09              | (0.01)            | -             | -                | (11.42)             | -            | (11.34)         | -                         |
| <b>At March 31, 2020</b>                               | <b>524.15</b> | <b>80.16</b>   | <b>930.13</b>     | <b>35.03</b>      | <b>110.61</b> | <b>185.97</b>    | <b>485.74</b>       | <b>75.13</b> | <b>2,426.92</b> | <b>7,988.50</b>           |
| <b>Accumulated depreciation and impairment, if any</b> |               |                |                   |                   |               |                  |                     |              |                 |                           |
| As at March 31, 2019                                   | 139.16        | 2.08           | 402.74            | 18.38             | 32.30         | 117.48           | 406.73              | 41.32        | 1,160.19        | -                         |
| Exchange difference                                    | 11.86         | 0.75           | 22.20             | -                 | 3.57          | -                | (10.69)             | -            | 27.69           | -                         |
| Charge for the year                                    | -             | 2.59           | 99.12             | 4.71              | 6.75          | 40.50            | 17.71               | 7.50         | 178.88          | -                         |
| <b>At March 31, 2020</b>                               | <b>151.02</b> | <b>5.42</b>    | <b>524.06</b>     | <b>23.09</b>      | <b>42.62</b>  | <b>157.98</b>    | <b>413.75</b>       | <b>48.82</b> | <b>1,366.76</b> | <b>-</b>                  |
| <b>Net Block at March 31, 2020</b>                     | <b>373.13</b> | <b>74.74</b>   | <b>406.07</b>     | <b>11.94</b>      | <b>67.99</b>  | <b>27.99</b>     | <b>71.99</b>        | <b>26.31</b> | <b>1,060.16</b> | <b>7,988.50</b>           |
| <b>YEAR ENDED MARCH 31, 2021</b>                       |               |                |                   |                   |               |                  |                     |              |                 |                           |
| <b>Gross Carrying Amount</b>                           |               |                |                   |                   |               |                  |                     |              |                 |                           |
| Carrying amount as at March 31, 2020                   | 524.15        | 80.16          | 930.13            | 35.03             | 110.61        | 185.97           | 485.74              | 75.13        | 2,426.92        | 7,988.50                  |
| Exchange difference                                    | 30.13         | 5.78           | 3.97              | -                 | 4.98          | 1.23             | 4.19                | -            | 50.28           | -                         |
| Additions  | -             | 1.57           | 105.88            | 9.48              | 0.63          | -                | 27.14               | -            | 144.70          | -                         |
| Disposals / adjustments                                | -             | (19.90)        | (2.24)            | -                 | -             | -                | (6.03)              | -            | (28.17)         | (319.45)                  |
| <b>At March 31, 2021</b>                               | <b>554.28</b> | <b>67.61</b>   | <b>1,037.74</b>   | <b>44.51</b>      | <b>116.22</b> | <b>187.20</b>    | <b>511.04</b>       | <b>75.13</b> | <b>2,593.73</b> | <b>7,669.05</b>           |
| <b>Accumulated depreciation and impairment, if any</b> |               |                |                   |                   |               |                  |                     |              |                 |                           |
| As at March 31, 2020                                   | 151.02        | 5.42           | 524.06            | 23.09             | 42.62         | 157.98           | 413.75              | 48.82        | 1,366.76        | -                         |
| Exchange difference                                    | -             | 1.06           | 4.04              | -                 | 2.05          | (2.41)           | (8.16)              | -            | (3.42)          | -                         |
| Charge for the year                                    | -             | 1.89           | 143.03            | 5.11              | 7.91          | 12.65            | 25.43               | 7.51         | 203.53          | -                         |
| Disposals / adjustments                                | -             | (19.90)        | (0.02)            | -                 | -             | -                | -                   | -            | (19.92)         | -                         |
| <b>At March 31, 2021</b>                               | <b>151.02</b> | <b>(11.53)</b> | <b>671.11</b>     | <b>28.20</b>      | <b>52.58</b>  | <b>168.22</b>    | <b>431.02</b>       | <b>56.33</b> | <b>1,546.95</b> | <b>-</b>                  |
| <b>Net Block at March 31, 2021</b>                     | <b>403.26</b> | <b>79.14</b>   | <b>366.63</b>     | <b>16.31</b>      | <b>63.64</b>  | <b>18.98</b>     | <b>80.02</b>        | <b>18.80</b> | <b>1,046.78</b> | <b>7,669.05</b>           |

(All amount in ₹ Million, unless otherwise stated)

## 5) RIGHT OF USE ASSETS

|                                 | 31-Mar-21       | 31-Mar-20       |
|---------------------------------|-----------------|-----------------|
| <b>Gross carrying amount</b>    |                 |                 |
| Opening balance / deemed cost   | 3,002.75        | -               |
| Additions                       | 507.21          | 3,002.75        |
| Disposals / adjustments         | (391.95)        | -               |
| Exchange difference             | (37.79)         | -               |
| <b>Total</b>                    | <b>3,080.23</b> | <b>3,002.75</b> |
| <b>Accumulated depreciation</b> |                 |                 |
| Opening balance                 | (623.62)        | -               |
| Depreciation charge             | (617.51)        | (623.62)        |
| Disposals / adjustments         | 164.35          | -               |
| Exchange difference             | 142.66          | -               |
| <b>Total</b>                    | <b>(934.12)</b> | <b>(623.62)</b> |
| <b>Net carrying amount</b>      | <b>2,146.11</b> | <b>2,379.13</b> |

### i) Amounts to be recognised in Balance Sheet as on March 31, 2021

The balance sheet shows the following amounts relating to leases :

|                                  | 31-Mar-21       | 31-Mar-20       |
|----------------------------------|-----------------|-----------------|
| <b>Right of use assets</b>       |                 |                 |
| Lease hold land                  | 1,474.77        | 1,807.03        |
| Plant & Machinery and Equipments | 365.64          | 484.46          |
| Furniture and Fixtures           | 130.54          | -               |
| Office equipment                 | 1.50            | 2.22            |
| Vehicle                          | 173.67          | 85.42           |
| <b>Total</b>                     | <b>2,146.11</b> | <b>2,379.13</b> |
| <b>Lease liabilities</b>         |                 |                 |
| Current                          | 630.89          | 562.32          |
| Non - Current                    | 1,336.62        | 1,604.12        |
| <b>Total</b>                     | <b>1,967.51</b> | <b>2,166.44</b> |

### ii) Amounts to be recognised in Statement of Profit and Loss

The Statement of Profit and Loss shows the following amounts relating to leases:

|   | 31-Mar-21       | 31-Mar-20       |
|---|-----------------|-----------------|
| <b>Depreciation</b>   |                 |                 |
| <b>Interest expense on lease liabilities</b>                              | <b>121.35</b>   | <b>282.66</b>   |
| <b>Depreciation</b>   |                 |                 |
| Lease hold land   | 312.30          | 321.18          |
| Plant & Machinery and Equipments  | 147.71          | 274.84          |
| Furniture and Fixtures  | 44.37           | -               |
| Office equipment  | 0.34            | 1.86            |
| Vehicle   | 112.79          | 25.74           |
| <b>Expense relating to short term leases (included in other expenses)</b> | <b>684.01</b>   | <b>752.13</b>   |
| <b>Total</b>  | <b>1,422.87</b> | <b>1,658.41</b> |

Interest expenses on lease liabilities (included in finance cost) ₹ 121.35

### iii) Total cash outflow for leases during financial year was :

| Particulars                   | 31-Mar-21     | 31-Mar-20       |
|-------------------------------|---------------|-----------------|
| Total cash outflow for leases | 599.90        | 1,118.97        |
| <b>Total</b>                  | <b>599.90</b> | <b>1,118.97</b> |

(All amount in ₹ Million, unless otherwise stated)

**6) INVESTMENT PROPERTY**

|                                 | 31-Mar-21      | 31-Mar-20      |
|---------------------------------|----------------|----------------|
| <b>Gross carrying amount</b>    |                |                |
| Opening balance / deemed cost   | 264.99         | 264.99         |
| Additions                       | -              | -              |
| <b>Total</b>                    | <b>264.99</b>  | <b>264.99</b>  |
| <b>Accumulated depreciation</b> |                |                |
| Opening balance                 | (35.12)        | (26.32)        |
| Depreciation charge             | (22.99)        | (8.80)         |
| <b>Total</b>                    | <b>(58.11)</b> | <b>(35.12)</b> |
| <b>Net carrying amount</b>      | <b>206.88</b>  | <b>229.87</b>  |

**i) Amount recognised in Consolidated Statement of Profit and Loss for investment properties**

|   |                |               |
|---|----------------|---------------|
| Depreciation                                  | (22.99)        | (8.80)        |
| <b>Profit (loss) from investment property</b> | <b>(22.99)</b> | <b>(8.80)</b> |

**ii) Fair value**

|                            |        |        |
|----------------------------|--------|--------|
| Investment properties #    | 260.05 | 325.07 |
| # Estimation of fair value |        |        |

The Company has carried out the fair valuation of property involving external independent valuation expert. As per the fair valuation report dated March 31, 2021 the fair value of investment property is ₹ 260.05 (the fair value of investment property as on March 31, 2019 was ₹ 325.07). The valuation model has considered various input like cost, location, market appreciation, etc.

**7) FINANCIAL ASSETS****7[a] INVESTMENTS**

|   | Notes          | 31-Mar-21    | 31-Mar-20    |
|---|----------------|--------------|--------------|
| Investment in equity instruments (quoted) (fully paid-up)                 | See note (i)   | 0.41         | 0.23         |
| Investment in equity instruments (unquoted) (fully paid-up)               | See note (ii)  | 12.06        | 12.06        |
| Investment in government or trust securities (unquoted) at amortised cost |                |              |              |
| - National Saving Certificates  |                | 0.02         | 0.02         |
| - Indira Vikas Patra # Value ₹ 5,000                                      |                | #            | #            |
| Investment in Bonds (quoted)  | See note (iii) | -            | 6.00         |
|   |                | <b>12.49</b> | <b>18.31</b> |
| Aggregate amount of quoted investments and market value thereof           |                | 0.41         | 6.23         |
| Aggregate amount of unquoted investments                                  |                | 12.08        | 12.08        |
| Aggregate amount of impairment in the value of investments                |                | -            | -            |

|   | 31-Mar-21 |              | 31-Mar-20 |              |
|---|-----------|--------------|-----------|--------------|
|   | Nos       | Amount       | Nos       | Amount       |
| <b>i) Investment in equity instruments (quoted) (fully paid-up) at Fair Value through Profit or Loss</b>    |           |              |           |              |
| Reliance Industries Limited   | 180       | 0.36         | 180       | 0.20         |
| Reliance Communication Limited  | 45        | -            | 45        | -            |
| Reliance Infrastructure Limited   | 3         | -            | 3         | -            |
| Reliance Capital Limited  | 2         | -            | 2         | -            |
| Reliance Power Limited  | 11        | -            | 11        | -            |
| Finolex Industries Limited  | 75        | 0.05         | 75        | 0.03         |
| <b>Total</b>  |           | <b>0.41</b>  |           | <b>0.23</b>  |
| <b>ii) Investment in equity instruments (unquoted) (fully paid-up) at Fair Value through Profit or Loss</b> |           |              |           |              |
| Shares of Astitwa Co-Op. Housing Society Ltd.   | 25        | -            | 25        | -            |
| Shares of ₹ 100 each of Sarjan Members Association  | 5         | -            | 5         | -            |
| Shares of ₹ 50 each of Rajdeep Vrundavan Co-Op. Housing Society   | 15        | -            | 15        | -            |
| Shares of Edlabad Sut Girni Co-Operative Society Ltd.   | 200       | -            | 200       | -            |
| Shares of ₹ 250 each of Shrinathjee Co-Op. Housing Society Ltd.   | 20        | 0.01         | 20        | 0.01         |
| Linking Shares of ₹ 25 each of Jalgaon Janta Sahakari Bank Ltd.   | 1,849     | 0.05         | 1,849     | 0.05         |
| Linking Shares of ₹ 2 each of Mahavir Sahakari Bank Ltd.  | 100       | 0.50         | 100       | 0.50         |
| Shares of Good Juicery Private Limited  | 1,223     | 11.50        | 1,223     | 11.50        |
| <b>Sub-total</b>  |           | <b>12.06</b> |           | <b>12.06</b> |
| <b>Total</b>  |           | <b>12.06</b> |           | <b>12.06</b> |

## (7) Financial Assets contd..

(All amount in ₹ Million, unless otherwise stated)

|  | 31-Mar-21 |        | 31-Mar-20 |             |
|--|-----------|--------|-----------|-------------|
|  | Nos       | Amount | Nos       | Amount      |
| <b>iii) Investment in bonds (quoted) at amortised cost</b> |           |        |           |             |
| Units of YES Bank - II Tier NC Bond ₹ 10 Lacs each         | -         | -      | 10        | 6.00        |
| <b>Total</b>   |           | -      |           | <b>6.00</b> |

**7[b] INVESTMENTS**

|   | 31-Mar-21 |              | 31-Mar-20 |              |
|---|-----------|--------------|-----------|--------------|
|   | Nos       | Amount       | Nos       | Amount       |
| Mumbai District Central Coop.Bank Ltd.                          | 11,250    | 11.25        | 10,000    | 10.00        |
| The Greater Bombay Co-op.Bank                                   | 100       | 0.00         | -         | -            |
| <b>Total</b>  |           | <b>11.25</b> |           | <b>10.00</b> |
| Aggregate amount of quoted investments and market value thereof | -         | -            | -         | -            |
| Aggregate amount of unquoted investments                        | -         | 11.25        | -         | 10.00        |
| Aggregate amount of impairment in the value of investments      | -         | -            | -         | -            |

**7[c] TRADE RECEIVABLES**

|  | 31-Mar-21        | 31-Mar-20        |
|--|------------------|------------------|
| (Unsecured, considered good unless stated otherwise) |                  |                  |
| Dues from trade receivables                          | 29,231.47        | 32,166.05        |
| Less: Impairment allowance                           | (4,331.54)       | (4,006.36)       |
| <b>Total receivables</b>                             | <b>24,899.93</b> | <b>28,159.69</b> |
| Current portion                                      | 24,899.93        | 28,159.69        |
| Non-current portion                                  | -                | -                |

Above includes ₹ 1,431.76 (P.Y. ₹ 1,667.07) where legal action has been initiated for recovery.

- Trade receivables are receivable in normal operating cycle and are shown net of an allowance for bad or doubtful debts.
- Trade receivables stated above are charged on a first pari-passu basis between working capital consortium members led by State Bank of India.
- Trade and other receivables due from directors or other officers of the Company either severally or jointly with any other person is disclosed as part of note 37- Related party transaction along with other related parties transaction.
- In determining allowance for credit losses of trade receivables, the Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of the receivables and rates used in the provision matrix.

|                                     | 31-Mar-21        | 31-Mar-20        |
|-------------------------------------|------------------|------------------|
| <b>Break-up of security details</b> |                  |                  |
| Secured, considered good            | 57.18            | 57.18            |
| Unsecured, considered good          | 24,842.75        | 28,102.51        |
| Unsecured, considered doubtful      | 4,331.54         | 4,006.36         |
| <b>Sub-total</b>                    | <b>29,231.47</b> | <b>32,166.05</b> |
| Less: Impairment allowance          | (4,331.54)       | (4,006.36)       |
| <b>Total</b>                        | <b>24,899.93</b> | <b>28,159.69</b> |

**7[d] CASH AND BANK BALANCES**

|  | 31-Mar-21       | 31-Mar-20       |
|--|-----------------|-----------------|
| <b>(i) Cash and Cash Equivalents</b>                                       |                 |                 |
| Balances with banks in current accounts                                    | 2,584.34        | 2,127.74        |
| Cheques on hand  | -               | 199.10          |
| Fixed deposits with maturity less than 3 months                            | 1,503.06        | 0.17            |
| Cash on hand   | 13.46           | 35.20           |
| <b>Total</b>   | <b>4,100.86</b> | <b>2,362.21</b> |
| <b>(ii) Bank balances other than cash and cash equivalents</b>             |                 |                 |
| Fixed deposits with maturity of more than 3 months and less than 12 months | 220.06          | -               |
| Balance with banks held as margin money (against bank guarantees)          | 326.46          | 172.34          |
| Unpaid dividend bank account   | 8.13            | 9.29            |
| <b>Total</b>   | <b>554.65</b>   | <b>181.63</b>   |

(7) Financial Assets contd..

(All amount in ₹ Million, unless otherwise stated)

**7[e] LOANS**

|   | 31-Mar-21     | 31-Mar-20     |
|---|---------------|---------------|
| <b>Non-current</b> (Unsecured, considered good unless stated otherwise) |               |               |
| Loans to others   | 11.48         | 4.07          |
| <b>Total</b>  | <b>11.48</b>  | <b>4.07</b>   |
| <b>Current</b> (Unsecured, considered good unless stated otherwise)     |               |               |
| Loans to employees  | 23.75         | 34.82         |
| Loans to others   | 494.52        | 609.56        |
| <b>Total</b>  | <b>518.27</b> | <b>644.38</b> |

**7[f] OTHER FINANCIAL ASSETS**

|   | 31-Mar-21       | 31-Mar-20       |
|---|-----------------|-----------------|
| <b>Non-current</b> (Unsecured, considered good unless stated otherwise) |                 |                 |
| Derivative assets   | 1,328.96        | 1,522.17        |
| Deposits with maturity of more than 12 months                           | 42.09           | 42.73           |
| Security deposits   |                 |                 |
| - To others (see note(i))   | 2,051.24        | 1,718.71        |
| Share application money   | 21.75           | 17.50           |
| Less: Provision agst Share application money                            | (17.50)         | (17.50)         |
| Incentive receivables   | 44.60           | 327.88          |
| Receivable from government authorities                                  | 102.03          | 136.30          |
| <b>Total</b>  | <b>3,573.17</b> | <b>3,747.79</b> |
| <b>Current</b> (Unsecured, considered good unless stated otherwise)     |                 |                 |
| Derivative assets   | -               | 5.52            |
| Security deposits   |                 |                 |
| - To others (see note(i))   | 231.66          | 234.17          |
| - To related parties (refer note 37)                                    | 258.18          | 306.00          |
| - Claims receivables (refer note 34)                                    | 2,333.71        | 2,158.75        |
| Less: Provision agst claim receivable                                   | (80.19)         | (309.53)        |
| - Incentive receivables   | 1,727.52        | 1,605.08        |
| Less: Provision agst incentive receivable                               | (117.97)        | (447.14)        |
| Interest receivable   | 29.41           | 19.61           |
| <b>Total</b>  | <b>4,382.32</b> | <b>3,572.46</b> |

(i) Security deposits primarily include retention money deducted as per the terms of contract and deposits given towards rented premises, warehouses and electricity deposits.

**8) OTHER ASSETS**

|   | 31-Mar-21       | 31-Mar-20       |
|---|-----------------|-----------------|
| <b>Non-current</b> (Unsecured, considered good unless stated otherwise) |                 |                 |
| Capital advances  | 289.10          | 374.28          |
| Prepaid expenses  | 46.15           | 58.93           |
| <b>Total</b>  | <b>335.25</b>   | <b>433.21</b>   |
| <b>Current</b> (Unsecured, considered good unless stated otherwise)     |                 |                 |
| <b>Advances other than capital advances</b>                             |                 |                 |
| - Advance to suppliers  | 3,307.07        | 3,112.97        |
| Less: provision against trade advance                                   | (83.57)         | (96.01)         |
| - Employee advances   | 230.88          | 49.52           |
| <b>Others</b>   |                 |                 |
| - Prepaid expenses  | 858.16          | 624.92          |
| - Balance with government authorities                                   | 1,356.52        | 1,241.57        |
| - Contract Assets (refer note 44)                                       | 2,488.39        | 2,135.45        |
| <b>Total</b>  | <b>8,157.45</b> | <b>7,068.42</b> |

(All amount in ₹ Million, unless otherwise stated)

## 9) DEFERRED TAX ASSETS (Net)

### (i) Movement in deferred tax assets for the year ended March 31, 2020

|  | 01-Apr-19       | Recognised in  |          |          | 31-Mar-20       |
|--|-----------------|----------------|----------|----------|-----------------|
|  |                 | Profit or loss | OCI      | Equity   |                 |
| Property plant and equipment                       | 125.62          | (35.28)        | -        | -        | 90.34           |
| Disallowance under section 43B of the IT Act, 1961 | (0.19)          | 0.55           | -        | -        | 0.36            |
| Carried forward losses                             | 1,222.35        | 439.90         | -        | -        | 1,662.25        |
| Other current assets/liability                     | (139.71)        | 87.96          | -        | -        | (51.75)         |
| <b>Total</b>                                       | <b>1,208.07</b> | <b>493.13</b>  | <b>-</b> | <b>-</b> | <b>1,701.20</b> |

### (ii) Movement in deferred tax assets for the year ended March 31, 2021

|  | 01-Apr-20       | Recognised in  |          |          | 31-Mar-21       |
|--|-----------------|----------------|----------|----------|-----------------|
|  |                 | Profit or loss | OCI      | Equity   |                 |
| Property plant and equipment                       | 90.34           | (125.46)       | -        | -        | (35.12)         |
| Disallowance under section 43B of the IT Act, 1961 | 0.36            | 0.07           | -        | -        | 0.43            |
| Carried forward losses                             | 1,662.25        | 257.41         | -        | -        | 1,919.66        |
| Other current assets/liability                     | (51.75)         | 547.22         | -        | -        | 495.47          |
| <b>Total</b>                                       | <b>1,701.20</b> | <b>679.24</b>  | <b>-</b> | <b>-</b> | <b>2,380.44</b> |

## 10) INCOME TAX ASSETS

|                    | 31-Mar-21 | 31-Mar-20 |
|--------------------|-----------|-----------|
| <b>Non-current</b> |           |           |
| Income Tax assets  | 217.18    | 93.59     |

## 11) INVENTORIES

|   | 31-Mar-21        | 31-Mar-20        |
|---|------------------|------------------|
| Raw materials (Including packing material)                  | 5,265.30         | 4,749.77         |
| Stores and consumables                                      | 520.44           | 470.26           |
| Work-in-progress  | 304.72           | 670.71           |
| Finished goods  | 13,955.12        | 15,873.53        |
| <b>Total</b>  | <b>20,045.58</b> | <b>21,764.27</b> |
| <b>Included in inventories goods in transit as follows:</b> |                  |                  |
| Raw materials   | 481.29           | 213.73           |
| Stores, spares and consumables                              | 5.99             | 9.89             |
| Finished goods  | 192.53           | 276.52           |
| <b>Total</b>  | <b>679.81</b>    | <b>500.14</b>    |

Certain inventories stated above are hypothecated on a first pari-passu charge basis to working capital lenders

(i) Amounts recognised in consolidated statement of profit and loss:

Write-down of inventories to net realisable value amounted to ₹ 56.26 (P.Y. ₹ 142.19). These were recognised as an expense during the year and included in Changes in value of inventories of work-in-progress and finished goods in the Consolidated Statement of Profit and Loss.



(All amount in ₹ Million, unless otherwise stated)

**12) BIOLOGICAL ASSETS OTHER THEN BEARER PLANT**

|  | <b>Tissue culture plantations</b> |                  |
|--|-----------------------------------|------------------|
|  | <b>31-Mar-21</b>                  | <b>31-Mar-20</b> |
| <b>Opening balance</b>   | <b>840.13</b>                     | <b>946.31</b>    |
| New plantations  | 560.26                            | 528.01           |
| Gain/(Loss) arising from changes in fair value less cost to sale | 458.86                            | 468.94           |
| Transfer of harvested secondary hardening plants to inventory    | (1,066.44)                        | (1,103.13)       |
| <b>Total</b>   | <b>792.81</b>                     | <b>840.13</b>    |
| <b>Current Assets</b>  |                                   |                  |
| - Aesthetic cultures at laboratory stage                         | 432.07                            | 622.60           |
| - Saplings at primary hardening stage                            | 181.74                            | 103.29           |
| - Saplings at secondary hardening stage                          | 179.00                            | 114.24           |
| <b>Total</b>   | <b>792.81</b>                     | <b>840.13</b>    |

During the Financial year 2020-21, Company has cultured total 74.68 million plants under tissue culture process (FY 2019-20: 76.20 million plants). During the year, the Company sold 71.46 million cultured plants (FY 2019-20: 87.36 million cultured plants).

Biological assets stated above are part of total current assets hypothecated on a first pari-passu charge basis to working capital consortium members led by State Bank of India.

**(i) Estimates and judgements:**

Tissue culture plantations: estimates and judgements in determining the fair value of tissue cultured plants relate to market prices, quality of plants, and mortality rates. The impact of discounting is not considered material as the transformation cycle is less than 6 months.

**(ii) Fair value information:**

The fair value measurements of Tissue culture plantations have been categorised as Level 3 fair values based on the inputs to the valuation techniques used. The following table shows the gain or losses recognised in relation to level 3 fair values.

|   | <b>Tissue culture plantations</b> |                  |
|---|-----------------------------------|------------------|
|   | <b>31-Mar-21</b>                  | <b>31-Mar-20</b> |
| Total gain / (loss) recognised in the consolidated statement of profit and loss | 10.08                             | (33.11)          |

**(iii) Valuation inputs and relationship to fair value**

The following table summarises the quantitative information about the significant unobservable inputs used in the fair value measurements of tissue culture plantations.

|  | <b>Fair value as at</b>   |                  |
|--|---|------------------|
| <b>Particulars</b>   | <b>31-Mar-21</b>  | <b>31-Mar-20</b> |
| Tissue culture plantations   | 792.81  | 840.13           |
| (Measured at fair value less costs to sell estimating projected cash flows, impact of discounting not considered material due to short transformation cycle) |   |                  |
| Significant unobservable inputs  | Inter-relationship between key unobservable inputs and fair value measurements                              |                  |
| - Estimated future market prices of Tissue plantations (31-Mar-2021 INR 14.9 Weighted average, 31-Mar-2020: INR 14.6 Weighted average)                       | The estimated fair value would increase / (decrease) if: - the market price per plant were higher / (lower) |                  |
| - Estimated mortality per stage (31-Mar-2021, 7.90%, 31-Mar-2020 5.50%)  | - the Estimated mortality per stage were (lower) / higher   |                  |

The group's plantations are exposed to risk of damage from climate change, diseases. The group has extensive processes in place aimed at monitoring and mitigating those risks. Further, the demand is subject to external climatic conditions. Management performs regular industry trend analysis for projected harvest volumes and pricing.

**13) SHARE CAPITAL****[a] Authorised share capital**

|                          | Equity shares of ₹ 2 each<br>(PY ₹ 2 each) |                 | Redeemable preference<br>shares of ₹ 100 each (PY ₹<br>100 each) |               | Equity shares of ₹ 2 each<br>with differential voting<br>rights (PY ₹ 2 each) |               |
|--------------------------|--|-----------------|--|---------------|---|---------------|
|                          | No. of<br>shares                           | Amount          | No. of<br>shares   | Amount        | No. of<br>shares  | Amount        |
| As at 31-Mar-2019        | 926,500,000                                | 1,853.00        | 5,000,000  | 500.00        | 310,000,000   | 620.00        |
| As at 31-Mar-2020        | 926,500,000                                | 1,853.00        | 5,000,000  | 500.00        | 310,000,000   | 620.00        |
| <b>As at 31-Mar-2021</b> | <b>926,500,000</b>                         | <b>1,853.00</b> | <b>5,000,000</b>   | <b>500.00</b> | <b>310,000,000</b>  | <b>620.00</b> |

**[b] Issued equity share capital**

|                          | Equity shares of ₹ 2 each<br>(PY ₹ 2 each) |               | Equity shares of ₹ 2 each<br>with differential voting<br>rights (PY ₹ 2 each) |              | Total           |
|--------------------------|--|---------------|---|--------------|-----------------|
|                          | No. of shares                              | Amount        | No. of shares   | Amount       |                 |
| As at 31-Mar-2019        | 496,366,053                                | 992.73        | 19,294,304  | 38.59        | 1,031.32        |
| As at 31-Mar-2020        | 496,366,053                                | 992.73        | 19,294,304  | 38.59        | 1,031.32        |
| <b>As at 31-Mar-2021</b> | <b>496,366,053</b>                         | <b>992.73</b> | <b>19,294,304</b>   | <b>38.59</b> | <b>1,031.32</b> |

- a) Pursuant to resolution passed by the Board of Directors of the Company at the meeting held on March 24, 2016, the Company has allotted 14,100,000 Ordinary Equity Shares of ₹ 2/- each at a premium of ₹ 78/- each in conversion of 14,100,000 equity warrants of ₹ 80/- each to promoter group entity on preferential basis.
- b) Pursuant to resolution passed by the ESOP committee at the meeting held on September 03, 2016, the Company has allotted 29,46,075 equity shares ₹ 2/- each at a premium of ₹ 52.40/-.
- c) 3,62,00,000 Compulsorily Convertible Debentures (CCD) of ₹ 80 each issued on 11-March-2016 to Mandala Rose Co-Investment Ltd. Mauritius (Non Promoter entity) were converted into 3,62,00,000 Ordinary Equity shares of ₹ 2/- each at a premium of ₹ 2,648.56 on 16-Sep-2017.

**i) Terms / rights, preferences and restrictions attached to equity shares:**

"Each holder of Ordinary Equity Shares is entitled to one vote per share. They have right to receive dividend proposed by the Board of Directors and approved by the Shareholders in the Annual General Meeting, right to receive annual report and other quarterly/half yearly/annually reports/notices and right to get new shares proportionately in case of issuance of additional shares by the group. In the event of liquidation of the Holding Company, the holders of Equity Shares will be entitled to receive remaining assets of the group, after distribution of all preferential amounts. The distribution will be in proportion to the number of Ordinary Equity Shares held by the Shareholders. The group has a first and paramount lien upon all the Ordinary Equity Shares."

**ii) Terms and conditions of differential voting rights (DVR shares):**

"The DVR equity shareholders have the same rights as the Ordinary Equity Shares of the group except voting rights. Every 10 DVR equity shares have one voting right on poll (on show of hands however, they carry 1 vote for every person voting). Any DVR holder holding less than 10 DVR equity shares holds fractional voting rights. The DVR equity shares have right to receive full dividend, to receive annual report, right to receive quarterly/half yearly/annually reports/notices and other information/correspondence from time to time, to receive bonus and/or rights shares of the same class of shares as and when such an issue is made in respect of Ordinary Equity Shares and in the same ratio and terms. In case of buy back or reduction of capital of Ordinary Equity Shares, the DVR equity shares have right subject to buyback or reduction on the same terms as Ordinary Equity Shares. Further, in case of issue of Ordinary Equity Shares or any other securities or assets to ordinary equity shares in case of amalgamation/demerger/re-organisation/reconstruction, the DVR Equity Shares have right to receive DVR Equity Shares and any other securities/assets as issued to Ordinary Equity Shares. They have right to hold separate class meeting if their rights are affected in any manner adversely."

**iii) ESOP:**

Board of Directors have on 31st March 2020 approved the grant/transfer to the selected employees 18,96,429 Equity Shares purchased by the ESOP Trust 2018, under the amended JISL ESOPs Scheme, 2011 to such persons and at an exercise price of ₹ 35 each to be vested in 5 years in equal number as per grant list placed before the Board as recommended by ESOP Trust 2018, as well as the NRC, initialed by the Chairman/Secretary for identification) to be administered by the NRC /JISL Esop Trust 2018 as per the pre approved JISL ESOPs Scheme 2011.

(13) Share Capital contd..

(All amount in ₹ Million, unless otherwise stated)

**[c] Details of shareholders holding more than 5% of the aggregate shares in the group:****i) Equity shares of (face value: ₹ 2 each)**

|   | 31-Mar-21     |                          | 31-Mar-20     |                          |
|---|---------------|--------------------------|---------------|--------------------------|
|   | No. of shares | % of total equity shares | No. of shares | % of total equity shares |
| Jalgaon Investments Pvt. Ltd.                 | 121,873,036   | 24.55%                   | 121,873,036   | 24.55%                   |
| Mandala Rose Co Investment Limited, Mauritius | 36,200,000    | 7.29%                    | 36,200,000    | 7.29%                    |

**ii) Equity shares with differential voting rights (face value: ₹ 2 each)**

|                               | 31-Mar-21     |                | 31-Mar-20     |                |
|-------------------------------|---------------|----------------|---------------|----------------|
|                               | No. of shares | % of total DVR | No. of shares | % of total DVR |
| Jalgaon Investments Pvt. Ltd. | 4,830,250     | 25.03%         | 4,830,250     | 25.03%         |

**[d]** The Company does not have any Holding Company or Ultimate Holding Company.**[e]** The Company has not bought back any shares during the period of 5 years preceding the date at which the Balance Sheet is prepared.**[f]** No securities convertible into Equity / Preference shares have been issued by the Company during the year.**[g]** The Company has not made any calls and hence no calls are unpaid by any Director or Officer of the Company.**14) OTHER EQUITY**

|  |            | 31-Mar-21        | 31-Mar-20        |
|--|------------|------------------|------------------|
| Capital reserve  | 14(a)(i)   | 2,221.47         | 2,221.47         |
| Capital redemption reserve                                     | 14(a)(ii)  | 896.72           | 896.72           |
| Securities premium reserve                                     | 14(a)(iii) | 14,571.95        | 14,571.95        |
| Retained earnings  | 14(a)(iv)  | 13,731.63        | 18,244.16        |
| General reserve  | 14(a)(v)   | 2,083.95         | 2,115.57         |
| Foreign currency monetary items translation difference account | 14(b)(i)   | (10.56)          | (50.92)          |
| Foreign currency translation reserve                           | 14(b)(ii)  | (4,847.94)       | (4,319.27)       |
| <b>Total</b>   |            | <b>28,647.22</b> | <b>33,679.68</b> |

**14(a) RESERVES AND SURPLUS****i) Capital reserve**

Capital reserve is created on account of amalgamation of orient Vegexpo Limited into the group and on forfeiture of equity warrants.

|  | 31-Mar-21       | 31-Mar-20       |
|--|-----------------|-----------------|
| Balance at the beginning of the year     | 2,221.47        | 2,213.64        |
| On account of investment in subsidiaries | -               | 7.83            |
| <b>Balance at the end of the year</b>    | <b>2,221.47</b> | <b>2,221.47</b> |

**ii) Capital redemption reserve**

The group recognises profit or loss on purchase, sale, issue or cancellation of group's own equity instruments and preference shares to capital redemption reserve.

|                                       | 31-Mar-21     | 31-Mar-20     |
|---------------------------------------|---------------|---------------|
| Balance at the beginning of the year  | 896.72        | 896.72        |
| <b>Balance at the end of the year</b> | <b>896.72</b> | <b>896.72</b> |

**iii) Securities premium reserve**

Securities premium reserve is used to record the premium paid on issue of shares. The reserve is utilised in accordance with the provision of the Act.

|                                       | 31-Mar-21        | 31-Mar-20        |
|---------------------------------------|------------------|------------------|
| Balance at the beginning of the year  | 14,571.95        | 14,571.95        |
| <b>Balance at the end of the year</b> | <b>14,571.95</b> | <b>14,571.95</b> |

**iv) Retained earnings**

Retained earning represents surplus/accumulated earnings of the group and are available for distribution to shareholders.

|  | 31-Mar-21        | 31-Mar-20        |
|--|------------------|------------------|
| Balance at the beginning of the year   | 18,244.16        | 25,390.83        |
| Net profit for the year  | (3,956.55)       | (7,151.38)       |
| Adjustment on account of acquiring non controlling interest (refer note 38(b)) | (551.39)         | -                |
| Items that will not be reclassified to profit or loss:                         |                  |                  |
| - Remeasurements of defined benefit obligations, (net of tax)                  | (4.60)           | 3.80             |
| - Opening impact of IND AS-116   | -                | 0.91             |
| <b>Balance at the end of the year</b>  | <b>13,731.63</b> | <b>18,244.16</b> |

**v) General reserve**

|                                       | 31-Mar-21       | 31-Mar-20       |
|---------------------------------------|-----------------|-----------------|
| Balance at the beginning of the year  | 2,115.57        | 2,115.57        |
| Movement during the year              | (31.62)         | -               |
| <b>Balance at the end of the year</b> | <b>2,083.95</b> | <b>2,115.57</b> |

**14(b) OTHER RESERVES****i) Foreign currency monetary items translation difference account**

Foreign Currency monetary Item Translation Difference Account represents amounts recognised on account of long term foreign currency denominated borrowings not related to acquisition of depreciable assets. Amounts so recognised are amortised in the Statement of Profit and Loss over remaining maturity of borrowings.

|  | 31-Mar-21      | 31-Mar-20      |
|--|----------------|----------------|
| Balance at the beginning of the year   | (50.92)        | (82.24)        |
| Exchange gain / (loss) during the year | 40.36          | 52.24          |
| Amortised during the year              | -              | (20.92)        |
| <b>Balance at the end of the year</b>  | <b>(10.56)</b> | <b>(50.92)</b> |

**ii) Foreign currency translation reserve**

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

|  | 31-Mar-21         | 31-Mar-20         |
|--|-------------------|-------------------|
| Balance at the beginning of the year   | (4,319.27)        | (2,006.87)        |
| Exchange gain / (loss) during the year (including adjustment on account of disposal of foreign operations) | (521.32)          | (2,288.30)        |
| Transaction with non controlling interest  | (7.35)            | (24.10)           |
| <b>Balance at the end of the year</b>  | <b>(4,847.94)</b> | <b>(4,319.27)</b> |

(All amount in ₹ Million, unless otherwise stated)

**15) FINANCIAL LIABILITIES****15(a) NON-CURRENT BORROWINGS**

|  | <b>Maturity Date</b> | <b>Terms of repayment</b> | <b>Security details</b> | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|--|----------------------|---------------------------|-------------------------|------------------|------------------|
|--|----------------------|---------------------------|-------------------------|------------------|------------------|

**Secured****i) Term loans - From banks (Average interest rate for loan under category is 6.97%)**

|                           |            |  |   |          |          |
|---------------------------|------------|--|---|----------|----------|
| Exim bank                 | FY 2022-23 | The balance loan repayable in 19 quarterly installment of ₹ 2 to ₹ 50 starting from Jan-18.              | Paripassu charge on movable fixed assets of the holding company both present and future and mortgage of certain immovable properties.   | 598.14   | 596.64   |
| Exim bank                 | FY 2024-25 | The loan repayable in 11 equal half yearly installment of ₹ 181.81 each starting from 1-Nov-19.          | The Holding Company has defaulted in the repayment. The amount of total overdue outstanding as at March 31, 2021 is ₹ 845.45 towards principal and ₹ 525.76 towards interest (Previous year ₹ 281.82 towards principal and ₹ 154.43 towards interest)   | 1,988.52 | 1,985.33 |
| Exim Bank #               | FY 2024-25 | The loan is repayable in 11 equal half yearly installment of ₹ 102.27 each starting from 1-Mar-20.       | Paripassu charge on movable Property, plant and equipment of the holding company both present and future and mortgage of certain immovable properties.  | 1,103.79 | 1,098.37 |
| Canara Bank               | FY 2022-23 | The loan repayable in 60 equal monthly installment of ₹ 12.50 each starting from 30-Apr-18.              | Paripassu charge on movable Property, plant and equipment of the holding company both present and future and mortgage of certain immovable properties. The Holding Company has defaulted in the repayment. The amount of total overdue outstanding as at March 31, 2021 is ₹ 223.50 towards principal and ₹ 91.63 towards interest (Previous year ₹ 73.50 towards principal and ₹ 28.44 towards interest) | 518.54   | 516.07   |
| People's Bank & Trust Co. | FY 2026-27 | the loan is repayable in installment of \$13,988 per month till Jun-2026.                                | specific buildings assets of the borrowing subsidiary company.  | 52.23    | 61.32    |
| Exim Bank                 | FY 2024-25 | Due in quarterly installments of \$2.38 starting in June of 2019 till Apr-2024                           | Paripassu charge on the assets of borrowing subsidiary company.   | 2,950.84 | 3,016.48 |
| SBI##                     | FY 2022-23 | "The loan is repayable in 18 equal monthly installment of ₹ 11.11 million each starting from 31-Jan-21." | Paripassu charge on movable property plant and equipment of the holding company both present and future and mortgage of certain immovable properties.   | 177.78   | -        |
| MDCC ###                  | FY 2022-23 | "The loan is repayable in 24 equal monthly installment of ₹ 2.08 million each starting from 17-Feb-21."  | Paripassu charge on movable property plant and equipment of the holding company both present and future and mortgage of certain immovable properties.   | 50.00    | -        |

## (15) Financial Liabilities contd..

(All amount in ₹ Million, unless otherwise stated)

|                                   | <b>Maturity Date</b> | <b>Terms of repayment</b>  | <b>Security details</b>  | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|-----------------------------------|----------------------|--|--|------------------|------------------|
| Community Bank*                   | FY 2033-34           | The loan is repayable in monthly installments of \$32,654 each, including variable interest currently at 5.44% per annum till April 2019 and thereafter adjusting variably by the Federal Home Loan Bank 5 year index plus 3.5% till March 2034. | Certain lands and improvement thereon of borrowing subsidiary company.                               | -                | 266.08           |
| Bank HaPoalim                     | FY 2022-23           | The loan is repayable in monthly installments of ILS 350,000 to ILS 541,221 till Oct-2022  | Paripassu charge on the assets borrowing subsidiary company.   | 73.58            | 137.35           |
| Bank Leumi                        | FY 2021-22           | The loan is repayable in monthly installment of ILS 437,500 to ILS 1,000,000 till May-2021   | Paripassu charge on the assets borrowing subsidiary company.   | 11.01            | 88.60            |
| Bank Leumi                        | FY 2022-23           | The loan is repayable in monthly installments of ILS 270,000 to ILS 562,200 till Mar-2023  | Floating charge on the assets borrowing subsidiary company.  | 132.16           | 203.05           |
| Union Bank of Israel              | FY 2022-23           | The loan is repayable in Quarterly installments of ILS 257,000 to ILS 270,000 till Oct-2022  | Paripassu charge on the assets borrowing subsidiary company.   | -                | 16.95            |
| ING Bank, Belgium                 | FY 2024-25           | The Loan is repayable in 28 installments of EUR 205,357 each starting from Feb-2018 till Feb-2025.   | Paripassu charge on the shares of the subsidiary company.  | 279.90           | 336.39           |
| John Deere Financial              | FY 2020-21           | "Due in annual payments of \$17,733 till May-2020"   | Specific plant and machinery of borrowing subsidiary company   | -                | 1.34             |
| Ally Bank                         | FY 2021-22           | Due in monthly payments of \$7,694, till April 21  | Specific plant and machinery of borrowing subsidiary company   | 3.24             | 6.35             |
| Kubota Credit Corporation USA     | FY 2020-21           | Due in monthly payments of US\$ 900 till Sep-2020  | Specific plant and machinery of borrowing subsidiary company   | -                | 0.27             |
| Close Brothers                    | FY 2022-23           | The loan is repayable in 60 Installment of EUR 40,776 starting from Sep-14 till Jan-2023.  | Specific plant and machinery of borrowing subsidiary company   | 69.66            | 61.47            |
| Banque Cantonale Neuchateloise    | FY 2034-35           | The loan is repayable in half yearly Installment of CHF 85,000 upto December 2034  | specific land and buildings assets of the borrowing subsidiary company.                              | -                | 263.21           |
| Union Bank of India (UK) Ltd., UK | FY 2023-24           | Equal quarterly instalments of US\$ 0.25 till Mar-2024   | "100% Share pledge of NaandanJain Irrigation Ltd., Israel and guaranteed by holding company."        | 273.98           | 318.12           |
| Bank of Ireland                   | FY 2028-29           | The loan is repayable in monthly instalments of £1.25 over 84 months and £1.35 over 60 months till Aug-28  | fixed and floating charges over assets of the borrowing subsidiary company.                          | 150.70           | 182.57           |
| Coöperatieve Rabobank U.A         | FY 2024-25           | The loan is repayable 18 quarterly installments of US\$ 0.30 to US\$ 1.20 after 15 months from disbursement starting from Jan-20 till Apr-24   | Floating charge over assets of the borrowing subsidiary company and pledge of shares in subsidiaries | 793.83           | 881.97           |



(15) Financial Liabilities contd..

(All amount in ₹ Million, unless otherwise stated)

|                     | <b>Maturity Date</b> | <b>Terms of repayment</b>  | <b>Security details</b>                               | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|---------------------|----------------------|--|---|------------------|------------------|
| Wells Fargo         | FY 2020-21           | Due in monthly payments of US\$ 60,000 till Jul-2020                           | Specific equipment's of borrowing subsidiary company. | -                | 18.09            |
| Wells Fargo         | FY 2022-23           | "Due in monthly principal payments of \$ 38,889, secured by various equipment" | Specific equipment's of borrowing subsidiary company. | 60.03            | 96.75            |
| Halkbank            | FY 2024-25           | Due in Quarterly payments of 16 various installments, till Jan 25              | The loan is guaranteed by Shareholder of the company. | 33.78            | 47.44            |
| Halkbank            | FY 2024-25           | Due in Quarterly payments of 16 various installments, till Jan 25              | The loan is guaranteed by Shareholder of the company. | 34.10            | 47.24            |
| QNB FINANSBANK      | FY 2021-22           | Due in Quarterly payments of various installments, till Jan 22                 | The loan is guaranteed by Shareholder of the company. | 36.74            | -                |
| HALKBANK            | FY 2021-22           | Due in Quarterly payments of various installments, till Jan 22                 | The loan is guaranteed by Shareholder of the company. | 0.43             | -                |
| HALKBANK            | FY 2021-22           | Due in Quarterly payments of various installments, till Jan 22                 | The loan is guaranteed by Shareholder of the company. | 10.20            | -                |
| HALKBANK            | FY 2021-22           | Due in Quarterly payments of various installments, till Jan 22                 | The loan is guaranteed by Shareholder of the company. | 1.47             | -                |
| ISBANK              | FY 2021-22           | Due in Quarterly payments of various installments, till Feb 22                 | The loan is guaranteed by Shareholder of the company. | 36.02            | -                |
| ZIRAATBANK          | FY 2021-22           | Due in Quarterly payments of various installments, till Dec 21                 | The loan is guaranteed by Shareholder of the company. | 55.13            | -                |
| ZIRAAT KATILIM      | FY 2021-22           | Due in 10 monthly payments of \$ 48,975, including interest, till Feb 22       | The loan is guaranteed by Shareholder of the company. | 39.60            | -                |
| HALKBANK            | FY 2023-24           | Due in 25 monthly payments of \$ 8,130, including interest, till April 23      | The loan is guaranteed by Shareholder of the company. | 14.94            | -                |
| HALKBANK            | FY 2022-23           | Due in 24 monthly payments of \$ 5,164, including interest, till Dec 22        | The loan is guaranteed by Shareholder of the company. | 9.11             | -                |
| VAKIFBANK           | FY 2023-24           | Due in 27 monthly payments , including interest, till April 23                 | The loan is guaranteed by Shareholder of the company. | 13.66            | -                |
| ZIRAATBANK          | FY 2021-22           | Due in Quarterly payments of various installments, till Nov 21                 | The loan is guaranteed by Shareholder of the company. | 4.19             | -                |
| Vakıf Bank          | FY 2022-23           | Due in 20 monthly payments of \$ 12,534, including interest, till Nov 22       | The loan is guaranteed by Shareholder of the company. | 18.43            | 35.12            |
| Ziraat Katılım Bank | FY 2021-22           | Due in 17 monthly payments of \$ 22,848, including interest, till Aug 22       | The loan is guaranteed by Shareholder of the company. | 28.55            | 63.33            |
| Kuveytturk          | FY 2021-22           | Due in 2 monthly payments of \$ 59,922, including interest, till May 21        | The loan is guaranteed by Shareholder of the company. | 8.81             | 52.81            |

## (15) Financial Liabilities contd..

(All amount in ₹ Million, unless otherwise stated)

|                      | <b>Maturity Date</b> | <b>Terms of repayment</b>   | <b>Security details</b>   | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|----------------------|----------------------|---|---|------------------|------------------|
| QNB FINANSBANK       | FY 2021-22           | Due in Quarterly payments of various installments, till Mar 22  | The loan is guaranteed by Shareholder of the company.                       | 1.90             | -                |
| US Bank              | FY 2024-25           | Due in monthly payments of \$1,832, including interest, till May-2024   | Specific plant and machinery of borrowing subsidiary company                | 4.48             | 5.82             |
| Exim Bank Turkey     | FY 2021-22           | The loans are repayable in monthly installments of ILS 268,000 to ILS 605,000 till Jan-2022                         | fixed and floating charges over assets of the borrowing subsidiary company. | 17.22            | 50.03            |
| KBC Bank             | FY 2023-24           | The loan is repayable in Quarterly installments of ILS 560,000 to ILS 2,250,000 till Dec-2023                       | fixed and floating charges over assets of the borrowing subsidiary company. | 429.32           | 440.78           |
| Lloyds Bank, UK      | FY 2023-24           | The loan is repayable in Quarterly installments of £ 120,000 payable in 16 installments till April-2023             | specific land and buildings assets of the borrowing subsidiary company.     | 122.75           | 127.73           |
| Santander            | FY 2023-24           | The loans is repayable in monthly installments of ILS 34,000 till Dec-2023  | specific land and buildings assets of the borrowing subsidiary company.     | 23.70            | 30.85            |
| Caixabank            | FY 2021-22           | The loan is repayable in Quarterly installments of ILS 1,545,000 to ILS 1,570,000 till Sep-2021                     | fixed and floating charges over assets of the borrowing subsidiary company. | 66.32            | 189.30           |
| HALKBANK             | FY 2022-23           | The loan is repayable Monthly payment of 50,000 TRL a month till Feb-23   | fixed and floating charges over assets of the borrowing subsidiary company. | 11.82            | 22.48            |
| CIC bank             | FY 2021-22           | The loan is repayable Monthly payment of 25000 euro a month till April 2021   | fixed and floating charges over assets of the borrowing subsidiary company. | 1.48             | 2.71             |
| BBVA                 | FY 2021-22           | Loan is consider to be like a revolving credit need to be return in Aug 2021 or to be renewal for additional period | fixed and floating charges over assets of the borrowing subsidiary company. | -                | 48.46            |
| ANADOLUBANK          | FY 2022-23           | The loans are repayable in monthly installments of ILS 20,000 to 25,000 till June-2022                              | fixed and floating charges over assets of the borrowing subsidiary company. | 4.56             | -                |
| VAKIFBANK            | FY 2022-23           | The loans are repayable in monthly installments of ILS 30,000 to 40,000 till June-2022                              | fixed and floating charges over assets of the borrowing subsidiary company. | 11.40            | -                |
| VAKIFBANK            | FY 2022-23           | The loans are repayable in monthly installments of ILS 35,000 to 45,000 till July-2022                              | fixed and floating charges over assets of the borrowing subsidiary company. | 14.58            | -                |
| Banca intesa san pao | FY 2026-27           | The loans are repayable in Qurtly installments of ILS 100,000 to 130,000 till July-2026                             | fixed and floating charges over assets of the borrowing subsidiary company. | 51.57            | -                |
| Banco de Credito     | FY 2023-24           | The loans are repayable in monthly installments of ILS 60,000 to 80,000 till May-2023                               | fixed and floating charges over assets of the borrowing subsidiary company. | 31.95            | -                |

## (15) Financial Liabilities contd..

(All amount in ₹ Million, unless otherwise stated)

|                               | <b>Maturity Date</b> | <b>Terms of repayment</b>   | <b>Security details</b>   | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|-------------------------------|----------------------|---|---|------------------|------------------|
| Bradesco                      | FY 2023-24           | The loans are repayable in monthly installments of ILS 110,000 to 130,000 till Aug-2023   | fixed and floating charges over assets of the borrowing subsidiary company.   | 79.98            | -                |
| UBS Switzerland AG            | FY 2024-25           | The loan is repayable in 12 half yearly installments of Euro 0.20 each starting from 01-Jul-19                                  | Related specific machinery and equipment's The Holding Company has defaulted. The amount of total overdue outstanding as at March 31, 2021 is ₹ 41.17 towards principal and ₹ 3.14 towards interest (Previous year ₹ NIL) | 166.96           | 160.52           |
| Close Brothers                | FY 2023-24           | The loan is repayable in 60 equal installments of £ 1,940 commencing from Mar-19 to Mar-24                                      | Related specific machinery and equipment's  | 19.99            | 23.11            |
| Coöperatieve Rabobank U.A#### | FY 2021-22           | The loan is repayable 9 half yearly installments of US\$ 1.50 to US\$ 6.00 after 12 months from starting from Apr-17 to Apr-21. | All properties and assets of the borrowing subsidiary company, in addition the loan is guaranteed by subsidiary company.  | 791.27           | 1,004.70         |

**ii) Term loans - From financial institutions / Other parties (Average interest rate for loan under category is 7.62%)**

|  |                 |  |   |          |          |
|--|-----------------|--|---|----------|----------|
| International finance corporation (IFC)  | FY 2025-26      | The loan repayable in 13 equal half yearly installment of ₹ 200 each starting from 15-Mar-20.                | Certain movable and immovable properties of the holding company .The Holding Company has defaulted. The amount of total overdue outstanding as at March 31, 2021 is ₹ 600.00 towards principal and ₹ 602.30 towards interest (Previous year ₹ 200.00 towards principal and ₹ 145.70 towards interest )  | 2,578.43 | 2,574.08 |
| International finance corporation (IFC)  | FY 2020-21      | The loan is repayable in 11 half yearly installments of US\$ 0.38 to US\$ 4.69 each starting from 30-May-15. | Certain movable and immovable properties of the holding company .The Holding Company has defaulted. The amount of total overdue outstanding as at March 31, 2021 is ₹ 1,418.00 towards principal and ₹ 196.69 towards interest (Previous year ₹ 479.21 towards principal and ₹ 51.93 towards interest ) | 179.55   | 180.53   |
| FMO - Nederlandse Inancierings-Maatschappij Voor Ontwikkelingslanden N.V.          | FY 2020-21      | The loan is repayable in 11 half yearly installments of US\$ 0.03 to US\$ 1.9 each starting from 30-Nov-15.  |   | 405.02   | 408.88   |
| DEG - Deutsche Investitions-Und Entwicklungsgesellschaft MBH                       | FY 2020-21      | The loan is repayable in 11 half yearly installments of US\$ 0.08 to US\$ 2.3 each starting from 30-Nov-15.  |   | 484.22   | 488.48   |
| PROPARCO - Société De Promotion Et De Participation Pour La Coopération Économique | FY 2022-23      | The loan is repayable in 13 half yearly installments of US\$ 0.21 to US\$ 1.43 each starting from 30-Nov-15. |   | 489.96   | 495.17   |
| Capital leases (Plant and Machinery)   | Upto FY 2025-26 | These lease are repayable in various monthly installments.   | Related specific plant, machinery and equipment's   | 83.68    | 89.80    |

|                  | <b>Maturity Date</b> | <b>Terms of repayment</b>                               | <b>Security details</b>  | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|------------------|----------------------|---|--|------------------|------------------|
| Vehicle Loans    | Upto FY 2022-23      | These loans are payable in various monthly installments | Related specific vehicles to specified lenders..The Holding Company has defaulted. The amount of total overdue outstanding as at March 31, 2021 is ₹ 1.99 towards principal and ₹ 0.28 towards interest (Previous year ₹ NIL ) | 98.48            | 107.33           |
| <b>Sub-total</b> |                      |   |  | <b>15,803.68</b> | <b>16,849.45</b> |

**Unsecured****i) Bonds (Average interest rate for loan under category is 7.13%)**

|                |            |  |           |           |           |
|----------------|------------|--|-----------|-----------|-----------|
| Bond holders ^ | FY 2026-27 | Senior notes aggregating to principal amount of US\$200.00 issued at offering price of 98.970% bearing interest rate at 7.125% due on 1-Feb-27 | Unsecured | 14,633.70 | 14,931.50 |
|----------------|------------|--|-----------|-----------|-----------|

**ii) Term loans - From others (Average interest rate for loan under category is 8.00%)**

|             |            |   |           |   |      |
|-------------|------------|---|-----------|---|------|
| From others | FY 2020-21 | The loan is repayable in equal installment of \$2,650 per month till Mar-2021 | Unsecured | - | 2.30 |
|-------------|------------|---|-----------|---|------|

**iii) Compulsory convertible debentures**

|   |            |                    |           |                   |                   |
|---|------------|--------------------|-----------|-------------------|-------------------|
| 1% Compulsory convertible debentures                      | FY 2020-21 | See note (i) below | Unsecured | 1,623.71          | 1,559.54          |
| <b>Sub-total</b>  |            |                    |           | <b>16,257.41</b>  | <b>16,493.33</b>  |
| <b>Total non-current borrowings</b>                       |            |                    |           | <b>32,061.09</b>  | <b>33,342.78</b>  |
| <b>Less: Current maturities of non-current borrowings</b> |            |                    |           | <b>(7,143.81)</b> | <b>(5,700.35)</b> |
| <b>Non-current borrowings</b>                             |            |                    |           | <b>24,917.28</b>  | <b>27,642.43</b>  |

**[i] Compulsory convertible debentures**

Pursuant to the shareholders' approval on March 29, 2016 and other requisite approvals, the subsidiary company on March 30, 2016 has issued and allotted 3,132,596 equity shares having face value of ₹ 10.00 each at ₹ 770.365 each and 2,088,397 compulsorily convertible debentures (CCD) of ₹ 770.365 each to Mandala Primrose Co-investment Limited, Mauritius (Non Promoter entity). Till conversion, CCDs shall carry interest at the rate of 1% per annum. In terms of the investment agreements, CCDs shall be converted into 1,007,865 equity shares, if the Adjustment Conditions are met or 2,088,397 equity shares, if the Adjustment conditions are not met. Whether the adjustment conditions are met or not, conversion will be decided within 60 months from the date of issue of CCD.

As on March 31, 2021, the debenture holder's has not opted for conversion of CCDs to equity shares as they are compulsorily convertible into equity shares at the expiry of 19 years from issue date or at the Debenture holder's option, at any time after it is determined that the adjustment condition is met or not.

The Subsidiary Company has made payment of interest of ₹ 16.09 million due on March 31, 2021 in respect of CCD issued to Mandala Prim Rose Co' Investment Limited subsequently on April 05, 2021.

|                                      | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|--------------------------------------|------------------|------------------|
| Balance at the beginning of the year | 1,559.54         | 1,481.14         |
| Interest expenses                    | 80.26            | 78.40            |
| Interest paid                        | (16.09)          | -                |
| <b>Non-current borrowings</b>        | <b>1,623.71</b>  | <b>1,559.54</b>  |

^ The Subsidiary Company has defaulted in the repayment of interest. Total overdue amount is ₹ 1,571.16 towards interest (Previous year ₹ 537.12)

## (15) Financial Liabilities contd..

(All amount in ₹ Million, unless otherwise stated)

- \* Term loan from Community Bank -The Bank consented to the Subsidiary Company's assets sale of substantially all of the assets of its DID division ("The Sale") in January 2021. In connection with The Sale, the Bank agreed to release its lien on the assets being sold pursuant to the terms of an Assets Purchase Agreement entered into by the The Subsidiary Company and the Buyer of the DID division provided that the proceeds from the Sale paid were used to pay down the Bank's line of credit in full.
- # Term loan from EXIM Bank - The Subsidiary Company has defaulted towards repayment of 3 instalments amounting of ₹ 306.82 million which were due on March 01, 2020, September 01, 2020 and March 01, 2021 respectively.
- ## Term loan from State Bank of India - The Subsidiary Company has defaulted towards repayment of instalment amounting of ₹ 11.11 million which was due on March 01, 2021.
- ### Term loan from Mumbai District Central Co-operative Bank Ltd - The Subsidiary Company has defaulted towards repayment of 2 instalments amounting of ₹ 4.17 million which were due on February 01, 2021 and March 01, 2021 respectively.
- #### Coöperatieve Rabobank U.A - The Subsidiary Company has defaulted towards repayments of 2 installments amounting to ₹ 356.50 million which were due on April 01, 2020 and October 01, 2020 respectively

**[ii] this loan is also personally guaranteed by four director including Managing director of the holding company in their personal capacity.**

**15(b) CURRENT BORROWINGS****i) Loans repayable on demand (Average interest rate for loan under category is 10.94%)**

|                                     |   | 31-Mar-21        | 31-Mar-20        |
|-------------------------------------|---|------------------|------------------|
| - From Banks (Secured)              |   |                  |                  |
| Working capital loans               | For security detail<br>refer security details below | 16,149.00        | 16,940.03        |
| Cash credit accounts                |   | 16,971.11        | 16,731.33        |
| Export packing credit               |   | 1,574.06         | 1,785.89         |
| Bill discounting                    |   | 113.99           | -                |
| - From Banks (Unsecured)            |   |                  |                  |
| Unsecured loans from banks          |   | -                | 113.82           |
| - From Others (Unsecured)           |   |                  |                  |
| Loan from Associate (refer note 37) |   | 464.65           | 462.66           |
| Unsecured loans from others         |   | 11.60            | 45.64            |
| <b>Total</b>                        |   | <b>35,284.41</b> | <b>36,079.37</b> |

The working capital loans are secured by a first pari-passu charge on whole of respective company's present and future stocks of raw material, finished goods, stocks in process, stores and spares and other raw materials, stored whether raw or in process of manufacture and all articles manufactured there from brought into store or be in or around the respective Company's godowns or factory premises at respective locations, including goods in transit or delivery and the respective Company's present and future book debts, outstanding monies, receivable, claims, bills, contracts, engagements, securities, investments, rights and assets of the respective companies. The working capital facilities as above are further secured by a second charge (First Charge in case of FCTL and FCNRB) ranking Pari-Passu by way of equitable mortgage by deposits of title deeds of selected immovable properties of the respective Company together with all buildings, structures thereon and all plant and machinery attached to earth however, excluding assets charged exclusively as mentioned in these notes. The whole of the movable properties of the respective Company (other than Current Assets) including its movable plant and machinery, machinery spares, tools and accessories and other movables, both present and future save and except the moveable assets which are exclusively charged to the other lender.

The working capital loans are also secured by personal guarantee by the Managing director and three other directors of the group in their personal capacity.

The Holding Company has defaulted in repayment of its short term dues towards lenders, the account has been classified as NPA since September 2019.

**Changes in liability from financing activities:**

| Head                        | 31-Mar-20        | Cash Flow         | Non Cash Changes          |                   |                     | Interest Paid     | 31-Mar-21        |
|-----------------------------|------------------|-------------------|---------------------------|-------------------|---------------------|-------------------|------------------|
|                             |                  |                   | Foreign exchange movement | Interest Expenses | Inter Head Movement |                   |                  |
| Long Term Borrowings        | 27,642.43        | (979.75)          | (301.95)                  | 2,383.84          | (3,827.30)          | -                 | 24,917.28        |
| Other Financial Liabilities | 8,078.08         | -                 | 1,128.63                  | -                 | 7,536.63            | (2,591.05)        | 14,152.29        |
| Borrowings - Current        | 36,079.37        | (794.96)          | -                         | 3,709.33          | (3,709.33)          | -                 | 35,284.41        |
|                             | <b>71,799.88</b> | <b>(1,774.71)</b> | <b>826.68</b>             | <b>6,093.17</b>   | <b>-</b>            | <b>(2,591.05)</b> | <b>74,353.98</b> |

(15) Financial Liabilities contd..

(All amount in ₹ Million, unless otherwise stated)

**15(c) TRADE PAYABLES**

|   | 31-Mar-21       | 31-Mar-20        |
|---|-----------------|------------------|
| <b>Current</b>  |                 |                  |
| Total outstanding dues of micro and small enterprises (refer note 32)     | 589.18          | 222.64           |
| Total outstanding dues of creditors other than micro and small enterprise | 9,009.60        | 11,031.75        |
| <b>Total</b>  | <b>9,598.78</b> | <b>11,254.39</b> |

**15(d) LEASE LIABILITY**

|                                | 31-Mar-21       | 31-Mar-20       |
|--------------------------------|-----------------|-----------------|
| <b>Non-current</b>             |                 |                 |
| Lease liability (refer note 5) | 1,336.62        | 1,604.12        |
| <b>Total</b>                   | <b>1,336.62</b> | <b>1,604.12</b> |
| <b>Current</b>                 |                 |                 |
| Lease liability (refer note 5) | 630.89          | 562.32          |
| <b>Total</b>                   | <b>630.89</b>   | <b>562.32</b>   |

**15(e) OTHER FINANCIAL LIABILITIES**

|   | 31-Mar-21        | 31-Mar-20        |
|---|------------------|------------------|
| <b>Non-current</b>  |                  |                  |
| Derivative liabilities  | 1.18             | 13.90            |
| Other long term liabilities   | 1,237.64         | 1,006.50         |
| <b>Total</b>  | <b>1,238.82</b>  | <b>1,020.40</b>  |
| <b>Current</b>  |                  |                  |
| Current maturities of non-current borrowings (refer note 15(a))                       | 7,143.81         | 5,700.35         |
| Current maturities of other long term liabilities                                     | 425.36           | 241.31           |
| Derivative liabilities  | 40.14            | 7.66             |
| Interest accrued on borrowings  | 7,008.48         | 2,377.73         |
| Unpaid dividend <sup>^</sup>  | 8.13             | 9.29             |
| Trade payable for capital goods (other than small enterprises and medium enterprises) | 171.83           | 179.04           |
| Outstanding liabilities for expenses  | 1,224.72         | 1,071.81         |
| Liabilities towards employee benefits   | 1,640.66         | 1,479.49         |
| Security deposits   | 789.26           | 697.87           |
| Others payables   | 4.30             | 5.38             |
| <b>Total</b>  | <b>18,456.69</b> | <b>11,769.93</b> |

<sup>^</sup> There are no unpaid dividend which is required to be transferred to investors education protection fund**16) PROVISIONS**

|  | 31-Mar-21     | 31-Mar-20     |
|--|---------------|---------------|
| <b>Non-current</b>                             |               |               |
| <b>Provision for employee benefits</b>         |               |               |
| (i) Provision for gratuity                     | 231.55        | 318.57        |
| (ii) Provision for leave encashment (unfunded) | 97.06         | 116.12        |
| <b>Total</b>                                   | <b>328.61</b> | <b>434.69</b> |
| <b>Current</b>                                 |               |               |
| <b>Provision for employee benefits</b>         |               |               |
| (i) Provision for gratuity                     | 353.93        | 372.85        |
| (ii) Provision for leave encashment (unfunded) | 16.45         | 21.42         |
| <b>Total</b>                                   | <b>370.38</b> | <b>394.27</b> |

**17) CURRENT TAX LIABILITIES (NET)**

|  | 31-Mar-21     | 31-Mar-20     |
|--|---------------|---------------|
| <b>Income tax liabilities (net of advance tax)</b> | <b>112.53</b> | <b>129.23</b> |



(All amount in ₹ Million, unless otherwise stated)

**18) DEFERRED TAX LIABILITIES****i) Movement in deferred tax liabilities for the year ended March 31, 2020**

|  | 31-Mar-19       | Recognised in     |             |          | 30-Mar-20       |
|--|-----------------|-------------------|-------------|----------|-----------------|
|  |                 | Profit and loss   | OCI         | Equity   |                 |
| <b>Deferred tax liability</b>                  |                 |                   |             |          |                 |
| Property plant and equipment                   | 7,023.88        | 293.92            | -           | -        | 7,317.80        |
| Fair value of biological assets                | 122.14          | (11.51)           | -           | -        | 110.63          |
| Fair valuation of investments and derivatives  | (12.30)         | (1.27)            | -           | -        | (13.57)         |
| Disallowance under sec.43B of the IT Act, 1961 | (284.83)        | (29.71)           | 2.30        | -        | (312.24)        |
| Fair valuation of Derivative/ Guarantees       | (86.77)         | (43.40)           | -           | -        | (130.17)        |
| Other current assets/liability                 | (974.71)        | (648.38)          | -           | -        | (1,623.09)      |
| MAT tax credit                                 | (995.46)        | -                 | -           | -        | (995.46)        |
| <b>Deferred tax liabilities (net)</b>          | <b>4,791.95</b> | <b>(2,800.68)</b> | <b>2.30</b> | <b>-</b> | <b>1,993.56</b> |

**ii) Movement in deferred tax liabilities for the year ended March 31, 2021**

|  | 30-Mar-20       | Recognised in     |               |          | 31-Mar-21     |
|--|-----------------|-------------------|---------------|----------|---------------|
|  |                 | Profit and loss   | OCI           | Equity   |               |
| <b>Deferred tax liability</b>                  |                 |                   |               |          |               |
| Property plant and equipment                   | 7,317.80        | (336.85)          | -             | -        | 6,980.95      |
| Fair value of biological assets                | 110.63          | (3.52)            | -             | -        | 107.11        |
| Fair valuation of investments and derivatives  | (13.57)         | 13.57             | -             | -        | -             |
| Disallowance under sec.43B of the IT Act, 1961 | (312.24)        | 18.46             | (2.40)        | -        | (296.18)      |
| Unabsorbed loss                                | (2,360.33)      | (2,073.10)        | -             | -        | (4,433.43)    |
| Fair valuation of Derivative/ Guarantees       | (130.17)        | (100.95)          | -             | -        | (231.12)      |
| Other current assets/liability                 | (1,623.09)      | 810.29            | -             | -        | (812.80)      |
| MAT tax credit                                 | (995.46)        | (0.00)            | -             | -        | (995.46)      |
| <b>Deferred tax liabilities (net)</b>          | <b>1,993.56</b> | <b>(1,672.10)</b> | <b>(2.40)</b> | <b>-</b> | <b>319.07</b> |

**MAT Credit Balance**

| Financial Year | Year of expiry         | 31-Mar-21     |
|----------------|------------------------|---------------|
| 2018-19        | Financial Year 2032-33 | 139.23        |
| 2017-18        | Financial Year 2031-32 | 153.59        |
| 2016-17        | Financial Year 2030-31 | 166.89        |
| 2015-16        | Financial Year 2029-30 | 110.99        |
| 2014-15        | Financial Year 2028-29 | 424.76        |
|                |                        | <b>995.46</b> |

Unabsorbed loss

| Financial Year | Year of expiry         | 00-Jan-00       |
|----------------|------------------------|-----------------|
| 2020-21        | Financial Year 2028-29 | 2,080.58        |
| 2019-20        | Financial Year 2027-28 | 2,352.85        |
|                |                        | <b>4,433.43</b> |

**19) OTHER CURRENT LIABILITIES**

|                       | 31-Mar-21       | 31-Mar-20       |
|-----------------------|-----------------|-----------------|
| <b>Current</b>        |                 |                 |
| Contract Liabilities  | 1,755.81        | 1,628.65        |
| Statutory liabilities | 1,187.24        | 818.68          |
| Deferred income *     | 491.21          | 408.85          |
| <b>Total</b>          | <b>3,434.26</b> | <b>2,856.18</b> |

\* includes provision for sales return and grant towards capital goods

(All amount in ₹ Million, unless otherwise stated)

## 20) REVENUE FROM OPERATIONS

|  | 31-Mar-21        | 31-Mar-20        |
|--|------------------|------------------|
| <b>Revenue from sale of products</b>           |                  |                  |
| Sale of products (net of sales return)         | 58,049.16        | 58,958.64        |
| Less: Trade, other discounts and allowances    | (3,252.21)       | (2,973.27)       |
| <b>Sub-Total</b>                               | <b>54,796.95</b> | <b>55,985.37</b> |
| Revenue from rendering services                |                  |                  |
| -Sale of services                              | 1,210.80         | 1,602.27         |
| - Income in respect of incomplete projects     | -                | 688.37           |
| <b>Sub-Total</b>                               | <b>1,210.80</b>  | <b>2,290.64</b>  |
| Other operating income                         |                  |                  |
| Incentives & assistance (refer note (i) below) | 371.32           | 641.58           |
| - Sale of Scrap                                | 8.52             | 5.67             |
| - Sundry balances appropriated                 | 61.44            | 72.63            |
| - Provisions no longer required written back   | 99.06            | 137.58           |
| - Income from other services                   | 120.75           | 93.00            |
| <b>Sub-Total</b>                               | <b>661.09</b>    | <b>950.46</b>    |
| <b>Total</b>                                   | <b>56,668.84</b> | <b>59,226.47</b> |

### (i) Detail of Government Grants:

Government Grants are related to investment in Jalgaon, Alwar and grant is in the form of exemption from electricity duty, stamp duty and to receive an industrial promotional subsidy. Further it also includes savings in import duty on procurement of capital goods and export incentives under MEIS scheme.

## 21) OTHER INCOME

|  | 31-Mar-21       | 31-Mar-20     |
|--|-----------------|---------------|
| Interest received on financial assets- Carried at amortised cost | 241.21          | 359.97        |
| <b>Other non-operating income</b>                                |                 |               |
| Profit on sale of fixed assets (net)                             | 7.24            | 7.81          |
| Profit on sale of investments (net)                              | 1,215.18        | 0.59          |
| Fair valuation gain on equity instruments measured at FVTPL      | 0.18            | -             |
| Fair valuation gain on embedded derivatives                      | -               | 363.54        |
| <b>Total</b>   | <b>1,463.81</b> | <b>731.91</b> |

## 22) COST OF MATERIAL CONSUMED

|  | 31-Mar-21        | 31-Mar-20        |
|--|------------------|------------------|
| Inventory at the beginning of the year | 4,536.04         | 4,835.16         |
| Add: purchases                         | 29,742.75        | 30,305.00        |
| Less: Inventory at the end of the year | (4,784.01)       | (4,536.04)       |
| <b>Cost of raw materials consumed*</b> | <b>29,494.78</b> | <b>30,604.12</b> |

\*excludes material in transit

## 23) CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

|   | 31-Mar-21          | 31-Mar-20          |
|---|--------------------|--------------------|
| Inventory at the end of the year                |                    |                    |
| - Finished goods                                | (13,762.59)        | (15,596.10)        |
| - Work-in-progress                              | (304.72)           | (670.71)           |
| <b>Total</b>                                    | <b>(14,067.31)</b> | <b>(16,266.81)</b> |
| Inventory at the beginning of the year          |                    |                    |
| - Finished goods                                | 15,596.10          | 18,098.12          |
| - Work-in-progress                              | 670.71             | 726.44             |
| <b>Total</b>                                    | <b>16,266.81</b>   | <b>18,824.56</b>   |
| <b>Net increase/ (decrease) in inventories*</b> | <b>2,199.50</b>    | <b>2,557.75</b>    |

\*excludes material in transit

(All amount in ₹ Million, unless otherwise stated)

**24) EMPLOYEE BENEFITS EXPENSE**

|   | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|---|------------------|------------------|
| Salaries, wages, bonus etc.               | 7,520.30         | 8,464.23         |
| Contribution to provident and other funds | 416.60           | 506.98           |
| Staff welfare expenses                    | 110.64           | 144.92           |
| <b>Total</b>                              | <b>8,047.54</b>  | <b>9,116.13</b>  |

**25) DEPRECIATION AND AMORTIZATION EXPENSE**

|   | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|---|------------------|------------------|
| Depreciation of property, plant and equipment | 2,666.88         | 2,843.55         |
| Depreciation on investment properties         | 22.99            | 8.80             |
| Amortisation of intangible assets             | 203.53           | 178.88           |
| Depreciation on Right of use assets           | 617.51           | 439.81           |
| Capitalised during the year (refer note 3[2]) | (1.64)           | (3.13)           |
| <b>Total</b>                                  | <b>3,509.27</b>  | <b>3,467.91</b>  |

**26) OTHER EXPENSES**

|  | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|--|------------------|------------------|
| Consumption of stores, spares and consumables                  | 223.59           | 228.80           |
| Power and fuel   | 1,732.11         | 1,998.63         |
| Project Site general & installation expenses                   | 1,212.25         | 864.73           |
| Project site general exps                                      | -                | 897.89           |
| Rent (refer note 5)  | 684.01           | 752.13           |
| Repairs and maintenance  |                  |                  |
| - Building   | 54.54            | 68.36            |
| - Machinery  | 263.62           | 248.17           |
| - Others   | 68.75            | 58.62            |
| Freight outward  | 935.54           | 1,228.59         |
| Processing charges   | 1,483.72         | 1,824.31         |
| Export selling expenses  | 284.68           | 491.24           |
| Auditor's remuneration (Refer note 26(a))                      | 104.69           | 98.18            |
| Legal, professional & consultancy fees                         | 1,165.24         | 930.06           |
| Travelling and conveyance expenses                             | 510.77           | 833.29           |
| Communication expenses   | 98.65            | 124.93           |
| Commission and brokerage                                       | 469.18           | 591.76           |
| Advertisement and sales promotion expenses                     | 183.37           | 405.03           |
| Discount and claims  | 357.17           | 313.98           |
| Irrecoverable claims   | 248.62           | 853.13           |
| Bad debts/advances written off                                 | 79.07            | 163.24           |
| Provisions for bad and doubtful debts (net)                    | 596.41           | 2,040.91         |
| Donation   | 12.34            | 9.01             |
| Insurance  | 457.39           | 326.19           |
| Rates and taxes  | 111.23           | 137.35           |
| Director's sitting fees  | 4.13             | 4.16             |
| Commission to directors  | 27.64            | 24.52            |
| Corporate social responsibility expenditure (refer note 26(b)) | 81.44            | 14.59            |
| Fair value loss on changes of biological assets                | 10.08            | 32.95            |
| Fair valuation loss on equity instruments measured at FVTPL    | -                | 0.05             |
| Fair valuation loss on mutual funds measured at FVTPL          | -                | 0.50             |
| Loss on derivatives (net)                                      | 42.26            | 1.38             |
| Foreign exchange loss (net)                                    | 165.48           | 78.49            |
| Loss on fair valuation of embedded derivatives                 | 66.97            | -                |
| Other manufacturing expenses                                   | 1,053.09         | 1,053.14         |
| Miscellaneous expenses   | 657.91           | 567.47           |
| <b>Total</b>   | <b>13,445.94</b> | <b>17,265.78</b> |

**26(a) Payment to auditors**

|                                | 31-Mar-21     | 31-Mar-20    |
|--------------------------------|---------------|--------------|
| As auditor                     |               |              |
| - Statutory audit#             | 67.26         | 65.78        |
| - Tax audit                    | 16.89         | 4.85         |
| - Limited review*              | 16.13         | 22.30        |
| In Other Capacity              |               |              |
| Certification and other matter | 4.41          | 5.25         |
| <b>Total</b>                   | <b>104.69</b> | <b>98.18</b> |

# including for consolidated financial statement.

\* including fee paid to erstwhile auditor

**26(b) Details of Corporate social responsibility expenditure in respect of Holding Company and Subsidiary Company**

As per Section 135 of the Companies Act, 2013, a company meeting the applicable threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are in accordance to the CSR Policy of the Company which includes Rural Development Project, eradicating hunger, poverty and malnutrition, healthcare and sanitation, animal welfare, etc. A CSR committee has been formed by the Company as per the Act.

- During the year, the company has incurred ₹ 81.44 (previous year ₹ 14.59) on account of Corporate Social Responsibility (CSR) included under Other Expenses.
- Gross Amount required to be spent by the company during the year is ₹ 28.06 (P.Y. ₹ 64.42)
- Amount of ₹ 28.06 approved by the board to be spent during the year
- Amount spent during the year on:

| Particulars                                | For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|--|-------------------------------------|-------------------------------------|
| (i) Construction/ acquisition of any asset | -                                   | -                                   |
| (ii) On purposes other than (i) above      | 81.44                               | 14.59                               |
| <b>Total</b>                               | <b>81.44</b>                        | <b>14.59</b>                        |

- Amount of ₹ 4.98 million paid to Related party as defined in IND As 24

- In case of Unspent Amount:

| Financial Year | Unspent Amount at the beginning of the year | Amount deposited in specified fund of schedule Vii within 6 months | Unspent amount required to be spent as per MCA, during the year | Amount spent during the year | "Excess / (Unspent) Amount at end of the year" |
|----------------|---|--|---|------------------------------|--|
| 2019-20        | -   | -  | 64.42   | 14.59                        | (49.83)  |
| <b>2020-21</b> | <b>49.83</b>                                | <b>-</b>   | <b>28.06</b>  | <b>81.44</b>                 | <b>3.55</b>                                    |

- Unspent Amount of CSR Expenditure of ₹ 49.83 was spent by the Company in the first half of FY 20-21 as permitted by MCA.

**27) FINANCE COSTS**

|  | 31-Mar-21       | 31-Mar-20       |
|--|-----------------|-----------------|
| <b>Interest expenses :</b>                                   |                 |                 |
| Interest on term loans                                       | 2,383.84        | 2,296.19        |
| Interest on working capital loans & cash credit              | 3,709.33        | 3,029.89        |
| Interest on others   | 555.20          | 411.60          |
| Exchange difference regarded as adjustment to borrowing cost | 5.96            | -               |
| <b>Other borrowing cost :</b>                                |                 |                 |
| Discounting charges and Interest                             | 352.83          | 501.69          |
| Bank commission and charges                                  | 453.08          | 679.95          |
| <b>Total</b>   | <b>7,460.24</b> | <b>6,919.32</b> |

(All amount in ₹ Million, unless otherwise stated)

## 28) INCOME TAX

**[a] Income tax expense is as follows:**

|   | 31-Mar-21         | 31-Mar-20         |
|---|-------------------|-------------------|
| <b>Statement of profit and loss from continuing operation</b>   |                   |                   |
| <b>Current tax:</b>   |                   |                   |
| Tax for the year  | 163.29            | 271.04            |
| Adjustments for current tax of prior periods                    | 16.78             | 9.07              |
| <b>Total current tax expense</b>                                | <b>180.07</b>     | <b>280.11</b>     |
| <b>Deferred tax:</b>  |                   |                   |
| Deferred tax expenses / (credit)                                | (2,485.73)        | (3,229.38)        |
| <b>Total deferred tax expense / (credit)</b>                    | <b>(2,485.73)</b> | <b>(3,229.38)</b> |
| <b>Income tax expense from continuing operation</b>             | <b>(2,305.66)</b> | <b>(2,949.27)</b> |
| <b>Statement of profit and loss from discontinued operation</b> |                   |                   |
| <b>Current tax:</b>   |                   |                   |
| Tax for the year  | 2.08              | 8.60              |
| <b>Total current tax expense</b>                                | <b>2.08</b>       | <b>8.60</b>       |
| <b>Deferred tax:</b>  |                   |                   |
| Deferred tax expenses / (credit)                                | 127.85            | (64.44)           |
| <b>Total deferred tax expense / (credit)</b>                    | <b>127.85</b>     | <b>(64.44)</b>    |
| <b>Income tax expense from discontinued operation</b>           | <b>129.93</b>     | <b>(55.84)</b>    |
| <b>Other comprehensive income</b>                               |                   |                   |
| <b>Deferred tax related to OCI items:</b>                       |                   |                   |
| Net loss / (gain) on remeasurements of defined benefit plans    | 2.40              | (2.30)            |
| <b>Total</b>  | <b>2.40</b>       | <b>(2.30)</b>     |

**[b] Reconciliation of tax expense and the accounting profit computed by applying the income tax rate:**

| Particulars   | For the year ended as on |                   |
|---|--------------------------|-------------------|
|   | 31-Mar-21                | 31-Mar-20         |
| <b>Profit/(Loss) from continuing operation before tax</b>                                       | (5,992.18)               | (9,955.09)        |
| <b>Tax at the Indian tax rate of 34.944% (2019-20: 34.944%)</b>                                 | (2,093.91)               | (3,478.71)        |
| <b>Tax effects on amounts which are not deductible (taxable) in calculating taxable income:</b> |                          |                   |
| Incremental deduction allowed for research and development cost                                 | (3.11)                   | (45.65)           |
| Investment Allowance under Section 32 AC  | (0.10)                   | -                 |
| Exempted Income   | 90.58                    | 75.86             |
| Non-deductible expenses as per income tax   | (61.31)                  | 362.66            |
| Impact on fair valuation  | (0.25)                   | 31.96             |
| Tax effect of change in tax rates   | (2.74)                   | (4.61)            |
| Difference in tax rates from subsidiaries   | 31.25                    | 216.04            |
| Impact of income exempt U/s 10(1)   | (73.72)                  | (81.04)           |
| Tax losses for which no deferred income tax was recognised                                      | (221.52)                 | 12.25             |
| other items   | 29.17                    | (38.03)           |
| <b>Income tax expense from continuing operation</b>   | <b>(2,305.66)</b>        | <b>(2,949.27)</b> |
|   |                          |                   |
| Particulars   | For the year ended as on |                   |
|   | 31-Mar-21                | 31-Mar-21         |
| <b>Profit / (Loss) from discontinued operation before tax</b>                                   | <b>(210.69)</b>          | <b>(244.50)</b>   |
| <b>Tax at the Indian tax rate of 34.944% (2019-20: 34.944%)</b>                                 | <b>(73.62)</b>           | <b>(85.44)</b>    |
| <b>Tax effects on amounts which are not deductible (taxable) in calculating taxable income:</b> |                          |                   |
| Exempted Income   | -                        | (1.36)            |
| Non-deductible expenses as per income tax   | 4.20                     | (45.08)           |
| Tax effect of change in tax rates   | 1.11                     | (22.38)           |
| Difference in tax rates from subsidiaries   | 198.24                   | 131.30            |
| Tax losses for which no deferred income tax was recognised                                      | -                        | (32.88)           |
| <b>Income tax expense from discontinued operation</b>   | <b>129.93</b>            | <b>(55.84)</b>    |

Above workings are based on provisional computation of tax expenses and subject to finalisation including that of tax audit or otherwise in due course.

Section 115BAA of the Income Tax Act, 1981 gives the corporate assessee an option to apply a lower tax rate with effect from April 1, 2019 subject to certain conditions specified therein. The Parent company and its Indian subsidiaries have assessed the impact of the same and believes that it will continue to remain in the existing tax structure for the foreseeable future based on its forecasted profits. Accordingly, no effect in this regard has been considered in measurement of tax expenses for the purpose of these financial statements. Management, however, will continue to review its profitability forecast at regular intervals and make necessary adjustments to tax expenses when there is reasonable certainty to avail the lower rate of tax.

## 29) EARNING PER SHARE

(a) Basic and diluted earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of The group by the weighted average of equity shares outstanding during the year.

|   | 31-Mar-21           | 31-Mar-20           |
|---|---------------------|---------------------|
| <b>i) Basic earning per share from continuing operation (Amount in ₹)</b>   | <b>(7.01)</b>       | <b>(13.50)</b>      |
| <b>ii) Basic earning per share from discontinued operation (Amount in ₹)</b>  | <b>(0.66)</b>       | <b>(0.37)</b>       |
| <b>iii) Basic earning per share from continuing &amp; discontinued operation (Amount in ₹)</b>  | <b>(7.67)</b>       | <b>(13.87)</b>      |
| <b>i) Diluted earning per share from continuing operation (Amount in ₹)</b>   | <b>(7.01)</b>       | <b>(13.50)</b>      |
| <b>ii) Diluted earning per share from discontinued operation (Amount in ₹)</b>  | <b>(0.66)</b>       | <b>(0.37)</b>       |
| <b>iii) Diluted earning per share from continuing &amp; discontinued operation (Amount in ₹)</b>  | <b>(7.67)</b>       | <b>(13.87)</b>      |
| <b>(b) Reconciliation of earning used in calculating EPS</b>  |                     |                     |
| <b>Basic earning per share</b>  |                     |                     |
| Profit/(Loss) attributable to the equity share holders of the group used in calculating basic earning per share for continuing operation                | (3,615.93)          | (6,962.72)          |
| Profit/(Loss) attributable to the equity share holders of the group used in calculating basic earning per share for discontinued operation              | (340.62)            | (188.66)            |
| Profit/(Loss) attributable to the equity share holders of the group used in calculating basic earning per share for continuing & discontinued operation | (3,956.55)          | (7,151.38)          |
| <b>Diluted earning per share</b>  |                     |                     |
| Profit/(Loss) attributable to the equity share holders of the group used in calculating basic earning per share for continuing operation                | (3,615.93)          | (6,962.72)          |
| Profit/(Loss) attributable to the equity share holders of the group used in calculating basic earning per share for discontinued operation              | (340.62)            | (188.66)            |
| Profit/(Loss) attributable to the equity share holders of the group used in calculating basic earning per share for continuing & discontinued operation | (3,956.55)          | (7,151.38)          |
| <b>(c) Weighted average number of shares used as denominator</b>  |                     |                     |
| Weighted average number of shares used as denominator in calculating basic earning per share  | 51,56,60,357        | 51,56,60,357        |
| Adjustment for calculation of diluted earning per share   |                     |                     |
| <b>Weighted average number of shares used as denominator in calculating diluted earning per share</b>   | <b>51,56,60,357</b> | <b>51,56,60,357</b> |

## 30) CONTINGENT LIABILITIES AND CONTINGENT ASSETS

### Contingent Liabilities

|   | 31-Mar-21 | 31-Mar-20 |
|---|-----------|-----------|
| <b>Contingent liabilities not provided for in respect of</b>                                    |           |           |
| <b>i) Claims not acknowledged as debts in respect of:</b>                                       |           |           |
| <b>Customs and excise duty [Paid under protest ₹ 11.07 (PY ₹ 24.02)]</b>                        | 77.14     | 322.40    |
| - Excise duty [paid under protest ₹ 11.07 (PY ₹ 24.02)]   | 77.14     | 322.40    |
| <b>Other taxes &amp; levies [Paid under protest ₹ 46.09 (PY ₹ 45.08)]</b>                       | 131.13    | 111.81    |
| - Sales Tax, VAT, CST [Paid under protest ₹ 28.50 (PY ₹ 27.49)]                                 | 104.28    | 84.96     |
| - Income Tax [Paid under protest ₹ 17.59 (PY ₹ 17.59)]  | 26.85     | 26.85     |
| <b>Others (legal case)</b>  | 42.10     | 46.18     |
| <b>ii) Performance guarantees given by the Group's bankers in the normal course of business</b> | 4,220.95  | 6,120.27  |

iii) The Company has provided Corporate Guarantee amounting ₹ 940.00 (Previous Year ₹ 940.00) to Associate company for the purpose of their business. The amount of facility availed by the associate as on 31st March, 2021 is ₹ 439.20 (Previous Year ₹ 641.00)



## (30) Contingent Liabilities and Contingent Assets contd..

(All amount in ₹ Million, unless otherwise stated)

- iv) NaandanJain Irrigation Ltd. (an entity of the group) is committed to pay royalties to the Israeli government based on the sales proceeds from products for which the government participated in financing their research and development. The royalty rate is 2% and 3% on transferring production to related parties. The future cumulative royalties expected to be paid in the future will not exceed 100% and 120% respectively of the amount of the Israeli Government's participation (excluding interest), linked to the exchange rate of the U.S. dollar.

In respect of (i) above, the group has taken necessary legal steps to protect its position in respect of these claims, which, in its opinion, based on legal advice, are not expected to devolve. It is not possible to make any further determination of the liabilities, which may arise, or the amounts, which may be refundable in respect of these claims.

**31) COMMITMENTS**

|  | 31-Mar-21    | 31-Mar-20    |
|--|--------------|--------------|
| Capital commitments  |              |              |
| Capital expenditure contracted for at end of the year but not recognised as liabilities is as follows :  |              |              |
| Estimated amount of contracts remaining to be executed on capital account (Property, plant and equipments) and not provided for (net of advances ₹ 122.72 (PY ₹ 133.34))   | 59.60        | 72.13        |
| Other commitments  |              |              |
| NaandanJain Irrigation Ltd. (an entity of the group) has entered into a financing agreement with a leasing company. Pursuant to the agreement, customers interested in purchasing irrigation equipment produced or marketed by the Subsidiary Company under a financing lease, are referred to the leasing company. The leasing company sends the sales proceeds to the Subsidiary Company in cash. The group has undertaken to pay to the leasing company (instead of the lessees) amounts past due, if any. The amount of credit given by the leasing company at the Balance Sheet date are specified. | -            | -            |
|  | <b>59.60</b> | <b>72.13</b> |

**32) MICRO, SMALL AND MEDIUM ENTERPRISES**

To the extent, The group has received intimation from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details are provided as under:

|   | 31-Mar-21 | 31-Mar-20 |
|---|-----------|-----------|
| i) Principal amount outstanding at the end of the year  | 456.63    | 163.90    |
| ii) Interest on Principal amount due at the end of the year   | 132.55    | 58.74     |
| iii) Interest and Principal amount paid beyond appointment day  | -         | -         |
| iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the amount of interest specified under MSME Development Act.   | -         | -         |
| v) The amount of interest accrued and remaining unpaid at the end of the year   | 132.55    | 58.74     |
| vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSME Development Act. | 132.55    | 58.74     |

- 33) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the holding company and its subsidiary incorporated in India towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The holding company and its subsidiary incorporated in India will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

- 34) (a) There was incidence of fire at warehouse of the Subsidiary Company on November 18, 2017 in which entire warehouse along with certain property plant and equipment and inventories were destroyed. During the year ended March 31, 2018, the Subsidiary Company wrote off net book value of property plant and equipment and inventories aggregating ₹ 715.00 and recognised equivalent amount as minimum insurance claim.

Till date, the Subsidiary Company has received ₹ 455.30, being part settlement towards loss of inventory and property plant and equipment. Further, the Subsidiary Company has lodged and booked a partial claim of loss of profit aggregating ₹ 289.88.

The Subsidiary Company has been doing a continuous and rigorous followup with respect to the balance claim receivable, however in view of the present slowdown in activities during the pandemic situation across the country in various government and private offices, companies etc., there has been delay in getting the balance claim receivable. The Management believes that the said claim is good and receivable and will be substantially received in the next financial year.

(34) Contd..

(All amount in ₹ Million, unless otherwise stated)

(b) On June 27, 2020, there was an incidence of fire at Vadodara plant of the Subsidiary Company. Pursuant to fire, certain inventory and warehouse situated in the plant was damaged. Company has lodged a claim for an estimate of loss aggregating to around ₹ 239.32.

The Insurance company has appointed surveyors to carry out the claim process and surveyors are in process of determining the claim amount. Apart from above, a Business Interruption claim which is being worked out will be submitted to the Insurance company in due course.

### 35) EMPLOYEE BENEFIT OBLIGATIONS OF HOLDING AND INDIAN SUBSIDIARY COMPANY

#### 35(a) Defined Contribution plans

Provident Fund: Contribution towards provident fund for employees is made to the regulatory authorities, where the group has no further obligations. Such benefits are classified as Defined Contribution Plans as the group does not carry any further obligations, apart from the contributions made on a monthly basis.

Contribution to Defined contribution plan recognised as expense for the year as under:

- Employers contribution to provident fund ₹ 82.57 (PY ₹ 88.19) deposited with concerned authority.
- Employers contribution to pension scheme ₹ 87.16 (PY ₹ 95.39) deposited with concerned authority.
- Employers contribution to superannuation fund ₹ 65.26 (PY ₹ 98.86) managed by a Trust.
- Employers contribution to ESIC ₹ 26.58 (PY ₹ 33.47)
- Employers contribution to state labour welfare fund ₹ 0.44 (PY ₹ 0.45)

The net of provision for unfunded leave encashment liability up to March 2020 is ₹ 113.02 (PY ₹ 136.14)

#### 35(b) Defined Benefit plans

Gratuity: The group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The fair value of the plan assets of the trust administered by the group, is deducted from the gross obligation.

#### (i) Movement of defined benefit obligation and plan assets

The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

|  | Present value of obligation | Fair value of plan assets | Net Amount    |
|--|-----------------------------|---------------------------|---------------|
| <b>As at 31-Mar-2019</b>   | <b>544.68</b>               | <b>(208.59)</b>           | <b>336.10</b> |
| Current service cost & Past service Cost                                       | 45.46                       | -                         | 45.46         |
| Interest expenses (income)   | 42.37                       | (16.27)                   | 26.10         |
| <b>Total amount recognised in profit and loss</b>                              | <b>87.83</b>                | <b>(16.27)</b>            | <b>71.56</b>  |
| Remeasurements   |                             |                           |               |
| Return on plan assets, excluding amount included in interest expenses (income) | -                           | (7.38)                    | (7.38)        |
| (Gain)/loss from change in financial assumption                                | 42.30                       | -                         | 42.30         |
| Experience (gain)/ losses  | (41.02)                     | -                         | (41.02)       |
| <b>Total amount recognised in other comprehensive income</b>                   | <b>1.28</b>                 | <b>(7.38)</b>             | <b>(6.10)</b> |
| Employer contributions   |                             |                           |               |
| Benefit payments   | (52.60)                     | -                         | (52.60)       |
| <b>As at 31-Mar-2020</b>   | <b>581.19</b>               | <b>(232.24)</b>           | <b>348.95</b> |
| <b>As at 31-Mar-2020</b>   | <b>581.19</b>               | <b>(232.24)</b>           | <b>348.95</b> |
| Current service cost & Past service Cost                                       | 46.08                       | -                         | 46.08         |
| Interest expenses (income)   | 40.00                       | (16.01)                   | 23.99         |
| <b>Total amount recognised in profit and loss</b>                              | <b>86.08</b>                | <b>(16.01)</b>            | <b>70.07</b>  |
| Remeasurements   |                             |                           |               |
| Return on plan assets, excluding amount included in interest expenses (income) | -                           | (9.50)                    | (9.50)        |
| (Gain)/loss from change in financial assumption                                | 0.73                        | -                         | 0.73          |
| Experience (gain)/ losses  | 15.29                       | -                         | 15.29         |
| <b>Total amount recognised in other comprehensive income</b>                   | <b>16.02</b>                | <b>(9.50)</b>             | <b>6.52</b>   |
| Employer contributions   |                             |                           |               |
| Benefit payments   | (65.59)                     |                           | (65.59)       |
| <b>As at 31-Mar-2021</b>   | <b>617.70</b>               | <b>(257.75)</b>           | <b>359.95</b> |

(35) Employee Benefit Obligations of... Contd..

(All amount in ₹ Million, unless otherwise stated)

**ii) Net assets / liabilities**

An analysis of net (deficit)/assets is provided below for The group's principal defined benefit gratuity scheme.

|                                     | 31-Mar-21 | 31-Mar-20 |
|-------------------------------------|-----------|-----------|
| Present value of funded obligations | 617.70    | 581.19    |
| Fair value of plan assets #         | (257.75)  | (232.24)  |
| Deficit of gratuity plan            | 359.95    | 348.95    |

# Planned assets are with ICICI prudential group gratuity plan in debt fund.

Note: The above provision has been presented only in respect of the parent company and subsidiaries incorporated in India.

**iii) Analysis of plan assets is as follows:**

|                           | 31-Mar-21 | 31-Mar-20 |
|---------------------------|-----------|-----------|
| Insurer managed funds (%) | 100%      | 100%      |
| Others (%)                | 0%        | 0%        |
| Total                     | 100%      | 100%      |

**iv) Actuarial assumptions and sensitivity analysis**

|  | 31-Mar-21  | 31-Mar-20  |
|--|--|--|
| Salary growth rate                     | 7.00% p.a. for the next 5 years,<br>4.00% p.a. thereafter, starting from<br>the 6th year | 7.00% p.a. for the next 5 years,<br>4.00% p.a. thereafter, starting from<br>the 6th year |
| Discount rate                          | 6.87%  | 6.86%  |
| Expected rate of return on plan assets | 6.87%  | 6.86%  |
| Attrition rates                        | 2.00%  | 2.00%  |
| Mortality Rate During Employment       | Indian Assured Lives Mortality<br>(2006-08)  | Indian Assured Lives Mortality<br>(2006-08)  |
| Mortality Rate After Employment        | N.A  | N.A  |

**Notes:**

1. Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.
2. Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
3. Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

Sensitivity of the defined benefit obligation to changes in weighted principal assumptions is Impact on present benefit obligation

|   | 31-Mar-21 | 31-Mar-20 |
|---|-----------|-----------|
| Discount rate - Increase by 0.5%                | (25.27)   | (24.06)   |
| Discount rate- Decrease by 0.5%                 | 27.26     | 25.98     |
| Salary growth rate - Increase by 0.5%           | 27.47     | 26.18     |
| Salary growth rate- Decrease by 0.5%            | (25.69)   | (24.44)   |
| Attrition rate - Increase by 0.5%               | 5.76      | 5.65      |
| Attrition rate- Decrease by 0.5%                | (6.17)    | (6.08)    |
| <b>Expected contribution for Next 12 months</b> |           |           |
| Prescribed contribution                         | 128.00    | 127.14    |

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice it is unlikely to occur, and changes in some of the assumptions may be correlated. The methods and types of assumption used in preparing the sensitivity analysis did not change compared to previous year.

**Defined benefit liability and employer contribution:**

The group has agreed that it will eliminate the deficit in defined benefit obligation over the next 10 years. Funding levels are monitored annually. The group considers that the contribution rates set at the last valuation date are significant to eliminate the deficit over the agreed period.

The expected maturity analysis of undiscounted gratuity is as follows:

|  | Less than<br>a year | Between<br>1-2 years | Between<br>2-5 years | Between<br>5-10 Years | More than<br>10 years | Total    |
|--|---------------------|----------------------|----------------------|-----------------------|-----------------------|----------|
| <b>31-Mar-21</b>                       |                     |                      |                      |                       |                       |          |
| Defined benefit obligations (gratuity) | 48.19               | 78.11                | 105.64               | 278.61                | 783.26                | 1,293.81 |
| <b>31-Mar-20</b>                       |                     |                      |                      |                       |                       |          |
| Defined benefit obligations (gratuity) | 54.43               | 66.09                | 95.75                | 262.76                | 759.30                | 1,238.34 |

**Gratuity is a defined benefit plan and entity is exposed to the Following Risks**

**Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

**Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines

## 36) SEGMENT INFORMATION

### i) (a) Description of segment and principal activities

The group has disclosed business segment as the primary segment and type of products and services in each segment: a) Hi-tech Agri Input Products: Micro & Sprinkler Irrigation, Solar Agri Pump, Integrated Irrigation Projects and Tissue Culture plants. b) Plastic Division includes PVC piping products, PE piping products, Piping projects and Plastic sheets c) Agro Processing Division includes Fruits, Onion products and Bio gas d) Other business division includes Equipment manufacturing, Solar thermal products, Solar photovoltaic grid and Off grid products and also includes Solar power generation investments to reduce cost of power and Agri R&D activities.

### (b) Information about reportable segment

Segment profit excludes gains or losses on financial instruments, interest income and finance costs, common administration cost, unallocable other income and expenses like provisions and write offs are not allocated to segments.

|  | 31-Mar-21         | 31-Mar-20          |
|--|-------------------|--------------------|
| Hi-tech Agri Input Product Division                        | 3,146.30          | 1,302.30           |
| Plastic Division   | 370.10            | 119.00             |
| Agro Processing Division                                   | 328.50            | 319.20             |
| Other Business Division                                    | 387.10            | (196.30)           |
| <b>Segment Profit</b>                                      | <b>4,232.00</b>   | <b>1,544.20</b>    |
| Finance cost   | 7,460.20          | 6,919.30           |
| Share of profit in associate                               | (32.40)           | (17.50)            |
| Other unallocable expenses                                 | 2,796.38          | 4,597.49           |
| <b>Profit/ (Loss) before tax from continuing operation</b> | <b>(5,992.18)</b> | <b>(9,955.09)</b>  |
| Profit / (Loss) before tax from discontinued operation     | (210.69)          | (244.50)           |
| <b>Profit/ (Loss) before tax</b>                           | <b>(6,202.87)</b> | <b>(10,199.59)</b> |

(36) Segment Information... Contd..

(All amount in ₹ Million, unless otherwise stated)

**(c) Segment revenue**

|                                     | 31-Mar-21        | 31-Mar-20        |
|-------------------------------------|------------------|------------------|
| Hi-tech Agri Input Product Division | 34,373.50        | 31,053.90        |
| Plastic Division                    | 10,186.80        | 11,563.80        |
| Agro Processing Division            | 11,927.50        | 16,383.50        |
| Other Business Division             | 181.04           | 225.27           |
| <b>Total segment revenue</b>        | <b>56,668.84</b> | <b>59,226.47</b> |

**(d) Segment assets:**

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

|                                     | 31-Mar-21          | 31-Mar-20          |
|-------------------------------------|--------------------|--------------------|
| Hi-tech Agri Input Product Division | 56,389.10          | 59,338.00          |
| Plastic Division                    | 17,193.80          | 16,986.60          |
| Agro Processing Division            | 27,432.70          | 31,848.40          |
| Other Business Division             | 1,835.20           | 2,303.50           |
| <b>Segment assets</b>               | <b>1,02,850.80</b> | <b>1,10,476.50</b> |
| Add: Unallocable assets             | 23,982.65          | 21,406.02          |
| <b>Total Assets</b>                 | <b>1,26,833.45</b> | <b>1,31,882.52</b> |
| <b>Segment Asset include</b>        |                    |                    |
| <b>Capital Expenditure:</b>         |                    |                    |
| Hi-tech Agri Input Product Division | 548.06             | 1,141.09           |
| Plastic Division                    | 134.22             | 207.65             |
| Agro Processing Division            | 140.55             | 1,218.44           |
| Other Business Division             | 66.62              | 115.48             |

**(e) Segment liabilities:**

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment and the physical location of the assets

|                                     | 31-Mar-21        | 31-Mar-20        |
|-------------------------------------|------------------|------------------|
| Hi-tech Agri Input Product Division | 19,764.40        | 20,512.10        |
| Plastic Division                    | 2,915.30         | 3,369.20         |
| Agro Processing Division            | 9,189.80         | 12,793.30        |
| Other Business Division             | 134.10           | 861.30           |
| <b>Segment liabilities</b>          | <b>32,003.60</b> | <b>37,535.90</b> |
| Add: Unallocable liabilities        | 65,151.31        | 59,635.61        |
| <b>Total liabilities</b>            | <b>97,154.91</b> | <b>97,171.51</b> |

**ii) Entity Wide Disclosure****a) The total of non-current assets excluding deferred tax assets, income tax assets, goodwill on consolidation & equity accounted investees:**

|                                 | 31-Mar-21        | 31-Mar-20        |
|---------------------------------|------------------|------------------|
| India                           | 41,221.14        | 43,225.50        |
| Europe                          | 2,718.18         | 3,055.51         |
| USA                             | 4,237.85         | 6,121.44         |
| Other countries                 | 4,065.43         | 4,264.66         |
| <b>Total non current assets</b> | <b>52,242.60</b> | <b>56,667.10</b> |

**b) Segment revenue**

|  | 31-Mar-21        | 31-Mar-20        |
|--|------------------|------------------|
| <b>Revenue from external customers</b> |                  |                  |
| India                                  | 20,567.96        | 21,422.58        |
| Europe                                 | 14,138.83        | 14,646.62        |
| USA                                    | 17,235.39        | 18,756.05        |
| Other countries                        | 4,726.66         | 4,401.21         |
| <b>Total</b>                           | <b>56,668.84</b> | <b>59,226.47</b> |

**c) There is no transactions with single external customer which amounts to 10% or more of the Company's revenue.**

## 37) Related party transactions

### [A] Related parties and their relation

#### [1] Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence.

##### Companies

Jain Extrusion & Molding Pvt. Ltd.,  
Jain Vanguard Polybutylene Ltd.,  
Atlaz Technology Pvt. Ltd.,  
JAF Products Pvt. Ltd.,  
Jalgaon Investments Pvt. Ltd.,  
Jain Rotfil Heaters Pvt. Ltd.,  
Jain e-agro.com India Pvt. Ltd.

Pixel Point Pvt. Ltd.,  
Labh Subh Securities International Ltd.,  
Jain Brothers Industries Pvt. Ltd.,  
Cosmos Investment & Trading Pvt. Ltd.,  
Stock & Securities India Pvt. Ltd.,  
Timbron India Pvt. Ltd.  
Kantabai Bhavarlal Jain Family Knowledge Institute

##### Partnership firms

Jain Health Care Services (Jain Computer & Allied Services)  
Jalgaon Metal & Bricks Manufacturing Co.,  
Jalgaon Udyog,

##### Proprietorship

PVC Trading House,  
Drip & Pipe Suppliers,  
Plastic Enterprises,  
Jain Sons & Investments Corporation,

##### Trust / Section 8 Companies

Anubhuti Scholarship Foundation,  
Bhavarlal and Kantabai Jain Multipurpose Foundation,  
Gandhi Research Foundation

##### Trust entities

Jain Family Holding Trust  
Jain Family Enterprises Trust

##### Foreign companies:

Jain Investments & Finance B.V., Netherland  
Jain Overseas Investments Ltd., Mauritius

##### Jain Family Trust

Jain Family Investment Trust  
Jain Family Investment Management Trust

#### [2] Key management personnel:

Shri. Ashok B. Jain (Chairman and Whole Time Director)  
Shri. Anil B. Jain (Vice Chairman and Managing Director)  
Shri. Ajit B. Jain (Joint Managing Director)  
Shri. Avdhut V. Ghodgaonkar (Company Secretary)

Shri. Atul B. Jain  
(Joint Managing Director & Chief Financial Officer)  
  
Shri. R. Swaminathan (Executive Director)

#### [3] Relatives of Key management personnel:

Smt. Jyoti Ashok Jain (Wife of Ashok B. Jain)  
Smt. Nisha Anil Jain (Wife of Anil B. Jain)  
Shri. Athang Anil Jain (Son of Anil B. Jain)  
Shri. Abhedya Ajit Jain (Son of Ajit B. Jain)  
Ms. Arohi Ashok Jain (Daughter of Ashok B. Jain)  
Ms. Ashuli Anil Jain (Daughter of Anil B. Jain)  
Shri. Anmay Atul Jain (Son of Atul B. Jain)  
  
Ms. Samruddhi Avdhut Ghodgaonkar (Daughter of Mr. Ghodgaonkar)

Smt. Shobhana Ajit Jain (Wife of Ajit B. Jain)  
Smt. Bhavana Atul Jain (Wife of Atul B. Jain)  
Smt. Ambika Athang Jain (Wife of Athang A. Jain)  
Ms. Amoli Anil Jain (Daughter of Anil B. Jain)  
Shri. Athman Ashok Jain (Son of Ashok B. Jain)  
Shri. Abhang Ajit Jain (Son of Ajit B. Jain)  
Smt. Sangeeta Avdhut Ghodgaonkar (Wife of Mr. Ghodgaonkar)  
Ms. Siddhi Avdhut Ghodgaonkar (Daughter of Mr. Ghodgaonkar)

#### [4] Non-Executive Directors:

Shri Devendra R. Mehta  
Shri Ghanshyam Dass  
Mrs. Radhika C. Pereira  
Shri Harishchandra Prasad Singh  
Ms. Nancy Barry

Shri Johannes Bastiaan Boudewijn Mohrmann  
Dr. Narendra Jadhav  
Shri Mukul Sarkar  
Shri Uday R. Garg

#### [5] Relatives of Non-Executive Directors:

Dr. Deependra Mehta (Son of Mr. Devendra Raj Mehta)  
Mrs. Bimala Singh (Wife of Mr. H. P. Singh)  
Mrs. Neeta Singh (Daughter of Mr. H. P. Singh)

Mr. Carlton Pereira (Husband of Mrs. Radhika Pereira)  
Mr. Aman C. Pereira (Son of Mrs. Radhika Pereira)  
Mrs. Vasundhara Jadhav (Wife of Mr. Narendra Jadhav)



## (37) Related Party Transactions... Contd..

(All amount in ₹ Million, unless otherwise stated)

Mrs.Babita Singh (Daughter of Mr.H P Singh)  
 Mrs.Indu Bhardwaj (Wife of Mr.Ghanshyam Dass)  
 Mrs.Shrutika Bhardwaj (Daughter of Mr.Ghanshyam Dass)  
 Mrs.Stuti Bhardwaj (Daughter of Mr.Ghanshyam Dass)  
 Mr.Rohan Garg (Son of Mr.Uday Garg)

Mr.Tanmoy Jadhav (Son of Mr.Narendra Jadhav)  
 Dr.Apoorva Jadhav (Daughter of Mr.Narendra Jadhav)  
 Mr.Ishaan Sarkar (Son of Mr.Mukul Sarkar)  
 Mrs.Myriam Yuchin Chang Wu (Wife of Mr.Uday Garg)  
 Mr.Devan Garg (Son of Mr.Uday Garg)

**[6] Associate Company**

Sustainable Agro-Commercial Finance Ltd.

[1] \* Companies / Firms in which director, director's relatives are Directors / Shareholders / Partners

[2] \* Key management personnel

[3] \* Relatives of Key management personnel

[4] \* Associate Company

**[B] Transactions & balances party-wise**

| Sr.      | Transactions  | [1]           | [2]            | [3]            | [4]           | Total          |
|----------|---|---------------|----------------|----------------|---------------|----------------|
| <b>1</b> | <b>Purchase of Goods</b>                            | <b>2.53</b>   | -              | -              | -             | <b>2.53</b>    |
|          |   | <b>(1.48)</b> | -              | -              | -             | <b>(1.48)</b>  |
|          | Gandhi Research Foundation                          | 0.02          | -              | -              | -             | 0.02           |
|          |   | <b>(0.47)</b> | -              | -              | -             | <b>(0.47)</b>  |
|          | Bhavarlal and Kantabai Jain Multipurpose Foundation | 0.42          | -              | -              | -             | 0.42           |
|          |   | <b>(0.76)</b> | -              | -              | -             | <b>(0.76)</b>  |
|          | Jain Health Care Services                           | 2.09          | -              | -              | -             | 2.09           |
|          |   | <b>(0.25)</b> | -              | -              | -             | <b>(0.25)</b>  |
| <b>2</b> | <b>Other expenditure</b>                            | -             | -              | -              | <b>0.49</b>   | <b>0.49</b>    |
|          |   | -             | -              | -              | <b>(7.83)</b> | <b>(7.83)</b>  |
|          | Sustainable Agro-Commercial Finance Ltd             | -             | -              | -              | 0.49          | 0.49           |
|          |   | -             | -              | -              | <b>(7.83)</b> | <b>(7.83)</b>  |
| <b>3</b> | <b>Sale of Goods</b>                                | <b>0.82</b>   | -              | -              | -             | <b>0.82</b>    |
|          |   | <b>(6.88)</b> | <b>(0.02)</b>  | -              | <b>(0.95)</b> | <b>(7.85)</b>  |
|          | Bhavarlal and Kantabai Jain Multipurpose Foundation | 0.39          | -              | -              | -             | 0.39           |
|          |   | <b>(6.82)</b> | -              | -              | -             | <b>(6.82)</b>  |
|          | Gandhi Research Foundation                          | -             | -              | -              | -             | -              |
|          |   | <b>(0.06)</b> | -              | -              | -             | <b>(0.06)</b>  |
|          | Sustainable Agro-Commercial Finance Ltd             | -             | -              | -              | -             | -              |
|          |   | -             | -              | -              | <b>(0.95)</b> | <b>(0.95)</b>  |
|          | Jain Health Care Services                           | 0.43          | -              | -              | -             | 0.43           |
|          |   | -             | -              | -              | -             | -              |
|          | Shri. Athang Anil Jain                              | -             | -              | -              | -             | -              |
|          |   | -             | <b>(0.02)</b>  | -              | -             | <b>(0.02)</b>  |
|          | Shri. A.V. Ghodgaonkar                              | -             | -              | -              | -             | -              |
|          |   | -             | <b>(0.00)</b>  | -              | -             | <b>(0.00)</b>  |
| <b>4</b> | <b>Rent Expenses</b>                                | <b>2.67</b>   | <b>27.83</b>   | <b>21.21</b>   | -             | <b>51.71</b>   |
|          |   | <b>(2.78)</b> | <b>(28.60)</b> | <b>(21.80)</b> | -             | <b>(53.18)</b> |
|          | Shri. Ashok B. Jain                                 | -             | 6.68           | -              | -             | 6.68           |
|          |   | -             | <b>(6.87)</b>  | -              | -             | <b>(6.87)</b>  |
|          | Shri. Ajit B. Jain                                  | -             | 16.54          | -              | -             | 16.54          |
|          |   | -             | <b>(17.00)</b> | -              | -             | <b>(17.00)</b> |
|          | Shri. Atul B Jain                                   | -             | 4.61           | -              | -             | 4.61           |
|          |   | -             | <b>(4.73)</b>  | -              | -             | <b>(4.73)</b>  |
|          | Smt. Jyoti Ashok Jain                               | -             | -              | 5.64           | -             | 5.64           |
|          |   | -             | -              | <b>(5.80)</b>  | -             | <b>(5.80)</b>  |
|          | Smt. Nisha Anil Jain                                | -             | -              | 13.75          | -             | 13.75          |
|          |   | -             | -              | <b>(14.13)</b> | -             | <b>(14.13)</b> |

## (37) Related Party Transactions... Contd..

(All amount in ₹ Million, unless otherwise stated)

| Sr.      | Transactions                             | [1]    | [2]          | [3]         | [4] | Total        |
|----------|--|--------|--------------|-------------|-----|--------------|
|          | Smt. Shobhana Ajit Jain                  | -      | -            | 0.91        | -   | 0.91         |
|          |  | -      | -            | (0.93)      | -   | (0.93)       |
|          | Smt. Bhavana Atul Jain                   | -      | -            | 0.91        | -   | 0.91         |
|          |  | -      | -            | (0.93)      | -   | (0.93)       |
|          | Drip & Pipe Suppliers                    | 0.39   | -            | -           | -   | 0.39         |
|          |  | (0.40) | -            | -           | -   | (0.40)       |
|          | JAF Products Pvt. Ltd.                   | 0.08   | -            | -           | -   | 0.08         |
|          |  | (0.08) | -            | -           | -   | (0.08)       |
|          | Jain Brothers Industries Pvt. Ltd        | 2.09   | -            | -           | -   | 2.09         |
|          |  | (2.15) | -            | -           | -   | (2.15)       |
|          | Jain Health Care Services                | 0.11   | -            | -           | -   | 0.11         |
|          |  | (0.11) | -            | -           | -   | (0.11)       |
|          | Gandhi Research Foundation               | -      | -            | -           | -   | -            |
|          |  | (0.04) | -            | -           | -   | (0.04)       |
| <b>5</b> | <b>Remuneration &amp; Sitting Fees</b>   | -      | <b>78.45</b> | <b>0.78</b> | -   | <b>79.23</b> |
|          |  | -      | (157.61)     | (0.78)      | -   | (158.39)     |
|          | Shri. Ashok B Jain                       | -      | 15.24        | -           | -   | 15.24        |
|          |  | -      | (35.32)      | -           | -   | (35.32)      |
|          | Shri. Anil B Jain                        | -      | 15.24        | -           | -   | 15.24        |
|          |  | -      | (35.32)      | -           | -   | (35.32)      |
|          | Shri. Ajit B Jain                        | -      | 15.24        | -           | -   | 15.24        |
|          |  | -      | (35.32)      | -           | -   | (35.32)      |
|          | Shri. Atul B Jain                        | -      | 15.24        | -           | -   | 15.24        |
|          |  | -      | (35.32)      | -           | -   | (35.32)      |
|          | Shri. R. Swaminathan                     | -      | 3.61         | -           | -   | 3.61         |
|          |  | -      | (3.61)       | -           | -   | (3.61)       |
|          | Shri. A.V. Ghodgaonkar                   | -      | 7.16         | -           | -   | 7.16         |
|          |  | -      | (6.60)       | -           | -   | (6.60)       |
|          | Shri. Devendra R. Mehta                  | -      | 0.40         | -           | -   | 0.40         |
|          |  | -      | (0.65)       | -           | -   | (0.65)       |
|          | Shri. Ghanshyam Dass                     | -      | 0.40         | -           | -   | 0.40         |
|          |  | -      | (0.55)       | -           | -   | (0.55)       |
|          | Mrs. Radhika C Pereira                   | -      | 0.55         | -           | -   | 0.55         |
|          |  | -      | (1.10)       | -           | -   | (1.10)       |
|          | Shri. Harishchandra Prasad Singh         | -      | 0.50         | -           | -   | 0.50         |
|          |  | -      | (0.75)       | -           | -   | (0.75)       |
|          | Mr. Johannes Bastiaan Boudewijn Mohrmann | -      | 0.50         | -           | -   | 0.50         |
|          |  | -      | (0.05)       | -           | -   | (0.05)       |
|          | Dr. Narendra Jadhav                      | -      | 0.45         | -           | -   | 0.45         |
|          |  | -      | -            | -           | -   | -            |
|          | Shri. Mukul Sarkar                       | -      | 0.15         | -           | -   | 0.15         |
|          |  | -      | -            | -           | -   | -            |
|          | Shri. Uday R. Garg                       | -      | 0.40         | -           | -   | 0.40         |
|          |  | -      | -            | -           | -   | -            |
|          | Ms. Nancy Barry                          | -      | 0.35         | -           | -   | 0.35         |
|          |  | -      | -            | -           | -   | -            |
|          | Shri. Athang Anil Jain                   | -      | 3.02         | -           | -   | 3.02         |
|          |  | -      | (3.02)       | -           | -   | (3.02)       |
|          | Ms. Amoli Anil Jain (Stipend)            | -      | -            | 0.78        | -   | 0.78         |
|          |  | -      | -            | (0.78)      | -   | (0.78)       |

Key Managerial Personnel and Relatives of Promoters who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above

(37) Related Party Transactions... Contd..

(All amount in ₹ Million, unless otherwise stated)

| Sr.        | Transactions   | [1]        | [2]        | [3]        | [4]        | Total        |
|------------|--|------------|------------|------------|------------|--------------|
| <b>6</b>   | <b>Loans &amp; Other Advances Given</b>              | -          | -          | -          | -          | -            |
|            |  | -          | (1.00)     | -          | -          | (1.00)       |
|            | Shri. A.V. Ghodgaonkar                               | -          | -          | -          | -          | -            |
|            |  | -          | (1.00)     | -          | -          | (1.00)       |
| <b>7</b>   | <b>Interest on Loans Taken</b>                       | -          | -          | -          | 65.22      | 65.22        |
|            |  | -          | -          | -          | (55.44)    | (55.44)      |
|            | Sustainable Agro-Commercial Finance Ltd              | -          | -          | -          | 65.22      | 65.22        |
|            |  | -          | -          | -          | (55.44)    | (55.44)      |
| <b>8</b>   | <b>Loans &amp; Advances Taken</b>                    | -          | -          | -          | -          | -            |
|            |  | -          | -          | -          | (470.00)   | (470.00)     |
|            | Sustainable Agro-Commercial Finance Ltd              | -          | -          | -          | -          | -            |
|            |  | -          | -          | -          | (470.00)   | (470.00)     |
| <b>9</b>   | <b>Rent Received</b>                                 | -          | -          | -          | 0.30       | 0.30         |
|            |  | -          | -          | -          | (0.33)     | (0.33)       |
|            | Sustainable Agro-Commercial Finance Ltd              | -          | -          | -          | 0.30       | 0.30         |
|            |  | -          | -          | -          | (0.33)     | (0.33)       |
| <b>10</b>  | <b>Loan And Advances Taken Repaid</b>                | -          | -          | -          | 58.01      | 58.01        |
|            |  | -          | -          | -          | (20.23)    | (20.23)      |
|            | Sustainable Agro-Commercial Finance Ltd              | -          | -          | -          | 58.01      | 58.01        |
|            |  | -          | -          | -          | (20.23)    | (20.23)      |
| <b>11</b>  | <b>Deemed investment through corporate guarantee</b> | -          | -          | -          | -          | -            |
|            |  | -          | -          | -          | (2.81)     | (2.81)       |
|            | Sustainable Agro-Commercial Finance Ltd              | -          | -          | -          | -          | -            |
|            |  | -          | -          | -          | (2.81)     | (2.81)       |
| <b>Sr.</b> | <b>Balances as at</b>                                | <b>[1]</b> | <b>[2]</b> | <b>[3]</b> | <b>[4]</b> | <b>Total</b> |
| <b>1</b>   | <b>Investment in</b>                                 | -          | -          | -          | 861.06     | 861.06       |
|            |  | -          | -          | -          | (828.94)   | (828.94)     |
|            | Sustainable Agro-Commercial Finance Ltd              | -          | -          | -          | 861.06     | 861.06       |
|            |  | -          | -          | -          | (828.94)   | (828.94)     |
| <b>2</b>   | <b>Accounts Receivable</b>                           | 6.19       | -          | -          | -          | 6.19         |
|            |  | (7.11)     | -          | -          | -          | (7.11)       |
|            | Gandhi Research Foundation                           | -          | -          | -          | -          | -            |
|            |  | (5.97)     | -          | -          | -          | (5.97)       |
|            | Jain Health Care Services                            | 0.43       | -          | -          | -          | 0.43         |
|            |  | -          | -          | -          | -          | -            |
|            | Bhavarlal and Kantabai Jain Multipurpose Foundation  | 5.76       | -          | -          | -          | 5.76         |
|            |  | (1.14)     | -          | -          | -          | (1.14)       |
| <b>3</b>   | <b>Accounts Payable</b>                              | (0.26)     | -          | 0.31       | 10.00      | 10.05        |
|            |  | (4.81)     | (0.01)     | (0.22)     | (9.24)     | (14.27)      |
|            | Sustainable Agro-Commercial Finance Ltd              | -          | -          | -          | 10.00      | 10.00        |
|            |  | -          | -          | -          | (9.24)     | (9.24)       |
|            | Drip & Pipe Suppliers                                | 0.21       | -          | -          | -          | 0.21         |
|            |  | (0.14)     | -          | -          | -          | (0.14)       |
|            | JAF Products Pvt. Ltd.                               | 0.04       | -          | -          | -          | 0.04         |
|            |  | (0.03)     | -          | -          | -          | (0.03)       |
|            | Jain Brothers Industries Pvt. Ltd                    | 1.15       | -          | -          | -          | 1.15         |
|            |  | (0.77)     | -          | -          | -          | (0.77)       |
|            | Bhavarlal and Kantabai Jain Multipurpose Foundation  | (2.00)     | -          | -          | -          | (2.00)       |
|            |  | (2.76)     | -          | -          | -          | (2.76)       |

## (37) Related Party Transactions... Contd..

(All amount in ₹ Million, unless otherwise stated)

| Sr.      | Transactions                                   | [1]            | [2]             | [3]             | [4]             | Total           |
|----------|--|----------------|-----------------|-----------------|-----------------|-----------------|
|          | Jain Health Care Services                      | 0.20           | -               | -               | -               | 0.20            |
|          |  | (0.20)         | -               | -               | -               | (0.20)          |
|          | Gandhi Research Foundation                     | 0.14           | -               | -               | -               | 0.14            |
|          |  | (0.90)         | -               | -               | -               | (0.90)          |
|          | Jain Amoli Anil                                | -              | -               | 0.17            | -               | 0.17            |
|          |  | -              | -               | (0.19)          | -               | (0.19)          |
|          | Jain Abhedya Ajit                              | -              | -               | 0.14            | -               | 0.14            |
|          |  | -              | -               | (-0.03)         | -               | (0.03)          |
|          | Swaminathan R.                                 | -              | -               | -               | -               | -               |
|          |  | -              | (0.01)          | -               | -               | (0.01)          |
| <b>4</b> | <b>Advance Given</b>                           | -              | <b>11.17</b>    | -               | -               | <b>11.17</b>    |
|          |  | -              | <b>(13.87)</b>  | -               | -               | <b>(13.87)</b>  |
|          | Shri. A.V.Ghodgaonkar                          | -              | 11.17           | -               | -               | 11.17           |
|          |  | -              | (13.87)         | -               | -               | (13.87)         |
| <b>5</b> | <b>Deposit Receivable</b>                      | <b>13.35</b>   | <b>138.87</b>   | <b>105.96</b>   | -               | <b>258.18</b>   |
|          |  | <b>(15.82)</b> | <b>(164.60)</b> | <b>(125.58)</b> | -               | <b>(306.00)</b> |
|          | Shri. Ashok B. Jain                            | -              | 33.37           | -               | -               | 33.37           |
|          |  | -              | (39.55)         | -               | -               | (39.55)         |
|          | Shri. Ajit B. Jain                             | -              | 82.48           | -               | -               | 82.48           |
|          |  | -              | (97.78)         | -               | -               | (97.78)         |
|          | Shri. Atul B. Jain                             | -              | 23.02           | -               | -               | 23.02           |
|          |  | -              | (27.28)         | -               | -               | (27.28)         |
|          | Smt. Jyoti Ashok Jain                          | -              | -               | 28.18           | -               | 28.18           |
|          |  | -              | -               | (33.40)         | -               | (33.40)         |
|          | Smt. Nisha Anil Jain                           | -              | -               | 68.66           | -               | 68.66           |
|          |  | -              | -               | (81.38)         | -               | (81.38)         |
|          | Smt. Shobhana Ajit Jain                        | -              | -               | 4.56            | -               | 4.56            |
|          |  | -              | -               | (5.40)          | -               | (5.40)          |
|          | Smt. Bhavana Atul Jain                         | -              | -               | 4.56            | -               | 4.56            |
|          |  | -              | -               | (5.40)          | -               | (5.40)          |
|          | Jain Brothers Industries Pvt. Ltd              | 10.39          | -               | -               | -               | 10.39           |
|          |  | (12.33)        | -               | -               | -               | (12.33)         |
|          | Drip & Pipe Supplier                           | 2.00           | -               | -               | -               | 2.00            |
|          |  | (2.36)         | -               | -               | -               | (2.36)          |
|          | Jain Health Care Services                      | 0.56           | -               | -               | -               | 0.56            |
|          |  | (0.66)         | -               | -               | -               | (0.66)          |
|          | JAF Products Pvt. Ltd.                         | 0.40           | -               | -               | -               | 0.40            |
|          |  | (0.47)         | -               | -               | -               | (0.47)          |
| <b>6</b> | <b>Loans payable</b>                           | -              | -               | -               | <b>464.65</b>   | <b>464.65</b>   |
|          |  | -              | -               | -               | <b>(462.66)</b> | <b>(462.66)</b> |
|          | Sustainable Agro-Commercial Finance Ltd        | -              | -               | -               | 464.65          | 464.65          |
|          |  | -              | -               | -               | (462.66)        | (462.66)        |
| <b>7</b> | <b>Remuneration &amp; Sitting Fees Payable</b> | -              | <b>100.98</b>   | -               | -               | <b>99.83</b>    |
|          |  | -              | <b>(89.95)</b>  | -               | -               | <b>(89.90)</b>  |
|          | Shri. Ashok B Jain                             | -              | 24.47           | -               | -               | 24.47           |
|          |  | -              | (21.72)         | -               | -               | (21.72)         |
|          | Shri. Anil B Jain                              | -              | 27.87           | -               | -               | 27.87           |
|          |  | -              | (24.88)         | -               | -               | (24.88)         |
|          | Shri. Ajit B Jain                              | -              | 20.94           | -               | -               | 20.94           |
|          |  | -              | (19.44)         | -               | -               | (19.44)         |
|          | Shri. Atul B Jain                              | -              | 26.16           | -               | -               | 26.16           |
|          |  | -              | (23.37)         | -               | -               | (23.37)         |

## (37) Related Party Transactions... Contd..

(All amount in ₹ Million, unless otherwise stated)

| Sr. | Transactions                             | [1] | [2]    | [3] | [4] | Total  |
|-----|--|-----|--------|-----|-----|--------|
|     | Mr. Johannes Bastiaan Boudewijn Mohrmann | -   | 0.46   | -   | -   | 0.46   |
|     |  | -   | (0.05) | -   | -   | (0.05) |
|     | Shri. Uday R. Garg                       | -   | 0.37   | -   | -   | 0.37   |
|     |  | -   | -      | -   | -   | -      |
|     | Ms. Nancy Barry                          | -   | 0.32   | -   | -   | 0.32   |
|     |  | -   | -      | -   | -   | -      |
|     | Shri. Athang Anil Jain                   | -   | 0.38   | -   | -   | 0.38   |
|     |  | -   | (0.49) | -   | -   | (0.49) |

Note:

Previous year's figures are given in bracket

The Company, in its quest for rural development, has supported through investment in buildings, facility and infrastructure in an initiative by Bhavarlal & Kantabai Jain Multipurpose Foundation to establish a residential school called "Anubhuti School" based upon Indian ethos and values. The Company also derives benefit from this investment in the form of usage of these facilities; children of Company's associates get priority admission into the school, etc.

The Company with help of trust will make further efforts to get extra gains from this investment as part of its corporate social responsibility initiative commitments

The transactions with Related Party are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding Balances at the year end are unsecured and settlement occurs in cash for the year ended 31st March, 2021, the Company has recorded the receivable relating to amount due from Related Parties. This assessment is undertaken each Financial Year through examining the Financial position of the Related Parties and the market in which the Related Party operates.

**38 (a) DISCONTINUED OPERATION**

| Particulars   | 31-Mar-21   |   |                    | 31-Mar-20   |   |                    |
|---|---|---|--------------------|---|---|--------------------|
|   | Jain farm<br>Fresh Foods<br>Inc.,USA<br>(DID<br>Division) | THE<br>Machines<br>Yuvnand<br>S.A. ,Swz | Protool<br>AG.,Swz | Jain farm<br>Fresh Foods<br>Inc.,USA<br>(DID<br>Division) | THE<br>Machines<br>Yuvnand<br>S.A. ,Swz | Protool<br>AG.,Swz |
| Fixed Assets & intangible assets (including capital work in progress & right of use assets) | 968.16  | 357.68                                  | 6.77               | 936.04  | 360.34                                  | 10.60              |
| Other Current Assets  | 2,520.25  | 810.57                                  | 127.44             | 2,854.64  | 831.11                                  | 150.20             |
| Other Current Liabilities   | 505.00  | 667.20                                  | 165.12             | 657.04  | 499.14                                  | 181.07             |
| <b>Net assets</b>   | <b>2,983.41</b>   | <b>501.05</b>                           | <b>(30.91)</b>     | <b>3,133.65</b>   | <b>692.31</b>                           | <b>(20.27)</b>     |

The results of the Indian Food Business / Undertaking, being the discontinued operations is disclosed below:

| Particulars                                 | 31-Mar-21   |   |                    | 31-Mar-20   |   |                    |
|---|---|---|--------------------|---|---|--------------------|
|   | Jain farm<br>Fresh Foods<br>Inc.,USA<br>(DID<br>Division) | THE<br>Machines<br>Yuvnand<br>S.A. ,Swz | Protool<br>AG.,Swz | Jain farm<br>Fresh Foods<br>Inc.,USA<br>(DID<br>Division) | THE<br>Machines<br>Yuvnand<br>S.A. ,Swz | Protool<br>AG.,Swz |
|   | <b>Discontinuing</b>                                      |   |                    | <b>Continuing</b>   |   |                    |
| 1. Total Income                             | 1,617.28  | 1,248.91                                | 173.52             | 2,284.81  | 1,093.13                                | 86.42              |
| 2. Operating Expenses                       | 1,744.46  | 1,220.00                                | 180.83             | 2,505.89  | 929.03                                  | 127.33             |
| 3. Pre-tax profit from operating activities | -   | -                                       | -                  | -   | -                                       | -                  |
| 4. Interest expense                         | 100.17  | 4.79                                    | 0.16               | 138.60  | 7.92                                    | 0.09               |
| 5. Profit (loss) before tax                 | (227.35)  | 24.13                                   | (7.47)             | (359.68)  | 156.18                                  | (40.99)            |
| 6. Tax                                      | 123.80  | 1.45                                    | 4.68               | (69.69)   | 15.31                                   | (1.47)             |
| 7. Net profit after tax                     | (351.16)  | 22.68                                   | (12.15)            | (290.00)  | 140.87                                  | (39.53)            |
| 8. Assets                                   | -   | -                                       | -                  | 5,985.27  | 1,201.28                                | 167.07             |
| 9. Liabilities                              | -   | -                                       | -                  | 5,346.63  | 793.39                                  | 181.07             |

| Particulars   | 31-Mar-21   |   |                    | 31-Mar-20   |   |                    |
|---|---|---|--------------------|---|---|--------------------|
|   | Jain farm<br>Fresh Foods<br>Inc.,USA<br>(DID<br>Division) | THE<br>Machines<br>Yuvnand<br>S.A. ,Swz | Protool<br>AG.,Swz | Jain farm<br>Fresh Foods<br>Inc.,USA<br>(DID<br>Division) | THE<br>Machines<br>Yuvnand<br>S.A. ,Swz | Protool<br>AG.,Swz |
| The net cash flows attributable to discontinuing operations are stated below: |   |   |                    |   |   |                    |
| Operating activities  | (151.76)  | 171.19                                  | (3.32)             | 414.00  | 1.34                                    | 21.56              |
| Investing activities  | 3,383.33  | 420.90                                  | 5.93               | (11.85)   | (5.57)                                  | -                  |
| Financing activities  | (1,273.49)  | (803.89)                                | (68.35)            | (176.17)  | (20.08)                                 | 0.00               |
| <b>Net cash inflows /<br/>(outflows)</b>                                      | <b>1,958.08</b>   | <b>(211.80)</b>                         | <b>(65.74)</b>     | <b>225.98</b>   | <b>(24.30)</b>                          | <b>21.56</b>       |

**38(b) SUMMARY OF ACQUISITIONS**

- 1) Company has acquired 20% non-controlling interest in Agri-Valley Irrigation LLC.,USA(AVI) during the year. As a part of the purchase agreement with AVI , a contingent consideration had been agreed at the time of first acquisition. This consideration was dependent on the working capital adjustment of AVI during the period of 12 month from the date of first acquisition. The Group has adjusted purchase consideration paid in excess of non-controlling interest amounting to ₹ 63.01 (Net) during current financial year as a part of contingent consideration , the same has been accounted under retained earnings.
- 2) Company has acquired 20% non-controlling interest in Irrigation Design and Construction LLC., USA.(IDC) during the year. As a part of the purchase agreement with IDC, a contingent consideration had been agreed at the time of first acquisition. This consideration was dependent on the working capital adjustment of IDC during the period of 12 month from the date of first acquisition. The Group has adjusted purchase consideration paid in excess of non-controlling interest amounting to ₹ 524.91 (Net) during current financial year as a part of contingent consideration, the same has been accounted under retained earnings.

**38 (c) SUBSIDIARIES & STEP DOWN SUBSIDIARIES**

The group's subsidiaries at 31 March 2021 are set out below. Unless otherwise stated, they have share capital that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by group. There is no difference in the reporting period of the subsidiaries, step down subsidiaries and associate company with respect to the Holding company. The country of incorporation or registration is also their principal place of business.

| Name of entity   | Place of business/<br>country of<br>incorpora-<br>tion | Ownership interest<br>held by the group |           | Ownership interest<br>held by non-<br>controlling interests |           | Principal activities  |
|--|--|---|-----------|---|-----------|---|
|  |  | 31-Mar-21                               | 31-Mar-20 | 31-Mar-21   | 31-Mar-20 |   |
|  |  | %                                       | %         | %   | %         |   |
| Subsidiaries   |  |   |           |   |           |   |
| JISL Overseas Limited                                      | Mauritius  | 100.00                                  | 100.00    | -   | -         | Investment arm  |
| Jain International Trading B.V.                            | Netherland   | 100.00                                  | 100.00    | -   | -         | Investment arm  |
| Jain Processed Foods Trading & Investments Pvt. Ltd.       | India  | 100.00                                  | 100.00    | -   | -         | Marketing arms  |
| Jain Farm Fresh Foods Limited                              | India  | 88.81                                   | 88.81     | 11.19   | 11.19     | Food Business   |
| Step down Subsidiaries                                     |  |   |           |   |           |   |
| Driptech India Pvt. Ltd.                                   | India  | 75.00                                   | 75.00     | 25.00   | 25.00     | produces affordable, high-quality irrigation systems designed for small-plot farmers. |
| Jain ( Europe ) Limited.                                   | United Kingdom   | 100.00                                  | 100.00    | -   | -         | key marketing and distribution arm in the UK and other European countries.            |
| Jain International Foods Limited (Erst. SQF 2009 Limited)* | United Kingdom   | 100.00                                  | 100.00    | -   | -         | Marketing arms  |
| Ex-Cel Plastics Limited                                    | Ireland  | 100.00                                  | 100.00    | -   | -         | manufacturing of plastic sheets   |



(38 c) Subsidiaries &amp; Step Down Subsidiaries... Contd..

(All amount in ₹ Million, unless otherwise stated)

| Name of entity  | Place of business/<br>country of incorporation | Ownership interest held by the group |           | Ownership interest held by non-controlling interests |           | Principal activities   |
|---|--|--------------------------------------|-----------|--|-----------|--|
|   |  | 31-Mar-21                            | 31-Mar-20 | 31-Mar-21  | 31-Mar-20 |  |
|   |  | %                                    | %         | %  | %         |  |
| Jain America Foods Inc. (Erstwhile Jain (Americas) Inc.)                    | United States of America                       | 100.00                               | 100.00    | -  | -         | key marketing, distribution and investment arm in the United States for Food business.         |
| Jain America Holdings Inc.  | United States of America                       | 100.00                               | 100.00    | -  | -         | key marketing, distribution and investment arm in the United States for Plastic sheet business |
| Jain Irrigation Holding Inc.  | United States of America                       | 100.00                               | 100.00    | -  | -         | Investment arm   |
| Jain Farm Fresh Foods Inc., USA (Erstwhile Cascade Specialities Inc., USA)* | United States of America                       | 100.00                               | 100.00    | -  | -         | onion, garlic dehydration and frozen foods business  |
| JIIO (Erstwhile Jain Irrigation Inc.)                                       | United States of America                       | 100.00                               | 100.00    | -  | -         | Investment arm   |
| Jain Irrigation Inc.  | United States of America                       | 100.00                               | 100.00    | -  | -         | drip tape manufacturing and distribution business  |
| Jain Agricultural Services, LLC.  | United States of America                       | 100.00                               | 100.00    | -  | -         | Manufacture, Develop and sells Moisture monitoring system                                      |
| Point Source Irrigation Inc.  | United States of America                       | 100.00                               | 100.00    | -  | -         | Drip tape manufacturing and distribution business  |
| Jain Overseas B.V. Netherland   | Netherland                                     | 100.00                               | 100.00    | -  | -         | Investment arm   |
| Jain (Israel) B.V. Netherland   | Netherland                                     | 100.00                               | 100.00    | -  | -         | Investment arm   |
| Jain Netherlands Holding I B.V.   | Netherland                                     | 100.00                               | -         | -  | -         | Investment arm   |
| Jain Netherlands Holding II B.V.  | Netherland                                     | 100.00                               | -         | -  | -         | Investment arm   |
| NaandanJain Irrigation Ltd. @   | Israel   | 100.00                               | 100.00    | -  | -         | manufacturing of drip / sprinkler irrigation   |
| Gavish Control Systems Ltd.   | Israel   | 51.00                                | 51.00     | 49.00  | 49.00     | manufacturing of software and computer equipment for agriculture applications                  |
| JISL Global SA  | Switzerland                                    | 100.00                               | 100.00    | -  | -         | Investment arm   |
| JISL Systems SA   | Switzerland                                    | 100.00                               | 100.00    | -  | -         | Investment arm   |
| Protool AG. #*  | Switzerland                                    | -                                    | 75.00     | -  | 25.00     | manufacturer of plastic injection mould  |
| THE Machines Yuvnand S.A.*  | Switzerland                                    | -                                    | 100.00    | -  | -         | manufacturer of plastic extrusion equipment with laser technology.                             |
| Jain Agriculture Services Australia Pty Ltd.                                | Australia                                      | 100.00                               | 100.00    | -  | -         | Hardware and software development for farm weather management                                  |
| Excel Plastic Piping Systems SAS  | France   | 100.00                               | 100.00    | -  | -         | Plastics pipes   |
| Jain Mena DMCC  | United Arab Emirates                           | 100.00                               | 100.00    | -  | -         | key marketing, distribution  |
| Jain Distribution Holdings Inc.,  | United States of America                       | 100.00                               | 100.00    | -  | -         | Investment arm   |
| Agri-Valley Irrigation LLC., #  | United States of America                       | 100.00                               | 80.00     | -  | 20.00     | irrigation design installation services, key marketing, distribution of irrigation products    |

## (38 c) Subsidiaries &amp; Step Down Subsidiaries... Contd..

(All amount in ₹ Million, unless otherwise stated)

| Name of entity  | Place of business/<br>country of incorporation | Ownership interest held by the group |           | Ownership interest held by non-controlling interests |           | Principal activities  |
|---|--|--------------------------------------|-----------|--|-----------|---|
|   |  | 31-Mar-21                            | 31-Mar-20 | 31-Mar-21  | 31-Mar-20 |   |
|   |  | %                                    | %         | %  | %         |   |
| Irrigation Design and Construction LLC., #            | United States of America                       | 100.00                               | 80.00     | -  | 20.00     | irrigation design installation services, key marketing, distribution of irrigation products |
| Jain Farm Fresh Holdings SPRL,                        | Belgium  | 100.00                               | 100.00    | -  | -         | Investment arm  |
| Innovafood NV,  | Belgium  | 100.00                               | 100.00    | -  | -         | key marketing, distribution   |
| Pecific Shelf 1218 Ltd.                               | United Kingdom                                 | 100.00                               | 100.00    | -  | -         | manufacturing of plastic sheets   |
| Northern Ireland Plastics Ltd.,                       | United Kingdom                                 | 100.00                               | 100.00    | -  | -         | manufacturing of plastic sheets   |
| Killyleagh Box Co. Ltd.,                              | United Kingdom                                 | 100.00                               | 100.00    | -  | -         | manufacturing of plastic sheets   |
| Packless (Europe) Ltd.,                               | United Kingdom                                 | 100.00                               | 100.00    | -  | -         | manufacturing of plastic sheets   |
| ET Water Systems Inc.                                 | United States of America                       | 100.00                               | 100.00    | -  | -         | manufacturing of software and computer equipment for agriculture applications               |
| Jain Farm Fresh Gida Sanayi Ve Ticaret Anonim Sirketi | Turkey   | 60.00                                | 60.00     | 40.00  | 40.00     | Food Business   |
| Solution Key Ltd.                                     | Hong Kong                                      | 100.00                               | 100.00    | -  | -         | Food Business   |

# The Holding Company through its step down subsidiaries had bought the balance stake of minority shareholders during the current financial year. (Refer note no 38(b))

\* These entities have been sold during the current financial year. (Refer note no 38(a))

\*Subsidiaries of Jain International Foods Ltd. (Erstwhile SQF 2009 Ltd.) are as under:

| Name of the subsidiaries          | Place of business/<br>country of incorporation | Ownership interest held by the group |           | Ownership interest held by non-controlling interests |           |
|-----------------------------------|--|--------------------------------------|-----------|--|-----------|
|                                   |  | 31-Mar-21                            | 31-Mar-20 | 31-Mar-21  | 31-Mar-20 |
|                                   |  | %                                    | %         | %  | %         |
| Sleaford Food Group Limited       | United Kingdom                                 | 100.00                               | 100.00    | -  | -         |
| Sleaford Quality Foods Limited    | United Kingdom                                 | 100.00                               | 100.00    | -  | -         |
| Arnolds Quick Dried Foods Limited | United Kingdom                                 | 100.00                               | 100.00    | -  | -         |

@ Subsidiaries of NaandanJain Irrigation Limited, Israel are as under.

| Name of entity   | Place of business/<br>country of incorporation | Ownership interest held by the group |           | Ownership interest held by non-controlling interests |           |
|--|--|--------------------------------------|-----------|--|-----------|
|  |  | 31-Mar-21                            | 31-Mar-20 | 31-Mar-21  | 31-Mar-20 |
|  |  | %                                    | %         | %  | %         |
| Subsidiaries   |  |                                      |           |  |           |
| Naan Dan Agro-Pro (Israel Company for Agricultural Applications) Ltd | Israel   | 100.00                               | 100.00    | -  | -         |
| NaandanJain France Sarl  | France   | 100.00                               | 100.00    | -  | -         |
| NaandanJain Mexico, S.A. De C.V.                                     | Mexico   | 100.00                               | 100.00    | -  | -         |
| NaandanJain Australia Pty Ltd.                                       | Australia                                      | 100.00                               | 100.00    | -  | -         |
| NaandanJain S.R.L.   | Italy  | 100.00                               | 100.00    | -  | -         |
| Naandan Do Brasil Participacoes Ltda. (holding co)                   | Brazil   | 100.00                               | 100.00    | -  | -         |
| NaandanJain Industria E Comercio de Equipmentos Ltd.                 | Brazil   | 100.00                               | 100.00    | -  | -         |
| NaandanJain Iberica S.C.   | Spain  | 100.00                               | 100.00    | -  | -         |
| NaandanJain Peru S.A.C   | Peru   | 100.00                               | 100.00    | -  | -         |
| Jain Sulama Sistemleri Sanayi Ve Ticaret Anonim Sirketi              | Turkey   | 100.00                               | 100.00    | -  | -         |

(38 c) Subsidiaries &amp; Step Down Subsidiaries... Contd..

(All amount in ₹ Million, unless otherwise stated)

| Name of entity                         | Place of business/<br>country of incorporation | Ownership interest held by the group |           | Ownership interest held by non-controlling interests |           |
|--|--|--------------------------------------|-----------|--|-----------|
|  |  | 31-Mar-21                            | 31-Mar-20 | 31-Mar-21  | 31-Mar-20 |
| Subsidiaries                           |  | %                                    | %         | %  | %         |
| NaandanJain Irrigation Projects S.R.L. | Romania  | 100.00                               | 100.00    | -  | -         |
| Agrologico de Guatemala S.A.#          | Guatemala                                      | 60.00                                | 60.00     | 40.00  | 40.00     |
| Agrologico sistemas Tecnologicos S.A.# | Costa Rica                                     | 60.00                                | 60.00     | 40.00  | 40.00     |
| NaandanJain Irrigation SA (Pty) Ltd.,  | South Africa                                   | 100.00                               | 100.00    | -  | -         |
| NaandanJain Chile S.A                  | Chile  | 100.00                               | 100.00    | -  | -         |
| NaandanJain China Ltd.                 | China  | 60.00                                | 60.00     | 40.00  | 40.00     |
| NaandanJain UK Ltd.,                   | United Kingdom                                 | 100.00                               | 100.00    | -  | -         |
| K.D.H. International Ltd.,             | Israel   | 100.00                               | 100.00    |  |           |
| ICAA Ltd.                              | Mexico   | 100.00                               | 100.00    |  |           |
| S.A. de C.V. 2002, Briggs (U.K.) Ltd., | United Kingdom                                 | 100.00                               | 100.00    | -  | -         |

# The Holding Company through its step down subsidiaries has the option to buy the balance stake of minority shareholders in these companies at a predetermined price or agreed valuation.

### 38(d) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

|  | Jain Farm Fresh Foods Limited (11.19%) |                  | Jain Farm Fresh Gida Sanayi Ve Ticaret Anonim Sirketi, Turkey (40%) |                 | Irrigation Design and Construction LLC., (20%) |                 |
|--|--|------------------|---|-----------------|--|-----------------|
|  | 31-Mar-21                              | 31-Mar-20        | 31-Mar-21   | 31-Mar-20       | 31-Mar-21                                      | 31-Mar-20       |
| <b>Summarised Balance Sheet</b>                              |  |                  |   |                 |  |                 |
| Current assets   | 13,960.84                              | 15,831.84        | 358.54  | 344.56          | -  | 1,644.59        |
| Current liabilities  | 13,086.24                              | 14,679.38        | 529.78  | 480.56          | -  | 570.53          |
| <b>Net current assets</b>                                    | <b>874.60</b>                          | <b>1,152.46</b>  | <b>(171.24)</b>   | <b>(136.00)</b> | <b>-</b>                                       | <b>1,074.06</b> |
| Non-current assets   | 13,850.11                              | 16,147.31        | 506.08  | 527.94          | -  | 370.73          |
| Non-current liabilities                                      | 5,295.63                               | 7,005.07         | 236.05  | 319.67          | -  | 138.92          |
| <b>Net non-current assets</b>                                | <b>8,554.48</b>                        | <b>9,142.24</b>  | <b>270.03</b>   | <b>208.27</b>   | <b>-</b>                                       | <b>231.81</b>   |
| <b>Net assets</b>  | <b>9,429.08</b>                        | <b>10,294.70</b> | <b>98.79</b>  | <b>72.27</b>    | <b>-</b>                                       | <b>1,305.87</b> |
| Accumulated NCI  | 1,055.12                               | 1,151.99         | 39.52   | 28.91           | -  | 261.17          |
| <b>Summarised Statement of Profit and Loss</b>               |  |                  |   |                 |  |                 |
| Revenue  | 12,861.38                              | 16,843.46        | 574.36  | 168.11          | -  | 4,329.81        |
| Profit for the year  | (922.77)                               | (816.19)         | 28.59   | (35.76)         | -  | 142.53          |
| Other comprehensive income                                   | 95.20                                  | (89.93)          | -   | -               | -  | -               |
| Total comprehensive income                                   | (827.57)                               | (906.12)         | 28.59   | (35.76)         | -  | 142.53          |
| Profit allocated to NCI                                      | (92.60)                                | (101.39)         | 11.44   | (14.30)         | -  | 28.51           |
| Dividend paid to NCI   | -                                      | -                | -   | -               | -  | 40.51           |
| <b>Summarised cash flows</b>                                 |  |                  |   |                 |  |                 |
| Cash flows from operating activities                         | (43.17)                                | 1,181.23         | (43.52)   | (82.50)         | -  | 111.42          |
| Cash flows from investing activities                         | 3,590.27                               | (1,237.71)       | (38.55)   | (305.01)        | -  | 22.71           |
| Cash flows from financing activities                         | (3,597.91)                             | 373.33           | (60.98)   | 546.20          | -  | (156.35)        |
| <b>Net increase/ (decrease) in cash and cash equivalents</b> | <b>(50.81)</b>                         | <b>316.85</b>    | <b>(143.05)</b>   | <b>158.69</b>   | <b>-</b>                                       | <b>(22.22)</b>  |

### 38(e) Transactions with non- controlling interests

There are no transaction with non controlling interest in FY 2020-21 and FY 2019-20.

(All amount in ₹ Million, unless otherwise stated)

### 38(f) Interests in associate

Set out below are associate of the group as at 31 March 2021 which in the opinion of directors are material to the group. The entities listed below have share capital consisting solely of equity shares which are directly held by the group.

| Name of the entity                          | Place of business | % of ownership interests | Relationship  | Accounting method | Quoted fair value |           | Carrying amount |               |
|---|-------------------|--------------------------|---------------|-------------------|-------------------|-----------|-----------------|---------------|
|   |                   |                          |               |                   | 31-Mar-21         | 31-Mar-20 | 31-Mar-21       | 31-Mar-20     |
| Sustainable agro commercial finance limited | India             | 49%                      | Associate (1) | Equity method     | -*                | -*        | 861.06          | 828.94        |
| <b>Total equity accounted investments</b>   |                   |                          |               |                   |                   |           | <b>861.06</b>   | <b>828.94</b> |

(1) Sustainable agro commercial finance limited is an NBFC. It is engaged in financing to farming sectors.

\* Unlisted entity- no quoted price available.

#### (i) Summarised financial information for associate

The table below provide summarised financial information for those associate that are material to the group. The information disclosed reflects the amount presented in financial statements of the relevant associate and not JISL's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made by the entity when using the equity method, including fair value adjustments made at time of acquisition and modifications for differences in accounting policies.

| Sustainable Agro Commercial Finance Limited |                 |                 |
|---|-----------------|-----------------|
|   | 31-Mar-21       | 31-Mar-20       |
| <b>Summarised Balance Sheet</b>             |                 |                 |
| Current assets                              |                 |                 |
| - Cash and cash equivalents                 | 128.70          | 132.00          |
| - Other assets                              | 3,635.20        | 3,760.10        |
| <b>Total current assets</b>                 | <b>3,763.90</b> | <b>3,892.10</b> |
| <b>Total non-current assets</b>             | <b>101.70</b>   | <b>132.40</b>   |
| Current liabilities                         |                 |                 |
| - Other liabilities                         | 2,026.60        | 2,248.80        |
| <b>Total current liabilities</b>            | <b>2,026.60</b> | <b>2,248.80</b> |
| Non-current liabilities                     |                 |                 |
| - Other liabilities                         | 81.70           | 84.00           |
| <b>Total non-current liabilities</b>        | <b>81.70</b>    | <b>84.00</b>    |
| <b>Net assets</b>                           | <b>1,757.30</b> | <b>1,691.70</b> |

#### (ii) Reconciliation to carrying amounts

| Sustainable Agro Commercial Finance Limited |                 |                 |
|---|-----------------|-----------------|
|   | 31-Mar-21       | 31-Mar-20       |
| Opening net assets                          | 1,691.70        | 1,655.90        |
| Profit for the year                         | 66.20           | 38.10           |
| Other comprehensive income                  | (0.60)          | (2.30)          |
| Dividend paid                               | -               | -               |
| <b>Closing net assets</b>                   | <b>1,757.30</b> | <b>1,691.70</b> |
| Group's share in %                          | 49%             | 49%             |
| Group's share in ₹                          | 861.08          | 828.93          |
| Carrying amount                             | 861.06          | 828.94          |

#### (iii) Summarised statement of profit and loss

| Sustainable Agro Commercial Finance Limited |              |              |
|---|--------------|--------------|
|   | 31-Mar-21    | 31-Mar-20    |
| Revenue                                     | 491.90       | 547.30       |
| Profit for the year                         | 66.20        | 38.10        |
| Other comprehensive income                  | (0.60)       | -            |
| <b>Total comprehensive income</b>           | <b>65.60</b> | <b>38.10</b> |
| Dividend received                           | -            | -            |

**38(g) DISCLOSURE AS PER SECTION 186 OF THE COMPANIES ACT, 2013**

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

(i) Details of Investments made during the year: NIL

(ii) Details of loans & guarantee given by the Company are as follows:

| Name of Party                           | Relationship      | Nature    | Amount Outstanding at |            | Purpose                              |
|---|-------------------|-----------|-----------------------|------------|--------------------------------------|
|   |                   |           | 31/03/2021            | 31/03/2020 |                                      |
| Sustainable Agro Commercial Finance Ltd | Associate Company | Guarantee | 439.20                | 641.00     | Term Loan Facility / Credit Facility |

**39) 1) FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT****A) Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

Non-Current fixed rate borrowings are evaluated by the group based on parameters such as interest rates, specific country factors and the risk characteristics of the financed project. In case of Non-current variable-rate borrowings which are reset at short intervals, the carrying value approximates fair value.

| Particulars                  | 31-Mar-21       |          |                  | 31-Mar-20       |          |                  |
|------------------------------|-----------------|----------|------------------|-----------------|----------|------------------|
|                              | FVTPL           | FVTOCI   | Amortised Cost   | FVTPL           | FVTOCI   | Amortised Cost   |
| <b>Financial assets</b>      |                 |          |                  |                 |          |                  |
| Investments                  |                 |          |                  |                 |          |                  |
| Equity instruments           | 23.72           | -        | 0.02             | 22.29           | -        | 6.02             |
| Loans                        | -               | -        | 529.75           | -               | -        | 648.45           |
| Trade receivables            | -               | -        | 24,899.93        | -               | -        | 28,159.69        |
| Cash and cash equivalents    | -               | -        | 4,100.86         | -               | -        | 2,362.21         |
| Other Bank Balances          | -               | -        | 554.65           | -               | -        | 181.63           |
| Other Financial Assets       | 1,328.96        | -        | 6,626.53         | 1,527.69        | -        | 5,792.56         |
| <b>Total</b>                 | <b>1,352.68</b> | <b>-</b> | <b>36,711.74</b> | <b>1,549.98</b> | <b>-</b> | <b>37,150.56</b> |
| <b>Financial liabilities</b> |                 |          |                  |                 |          |                  |
| Borrowing                    | -               | -        | 60,201.69        | -               | -        | 63,722           |
| Lease liabilities            | -               | -        | 1,967.51         | -               | -        | 2,166            |
| Trade Payable                | -               | -        | 9,598.78         | -               | -        | 11,254           |
| Other financial Liabilities  | 41.32           | -        | 19,654.19        | 21.56           | -        | 12,769           |
| <b>Total</b>                 | <b>41.32</b>    | <b>-</b> | <b>91,422.17</b> | <b>21.56</b>    | <b>-</b> | <b>89,911.40</b> |

There are no other categories of financial instruments other than those mentioned above.

**B) FAIR VALUE HEIRARCHY**

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in an arm's length transaction. The group has made certain judgements and estimates in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the group as classified the financial instruments into three levels prescribed under the accounting standard. An explanation of each level is as follows:

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments and bonds which are traded in stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** Level 2 hierarchy includes financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

**Level 3:** If one or more of the significant inputs is not based on the observable market data, the instrument is included in level 3 hierarchy.

## (39) Financial instruments– Fair values and Risk Management... Contd..

| Particulars                        | 31-Mar-21   |                 |          |                 | 31-Mar-20   |                 |          |                 |
|------------------------------------|-------------|-----------------|----------|-----------------|-------------|-----------------|----------|-----------------|
|                                    | Level 1     | Level 2         | Level 3  | Total           | Level 1     | Level 2         | Level 3  | Total           |
| <b>Financial assets</b>            |             |                 |          |                 |             |                 |          |                 |
| Investments at FVTPL               |             |                 |          |                 |             |                 |          |                 |
| Equity instruments (quoted)        | 0.41        | -               | -        | 0.41            | 0.23        | -               | -        | 0.23            |
| Equity instruments (unquoted)      | -           | 23.31           | -        | 23.31           | -           | 22.06           | -        | 22.06           |
| Derivative assets                  | -           | 1,328.96        | -        | 1,328.96        | -           | 1,527.69        | -        | 1,527.69        |
| <b>Total financial assets</b>      | <b>0.41</b> | <b>1,352.27</b> | <b>-</b> | <b>1,352.68</b> | <b>0.23</b> | <b>1,549.75</b> | <b>-</b> | <b>1,549.98</b> |
| <b>Financial liabilities</b>       |             |                 |          |                 |             |                 |          |                 |
| Derivative liability               | -           | 41.32           | -        | 41.32           | -           | 21.56           | -        | 21.56           |
| <b>Total financial liabilities</b> | <b>-</b>    | <b>41.32</b>    | <b>-</b> | <b>41.32</b>    | <b>-</b>    | <b>21.56</b>    | <b>-</b> | <b>21.56</b>    |

**C) VALUATION TECHNIQUE USED TO DETERMINE FAIR VALUE**

Specific valuation techniques used to value financial instruments include:

- Quoted investments (Equity Shares)- Market Value
- Unquoted Investments - As determined by the Management, there is no significant change in the value of Unquoted investment in equity shares valuing ₹ 23.31 (PY ₹ 22.06)
- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled except in case of bond issued by Jain International Trading BV, Netherland which has carrying value of ₹ 14,633.70 (PY: ₹ 14,931.50) and Fair value ₹ 3,357.40 (PY : ₹ 4,499.03).

**40) FINANCIAL RISK MANAGEMENT**

The group's activities expose it to market risk, liquidity risk, and credit risk, which may have an adverse effects on its financial performance. In order to minimise the adverse effects on the financial performance of the group, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures and interest rate swap, principal only swap to hedge variable interest rate exposures.

The sources of risk, which the entity is exposed to and how the entity manages these risks and their impact on financial statements is given below:

| Risk                           | Exposure from   | Measurement                                    |   |
|--------------------------------|---|--|---|
| Credit risk                    | Trade receivables, Cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost | Aging analysis, Credit ratings                 | Credit limits, Letters of credit and diversification of bank deposits |
| Liquidity risk                 | Borrowings, Trade payables and other liabilities  | Cash flow forecasts                            | Availability of committed credit lines and borrowing facilities       |
| Market risk - Foreign Currency | "Foreign currency receivables and payables; Forecasted foreign currency transactions"                                       | Cash flow forecasting and Sensitivity analysis | Foreign exchange forward contracts                                    |
| Market risk - Interest rate    | Long-term borrowings at variable interest rates   | Sensitivity analysis                           | Interest rate swaps   |

The board of directors of respective companies of the group have responsibility for the establishment and oversight of the respective company's risk management framework. The board of directors of respective companies have established the Risk Management Committee, which is responsible for developing and monitoring the respective company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The board and risk management committee provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments etc.

**[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 investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. The group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.



## (40) Financial Risk Management... Contd..

**Trade and other receivables**

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in normal course of business.

**Credit terms are in line with industry trends.**

Summary of the group's exposure to credit risk by age of the outstanding from various customers is as follows:

|                               | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|-------------------------------|------------------|------------------|
| Not yet due                   | 19,299.02        | 21,422.95        |
| Past due                      |                  |                  |
| - Past due 0 - 180 days       | 2,434.14         | 5,670.60         |
| - Past due more than 180 days | 7,498.31         | 5,072.50         |
|                               | 29,231.47        | 32,166.05        |
| Less: Impairment allowance    | (4,331.54)       | (4,006.36)       |
|                               | 24,899.93        | 28,159.69        |

Expected credit loss assessment for customers as at 31 March 2020 and 31 March 2021

Exposures to customers outstanding at the end of each reporting period are reviewed by The group to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of The group have not undergone any substantial change, The group expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

Trade receivable as on March 31, 2021 includes ₹ 15,875.08 receivable from various Central and State government Authorities (in India) towards projects work undertaken as also supply of materials, payments of which are not forthcoming regularly and balance confirmation from such parties are awaited as on March 31, 2021. The Holding Company is in process of completion of such projects and is constantly following up for recovery. In past, the Holding Company was able to realise substantial amounts and no write off was necessitated on account of non recovery. The Holding Company is hopeful that entire dues would be realised in near future and hence, no specific provision for doubtful debts is considered necessary apart from provisioning made under expected credit loss in line with Ind AS 109 "Financial Instruments".

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

|                                     | <b>Amount</b>   |
|-------------------------------------|-----------------|
| <b>Balance as at March 31, 2019</b> | <b>1,963.39</b> |
| Impairment loss recognised          | 2,087.59        |
| Amounts written off                 | (44.61)         |
| <b>Balance as at March 31, 2020</b> | <b>4,006.36</b> |
| Impairment loss recognised          | 596.41          |
| On account of Disposal-FY21         | 12.98           |
| Amounts written off                 | (284.22)        |
| <b>Balance as at March 31, 2021</b> | <b>4,331.54</b> |

**Investment, Cash and bank balance**

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies. Investments of surplus funds are made only with approved Financial Institutions/ Counterparty.

**Derivatives**

The derivatives are entered into with credit worthy banks and financial institution counterparties. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

**[B] Liquidity risk**

Liquidity risk is the risk that the group encounters difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through committed credit facilities to meet the obligations when due.

As on March 31, 2021, the parent Company and certain subsidiaries has defaulted in payment to the lenders and consequently entered into a resolution plan with them. The Group's liquidity position will improve post implementation of the resolution plan as envisaged in Note 47,48,49 & 50.

(40) Financial Risk Management... Contd..

Management monitors rolling forecasts of The group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. the group manages its liquidity risk by preparing month on month cash flow projections to monitor liquidity requirements. In addition, The group projects cash flows and considering the level of liquid assets necessary to meet these, monitoring the Balance Sheet liquidity ratios against internal an external regulatory requirements and maintaining debt financing plans.

**i) Financing arrangements**

The group has access to the following undrawn borrowing facilities at the end of the reporting period:

|   | 31-Mar-21       | 31-Mar-20       |
|---|-----------------|-----------------|
| Floating rate   |                 |                 |
| - Expiring within one year (Cash credit and other facilities) | 4,344.18        | 1,985.72        |
| Fixed rate  |                 |                 |
| <b>Total</b>  | <b>4,344.18</b> | <b>1,985.72</b> |

**ii) Maturities of financial liabilities**

The below table analyses the group's financial liabilities into relevant maturity groupings based on their contractual maturities including resolution plan sanctioned by the lenders as discussed in Note 48 & 50. The amounts disclosed in the table are contractual undiscounted cash flows, balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

|                                  | Carrying Amount  | Less than 12 Months | 1 - 2 years      | 2 - 5 years      | More than 5 years |
|----------------------------------|------------------|---------------------|------------------|------------------|-------------------|
| <b>31-Mar-21</b>                 |                  |                     |                  |                  |                   |
| <b>Non-derivatives</b>           |                  |                     |                  |                  |                   |
| Borrowings (including interest)# | 74,353.98        | 51,872.58           | 5,002.53         | 22,835.00        | 885.17            |
| Trade payables                   | 9,598.78         | 9,598.78            | -                | -                | -                 |
| Lease liability                  | 1,967.51         | 630.89              | 581.47           | 321.09           | 434.06            |
| Other financial liabilities      | 5,501.90         | 4,674.61            | 298.94           | 485.37           | 42.98             |
| Derivative Liabilities           | 41.32            | 40.14               | 1.18             |                  |                   |
| <b>Total</b>                     | <b>91,463.49</b> | <b>66,817.01</b>    | <b>5,884.12</b>  | <b>23,641.46</b> | <b>1,362.20</b>   |
| <b>31-Mar-20</b>                 |                  |                     |                  |                  |                   |
| <b>Non-derivatives</b>           |                  |                     |                  |                  |                   |
| Borrowings (including interest)# | 71,799.88        | 45,606.78           | 20,821.80        | 7,427.43         | 981.68            |
| Trade payables                   | 11,254.39        | 11,254.39           | -                | -                | -                 |
| Lease liability                  | 2,166.44         | 562.32              | 785.29           | 341.19           | 477.64            |
| Other financial liabilities      | 4,690.69         | 3,107.27            | 550.84           | 1,032.54         | -                 |
| Derivative Liabilities           | 21.56            | 35.72               | 13.05            | 2.41             |                   |
| <b>Total</b>                     | <b>89,932.96</b> | <b>60,566.48</b>    | <b>22,170.98</b> | <b>8,803.57</b>  | <b>1,459.32</b>   |

Note- Outstanding amount against Financial guarantees issued by the group on behalf of associate as on March 31, 2021 is ₹439.20, (P.Y. March 31, 2020 ₹ 641.00), are with respect to borrowing raised. These amounts will be payable on default by the concerned entity. As of the reporting date, the associate has not defaulted and hence, the group does not have any present obligation to third parties in relation to such guarantee.

**[C] Market risk**

**(i) Foreign currency risk**

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices etc. The group operations involve foreign exchange transactions including import, export as well as financing and investment transactions and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD, EUR, GBP and CHF. Foreign currency risk arises from future commercial transactions and recognised in assets and liabilities denominated in foreign currency that is not Company's functional currency (i.e., INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of a high probable forecast transactions.

## (40) Financial Risk Management... Contd..

**(a) Foreign currency risk exposure**

The group's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows:

|  | USD              | EUR             | GBP             | CHF            | Others          | Total            |
|--|------------------|-----------------|-----------------|----------------|-----------------|------------------|
| <b>31-Mar-21</b>   |                  |                 |                 |                |                 |                  |
| <b>Financial assets</b>                                    |                  |                 |                 |                |                 |                  |
| Loans  | 4,542.52         | 813.57          | 13.94           | -              | 18.24           | 5,388.27         |
| Other financial assets                                     | 903.32           | 150.09          | -               | -              | -               | 1,053.41         |
| Trade receivables  | 7,566.98         | 2,471.96        | 952.84          | -              | 0.06            | 10,991.84        |
| Cash and bank  | 353.51           | 383.08          | 97.53           | -              | 5.84            | 839.96           |
| <b>Net exposure to foreign currency risk (assets)</b>      | <b>13,366.33</b> | <b>3,818.70</b> | <b>1,064.31</b> | <b>-</b>       | <b>24.14</b>    | <b>18,273.48</b> |
| <b>Financial liabilities</b>                               |                  |                 |                 |                |                 |                  |
| Borrowings (Including Current Maturity)                    | 5,775.06         | 967.96          | 485.34          | -              | 227.51          | 7,455.87         |
| Other financial liabilities                                | 437.42           | 473.22          | 167.99          | -              | 6.11            | 1,084.74         |
| Trade payables   | 5,173.09         | 3,092.11        | 195.35          | 23.76          | 13.66           | 8,497.97         |
| <b>Net exposure to foreign currency risk (liabilities)</b> | <b>11,385.57</b> | <b>4,533.29</b> | <b>848.68</b>   | <b>23.76</b>   | <b>247.28</b>   | <b>17,038.58</b> |
| <b>Net exposure to foreign currency risk</b>               | <b>1,980.76</b>  | <b>(714.59)</b> | <b>215.63</b>   | <b>(23.76)</b> | <b>(223.14)</b> | <b>1,234.90</b>  |
| <b>31-Mar-20</b>   |                  |                 |                 |                |                 |                  |
| <b>Financial assets</b>                                    |                  |                 |                 |                |                 |                  |
| Loans  | 5,720.27         | 804.37          | 6.94            | -              | 1.77            | 6,533.35         |
| Other financial assets                                     | 626.89           | 102.64          | -               | -              | -               | 729.53           |
| Trade receivables  | 7,712.86         | 3,196.83        | 752.33          | -              | 2.27            | 11,664.29        |
| Less: Hedged through export forwards                       | (188.46)         | -               | -               | -              | -               | (188.46)         |
| Cash and bank  | 64.28            | 291.66          | 36.48           | -              | 31.15           | 423.57           |
| <b>Net exposure to foreign currency risk (assets)</b>      | <b>13,935.84</b> | <b>4,395.50</b> | <b>795.75</b>   | <b>-</b>       | <b>35.19</b>    | <b>19,162.28</b> |
| <b>Financial liabilities</b>                               |                  |                 |                 |                |                 |                  |
| Borrowings (Including Current Maturity)                    | 6,550.17         | 1,134.80        | 510.72          | -              | 151.77          | 8,347.46         |
| Less POS & Forward   | (2,636.26)       | -               | -               | -              | -               | (2,636.26)       |
| Other financial liabilities                                | 297.84           | 335.85          | 27.69           | -              | 9.93            | 671.31           |
| Trade payables   | 4,052.60         | 2,385.32        | 108.61          | 58.47          | 6.34            | 6,611.34         |
| <b>Net exposure to foreign currency risk (liabilities)</b> | <b>8,264.35</b>  | <b>3,855.97</b> | <b>647.02</b>   | <b>58.47</b>   | <b>168.04</b>   | <b>12,993.85</b> |
| <b>Net exposure to foreign currency risk</b>               | <b>5,671.49</b>  | <b>539.53</b>   | <b>148.73</b>   | <b>(58.47)</b> | <b>(132.85)</b> | <b>6,168.43</b>  |

**(b) Foreign currency sensitivity analysis**

The sensitivity of profit and loss/ equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR, GBP and CHF exchange rates, with all other variables held constant:

|                  | Impact on profit after tax* |           |
|------------------|-----------------------------|-----------|
|                  | 31-Mar-21                   | 31-Mar-20 |
| <b>USD</b>       |                             |           |
| - Increase by 2% | 22.87                       | 72.06     |
| - Decrease by 2% | (22.87)                     | (72.06)   |
| <b>EUR</b>       |                             |           |
| - Increase by 2% | (9.30)                      | 7.02      |
| - Decrease by 2% | 9.30                        | (7.02)    |

## (40) Financial Risk Management... Contd..

|                  | Impact on profit after tax* |           |
|------------------|-----------------------------|-----------|
|                  | 31-Mar-21                   | 31-Mar-20 |
| <b>GBP</b>       |                             |           |
| - Increase by 2% | 2.81                        | 1.94      |
| - Decrease by 2% | (2.81)                      | (1.94)    |
| <b>CHF</b>       |                             |           |
| - Increase by 2% | (0.31)                      | (0.76)    |
| - Decrease by 2% | 0.31                        | 0.76      |

\* Maximum marginal rate as per the Income Tax Act, 1961 has been used for calculating post tax impact.

**(ii) Cash flow and fair value interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. In order to optimize the group's position with regards to interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio. Accordingly, the Company endeavours to gradually reduce the exposure to variable interest rate borrowings. The group's main interest rate risk arises from long-term borrowings with variable rates, which expose the group to cash flow interest rate risk. The group's borrowings at variable rate were mainly denominated in INR, USD, EUR and CHF.

The group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.

The group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under these swaps, The group agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

**(a) Interest rate exposure**

The exposure of The group's borrowing to interest rate changes at the end of the reporting period is as follows:

|                          | 31-Mar-21        | 31-Mar-20        |
|--------------------------|------------------|------------------|
| Variable rate borrowings | 49,900.65        | 51,347.36        |
| Fixed rate borrowings    | 17,444.85        | 18,074.80        |
|                          | <b>67,345.50</b> | <b>69,422.16</b> |

The group uses interest rate swaps to hedge a portion of foreign currency borrowings. The borrowings denominated in Indian rupee bore interest at floating rates and are unhedged. As of March 31, 2021 and 2020, The group had outstanding interest rate swap agreements in the amounts of ₹ 1,558.75 and ₹ 1,573.06 respectively.

**(b) Sensitivity**

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates. A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

|  | Impact on profit after tax* |           |
|--|-----------------------------|-----------|
|  | 31-Mar-21                   | 31-Mar-20 |
| Interest rates - Increase by 50 basis points (50 basis points) | (162.32)                    | (167.02)  |
| Interest rates - decrease by 50 basis points (50 basis points) | 162.32                      | 167.02    |

\* Maximum marginal rate as per the Income Tax Act, 1961 has been used for calculating post tax impact.

(40) Financial Risk Management... Contd..

**(iii) Other market price risks**

The group is exposed to equity price risk, which arises from FVTPL equity securities. The group has a very insignificant portion of amounts invested in unquoted equity instruments other than subsidiaries, joint venture and associates. The management monitors the proportion of equity instruments in its investment portfolio based on market indices.

**41) CAPITAL MANAGEMENT**

(a) The group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and bank balance) divided by total 'equity' (as shown in the Balance Sheet, including non controlling interests).

The group's target is to maintain a debt equity ratio under 1:1. The gearing ratios were as follows:

|                                 | <b>31-Mar-21</b> | <b>31-Mar-20</b> |
|---------------------------------|------------------|------------------|
| Debt                            | 67,345.50        | 69,422.15        |
| Less: Cash & bank balance       | (4,655.51)       | (2,543.84)       |
| Net debt                        | 62,689.99        | 66,878.31        |
| Total equity                    | 29,678.54        | 34,711.01        |
| <b>Net debt to equity ratio</b> | <b>211%</b>      | <b>193%</b>      |

For the purpose of calculating Debt Equity ratio Interest overdue has not been considered

Metrics are maintained in excess of any debt covenant restrictions

(b) Due to the losses incurred, the Holding company has not declared any dividend for the FY 2019-20 and no dividend has been proposed for the FY 2020-21

(All amount in ₹ Million, unless otherwise stated)

#### 42) Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries for the Year Ended March 31, 2021

| Sr. No.      | Name of Company  | Net Assets (total assets minus total Liabilities) |                       | Share in profit or loss             |                       | Share in other comprehensive income |                       | Share in total comprehensive income |                       |
|--------------|--|---|-----------------------|-------------------------------------|-----------------------|-------------------------------------|-----------------------|-------------------------------------|-----------------------|
|              |  | As % of Consolidated net assets                   | Amount (₹ in million) | As % of Consolidated profit or loss | Amount (₹ in million) | As % of Consolidated profit or loss | Amount (₹ in million) | As % of Consolidated profit or loss | Amount (₹ in million) |
| Parent       |  |   |                       |                                     |                       |                                     |                       |                                     |                       |
| 1            | Jain Irrigation Systems Ltd., India  | 56.89   | 16,883.95             | 82.95                               | (3,281.96)            | 82.73                               | (441.27)              | 82.94                               | (3,723.23)            |
| Subsidiaries |  |   |                       |                                     |                       |                                     |                       |                                     |                       |
| Foreign      |  |   |                       |                                     |                       |                                     |                       |                                     |                       |
| 2            | JISL Overseas Limited Mauritius  | 6.10  | 1,811.05              | 0.81                                | (32.23)               | 0.80                                | (4.27)                | 0.81                                | (36.50)               |
| 3            | Jain International Trading B.V., Netherlands                                 | 0.92  | 271.68                | 2.79                                | (110.26)              | 2.74                                | (14.59)               | 2.78                                | (124.85)              |
| 4            | Jain Overseas B.V., Netherlands  | 2.11  | 626.32                | 2.62                                | (103.79)              | 2.58                                | (13.74)               | 2.62                                | (117.53)              |
| 5            | Jain (Israel) B.V., Netherlands  | (1.57)  | (467.24)              | 9.28                                | (367.23)              | 9.12                                | (48.61)               | 9.26                                | (415.84)              |
| 6            | JISL Global SA, Switzerland  | 0.26  | 76.34                 | 0.03                                | (1.25)                | 0.03                                | (0.16)                | 0.03                                | (1.41)                |
| 7            | JISL System SA, Switzerland  | 0.90  | 267.04                | (14.03)                             | 555.12                | (13.78)                             | 73.49                 | (14.00)                             | 628.61                |
| 8            | Jain America Foods Inc., USA   | 2.96  | 878.56                | 2.01                                | (79.38)               | 1.97                                | (10.51)               | 2.00                                | (89.89)               |
| 9            | Jain America Holdings Inc., USA  | 1.38  | 409.76                | 6.10                                | (241.36)              | 5.99                                | (31.95)               | 6.09                                | (273.31)              |
| 10           | Jain (Europe) Ltd., UK   | 1.26  | 373.78                | 1.66                                | (65.70)               | 1.63                                | (8.69)                | 1.66                                | (74.39)               |
| 11           | Jain Irrigation Holding Corp., USA (Consolidated)                            | -   | -                     | -                                   | -                     | -                                   | -                     | -                                   | -                     |
| 12           | Jain Irrigation Inc., USA (Consolidated)                                     | 3.11  | 923.91                | (0.78)                              | 30.79                 | (0.77)                              | 4.08                  | (0.78)                              | 34.87                 |
| 13           | "Jain Farm Fresh Foods Inc., USA (Erstwhile Cascade Specialities Inc., USA)" | 4.35  | 1,289.59              | (15.29)                             | 604.90                | (15.01)                             | 80.07                 | (15.26)                             | 684.97                |
| 14           | Naandan Jain Irrigation Ltd, Israel (Consolidated)                           | 2.31  | 685.39                | (13.18)                             | 521.52                | (12.94)                             | 69.03                 | (13.15)                             | 590.55                |
| 15           | THE Machines Yvonand S.A., Switzerland                                       | -   | -                     | -                                   | -                     | -                                   | -                     | -                                   | -                     |
| 16           | Jain International Foods Ltd., UK  | 1.58  | 470.07                | 0.27                                | (10.65)               | 0.26                                | (1.40)                | 0.27                                | (12.05)               |
| 17           | Sleaford Quality Foods Ltd., UK (Consolidated)                               | 0.32  | 95.20                 | 11.27                               | (446.05)              | 11.07                               | (59.04)               | 11.25                               | (505.09)              |
| 18           | Jain Mena DMCC,Dubai   | (0.08)  | (24.35)               | 0.30                                | (11.95)               | 0.30                                | (1.58)                | 0.30                                | (13.53)               |
| 19           | Jain Distribution holdings Inc.,USA(Consolidated)                            | 0.22  | 66.17                 | (2.92)                              | 115.51                | (2.87)                              | 15.29                 | (2.91)                              | 130.80                |
| 20           | Jain Farm Fresh Holdings SPRL, Belgium (Consolidated)                        | 0.60  | 178.12                | (3.86)                              | 152.65                | (3.79)                              | 20.21                 | (3.85)                              | 172.86                |
| 21           | ProTool AG, Switzerland  | -   | -                     | -                                   | -                     | -                                   | -                     | -                                   | -                     |
| 22           | Ex-Cel Plastics Ltd, Ireland   | 0.16  | 47.31                 | 0.81                                | (32.00)               | 0.80                                | (4.24)                | 0.81                                | (36.24)               |
| 23           | Gavish Control Systems Ltd, Israel   | (0.13)  | (39.70)               | 0.70                                | (27.80)               | 0.69                                | (3.68)                | 0.70                                | (31.48)               |
| 24           | Excel Plastics Piping Systems SAS, France                                    | (0.14)  | (41.95)               | 0.30                                | (12.06)               | 0.30                                | (1.60)                | 0.30                                | (13.66)               |
| 25           | Pacific Shelf 1218 Ltd. (Consolidated)                                       | 0.54  | 160.04                | (1.19)                              | 47.19                 | (1.17)                              | 6.24                  | (1.19)                              | 53.43                 |
| 26           | Jain Farm Fresh Gida Sanayi Ve Ticaret Anonim Sirketi, Turkey                | 0.14  | 42.63                 | (0.77)                              | 30.54                 | (0.76)                              | 4.04                  | (0.77)                              | 34.58                 |
| 27           | Jain Netherlands Holding I B.V.  | -   | (0.33)                | (0.01)                              | 0.31                  | (0.01)                              | 0.04                  | (0.01)                              | 0.35                  |
| 28           | Jain Netherlands Holding II B.V.   | -   | (0.30)                | (0.01)                              | 0.37                  | (0.01)                              | 0.05                  | (0.01)                              | 0.42                  |
| Indian       |  |   |                       |                                     |                       |                                     |                       |                                     |                       |
| 27           | Driptech India Pvt. Ltd., India  | (0.04)  | (12.06)               | (0.11)                              | 4.49                  | (0.11)                              | 0.59                  | (0.11)                              | 5.08                  |
| 28           | Jain Farm Fresh Foods Ltd., India  | 12.93   | 3,837.77              | 31.05                               | (1,228.70)            | 30.15                               | (160.79)              | 30.95                               | (1,389.49)            |
| 29           | Jain Processed Foods Trading & Investments Pvt. Ltd., India                  | 0.03  | 8.73                  | -                                   | (0.01)                | -                                   | -                     | -                                   | (0.01)                |
| Associate    |  |   |                       |                                     |                       |                                     |                       |                                     |                       |
| Indian       |  |   |                       |                                     |                       |                                     |                       |                                     |                       |
| 30           | Sustainable Agro-Commercial Finance Ltd., India                              | 2.90  | 861.06                | (0.82)                              | 32.44                 | 0.06                                | (0.30)                | (0.72)                              | 32.14                 |



(42) Contd..

(All amount in ₹ Million, unless otherwise stated)

(All amount in ₹ Million, unless otherwise stated)

### Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries for the Year Ended March 31, 2020

| Sr. No.      | Name of Company  | Net Assets (total assets minus total Liabilities) |                       | Share in profit or loss             |                       | Share in other comprehensive income |                       | Share in total comprehensive income |                       |
|--------------|--|---|-----------------------|-------------------------------------|-----------------------|-------------------------------------|-----------------------|-------------------------------------|-----------------------|
|              |  | As % of Consolidated net assets                   | Amount (₹ in million) | As % of Consolidated profit or loss | Amount (₹ in million) | As % of Consolidated profit or loss | Amount (₹ in million) | As % of Consolidated profit or loss | Amount (₹ in million) |
| Parent       |  |   |                       |                                     |                       |                                     |                       |                                     |                       |
| 1            | Jain Irrigation Systems Ltd., India  | 72.32   | 21,463.58             | 133.66                              | (5,288.44)            | 318.60                              | (1,699.13)            | 155.64                              | (6,987.57)            |
| Subsidiaries |  |   |                       |                                     |                       |                                     |                       |                                     |                       |
| Foreign      |  |   |                       |                                     |                       |                                     |                       |                                     |                       |
| 2            | JISL Overseas Limited Mauritius  | 7.44  | 2,206.65              | 0.77                                | (30.65)               | 1.85                                | (9.89)                | 0.90                                | (40.54)               |
| 3            | Jain International Trading B.V., Netherlands                                 | 1.29  | 382.07                | 2.09                                | (82.74)               | 5.01                                | (26.70)               | 2.44                                | (109.44)              |
| 4            | Jain Overseas B.V., Netherlands  | 2.72  | 807.98                | 1.39                                | (55.08)               | 3.33                                | (17.78)               | 1.62                                | (72.86)               |
| 5            | Jain (Israel) B.V., Netherlands  | (1.99)  | (589.96)              | 8.53                                | (337.57)              | 20.43                               | (108.96)              | 9.95                                | (446.53)              |
| 6            | JISL Global SA, Switzerland  | 0.31  | 90.62                 | 0.02                                | (0.87)                | 0.05                                | (0.28)                | 0.03                                | (1.15)                |
| 7            | JISL System SA, Switzerland  | 0.20  | 59.08                 | 0.02                                | (0.61)                | 0.04                                | (0.20)                | 0.02                                | (0.81)                |
| 8            | Jain America Foods Inc., USA   | 1.70  | 505.38                | 0.21                                | (8.38)                | 0.51                                | (2.70)                | 0.25                                | (11.08)               |
| 9            | Jain America Holdings Inc., USA  | 2.06  | 612.59                | 7.46                                | (295.33)              | 17.87                               | (95.32)               | 8.70                                | (390.65)              |
| 10           | Jain (Europe) Ltd., UK   | 1.47  | 436.56                | (3.49)                              | 138.02                | (8.35)                              | 44.55                 | (4.07)                              | 182.57                |
| 11           | Jain Irrigation Holding Corp., USA (Consolidated)                            | -   | -                     | -                                   | -                     | -                                   | -                     | -                                   | -                     |
| 12           | Jain Irrigation Inc., USA (Consolidated)                                     | 3.72  | 1,102.85              | (0.60)                              | 23.79                 | (1.44)                              | 7.68                  | (0.70)                              | 31.47                 |
| 13           | "Jain Farm Fresh Foods Inc., USA (Erstwhile Cascade Specialities Inc., USA)" | 0.08  | 23.93                 | 7.07                                | (279.77)              | 16.93                               | (90.30)               | 8.24                                | (370.07)              |
| 14           | Naandan Jain Irrigation Ltd, Israel (Consolidated)                           | 1.06  | 313.13                | 6.78                                | (268.39)              | 16.24                               | (86.63)               | 7.91                                | (355.02)              |
| 15           | THE Machines Yvonand S.A., Switzerland                                       | 0.87  | 259.00                | (2.45)                              | 97.13                 | (5.88)                              | 31.35                 | (2.86)                              | 128.48                |
| 16           | Jain International Foods Ltd., UK  | 1.74  | 516.12                | (3.33)                              | 131.90                | (7.98)                              | 42.57                 | (3.89)                              | 174.47                |
| 17           | Sleaford Quality Foods Ltd., UK (Consolidated)                               | 1.04  | 307.47                | 3.43                                | (135.75)              | 8.22                                | (43.81)               | 4.00                                | (179.56)              |
| 18           | Jain Mena DMCC,Dubai   | (0.08)  | (23.58)               | 0.52                                | (20.76)               | 1.26                                | (6.70)                | 0.61                                | (27.46)               |
| 19           | Jain Distribution holdings Inc.,USA(Consolidated)                            | 0.03  | 8.53                  | 4.01                                | (158.66)              | 9.60                                | (51.21)               | 4.67                                | (209.87)              |
| 20           | Jain Farm Fresh Holdings SPRL,Belgium(Consolidated)                          | 0.45  | 132.88                | (4.07)                              | 161.07                | (9.75)                              | 51.99                 | (4.75)                              | 213.06                |
| 21           | ProTool AG, Switzerland  | (0.03)  | (9.51)                | 0.11                                | (4.50)                | 0.27                                | (1.46)                | 0.13                                | (5.96)                |
| 22           | Ex-Cel Plastics Ltd, Ireland   | 0.24  | 70.60                 | 0.26                                | (10.32)               | 0.62                                | (3.33)                | 0.30                                | (13.65)               |
| 23           | Gavish Control Systems Ltd, Israel   | (0.15)  | (45.74)               | 0.58                                | (23.07)               | 1.40                                | (7.44)                | 0.68                                | (30.51)               |
| 24           | Excel Plastics Piping Systems SAS, France                                    | (0.14)  | (42.22)               | 0.54                                | (21.19)               | 1.28                                | (6.84)                | 0.62                                | (28.03)               |
| 25           | Pacific Shelf 1218 Ltd. (Consolidated)                                       | 0.51  | 152.49                | (1.79)                              | 70.85                 | (4.29)                              | 22.86                 | (2.09)                              | 93.71                 |
| 26           | Jain Farm Fresh Gida Sanayi Ve Ticaret Anonim Sirketi, Turkey                | 0.12  | 36.78                 | 0.94                                | (37.20)               | 2.25                                | (12.01)               | 1.10                                | (49.21)               |
| 27           | Jain Netherlands Holding I B.V.  | -   | (0.55)                | 0.03                                | (1.05)                | 0.06                                | (0.34)                | 0.03                                | (1.39)                |
| 28           | Jain Netherlands Holding II B.V.   | -   | (0.55)                | 0.03                                | (1.05)                | 0.06                                | (0.34)                | 0.03                                | (1.39)                |
| Indian       |  |   |                       |                                     |                       |                                     |                       |                                     |                       |
| 27           | Driptech India Pvt. Ltd., India  | (0.06)  | (16.37)               | (0.12)                              | 4.59                  | (0.28)                              | 1.48                  | (0.14)                              | 6.07                  |
| 28           | Jain Farm Fresh Foods Ltd., India  | 17.22   | 5,111.94              | 18.58                               | (735.04)              | 44.96                               | (239.76)              | 21.71                               | (974.80)              |
| 29           | Jain Processed Foods Trading & Investments Pvt. Ltd., India                  | 0.03  | 10.32                 | -                                   | 0.15                  | (0.01)                              | 0.05                  | -                                   | 0.20                  |
| Associate    |  |   |                       |                                     |                       |                                     |                       |                                     |                       |
| Indian       |  |   |                       |                                     |                       |                                     |                       |                                     |                       |
| 30           | Sustainable Agro-Commercial Finance Ltd., India                              | 2.79  | 828.94                | (0.44)                              | 17.54                 | -                                   | -                     | (0.39)                              | 17.54                 |

**43 AOC-1****Salient features of Financial Statements of Subsidiaries and Associate as per Companies Act, 2013****Part A:Subsidiaries**

| Sr. No. | Name of Subsidiary Company  | Reporting currency & Eq. in ₹ | Share capital | Reserve and surplus | Total Assets | Total Liabilities | Investments | Turnover / Total Income | Profit Before Taxation | Provision for Taxation | Profit After Taxation | Proposed Dividend | % of share holding |
|---------|---|-------------------------------|---------------|---------------------|--------------|-------------------|-------------|-------------------------|------------------------|------------------------|-----------------------|-------------------|--------------------|
| 1       | Jain Farm Fresh Foods Ltd., India   | INR                           | 280.03        | 8,613.24            | 21,443.20    | 12,549.93         | 1,253.67    | 4,287.56                | (1,573.87)             | (423.34)               | (1,150.53)            | -                 | 88.81%             |
| 2       | Jain Processed Foods Trading & Investments Private Ltd., India                | INR                           | 20.10         | 0.16                | 38.19        | 17.92             | 20.15       | 1.97                    | (0.01)                 | (0.00)                 | (0.01)                | -                 | 100.00%            |
| 3       | Driptech India Pvt. Ltd., India   | INR                           | 6.49          | (34.44)             | 30.36        | 58.30             | -           | 116.83                  | 4.05                   | (0.15)                 | 4.20                  | -                 | 75.00%             |
| 4       | JISL Overseas Limited ,Mauritius  | INR                           | 4,579.78      | (383.01)            | 4,701.36     | 504.59            | 4,701.10    | 0.00                    | (30.18)                | -                      | (30.18)               | -                 | 100.00%            |
|         |   | US\$                          | 62.31         | (5.21)              | 63.96        | 6.86              | 63.96       | 0.00                    | (0.41)                 | -                      | (0.41)                | -                 |                    |
| 5       | Jain International Trading B.V., Netherlands                                  | INR                           | 231.87        | 397.70              | 18,092.74    | 17,463.17         | 4,132.02    | 758.27                  | (454.78)               | (351.53)               | (103.24)              | -                 | 100.00%            |
|         |   | US\$                          | 3.15          | 5.41                | 246.14       | 237.58            | 56.21       | 10.22                   | (6.13)                 | (4.74)                 | (1.39)                | -                 |                    |
| 6       | Jain Overseas B.V., Netherlands   | INR                           | 321.74        | 1,129.63            | 3,223.63     | 1,772.27          | 3,222.40    | 5.61                    | (97.19)                | -                      | (97.19)               | -                 | 100.00%            |
|         |   | US\$                          | 4.38          | 15.37               | 43.86        | 24.11             | 43.84       | 0.08                    | (1.31)                 | -                      | (1.31)                | -                 |                    |
| 7       | Jain (Israel) B.V., Netherlands   | INR                           | 321.74        | (1,404.48)          | 4,641.31     | 5,724.06          | 4,272.12    | 5.42                    | (343.87)               | -                      | (343.87)              | -                 | 100.00%            |
|         |   | US\$                          | 4.38          | (19.11)             | 63.14        | 77.87             | 58.12       | 0.07                    | (4.63)                 | -                      | (4.63)                | -                 |                    |
| 8       | JISL Global SA, Switzerland   | INR                           | 38.89         | 138.01              | 177.55       | 0.65              | 105.01      | 1.49                    | (1.16)                 | 0.00                   | (1.17)                | -                 | 100.00%            |
|         |   | CHF                           | 0.50          | 1.77                | 2.28         | 0.01              | 1.35        | 0.02                    | (0.01)                 | 0.00                   | (0.01)                | -                 |                    |
| 9       | JISL System SA, Switzerland   | INR                           | 23.34         | 595.48              | 731.14       | 112.33            | -           | 585.25                  | 522.33                 | 2.51                   | 519.81                | -                 | 100.00%            |
|         |   | CHF                           | 0.30          | 7.66                | 9.40         | 1.44              | -           | 7.28                    | 6.49                   | 0.03                   | 6.46                  | -                 |                    |
| 10      | Jain Netherlands Holding I B.V., Netherlands                                  | INR                           | 0.00          | (0.76)              | 0.00         | 0.76              | 0.00        | 0.38                    | 0.29                   | -                      | 0.29                  | -                 | 100.00%            |
|         |   | US\$                          | 0.00          | (0.01)              | 0.00         | 0.01              | 0.00        | 0.01                    | 0.00                   | -                      | 0.00                  | -                 |                    |
| 11      | Jain Netherlands Holding II B.V., Netherlands                                 | INR                           | 0.00          | (0.70)              | 0.00         | 0.70              | -           | 0.43                    | 0.35                   | -                      | 0.35                  | -                 | 100.00%            |
|         |   | US\$                          | 0.00          | (0.01)              | 0.00         | 0.01              | -           | 0.01                    | 0.00                   | -                      | 0.00                  | -                 |                    |
| 12      | Jain America Foods Inc., USA*   | INR                           | 2,095.34      | (1,428.65)          | 3,747.25     | 3,080.56          | 2,988.37    | 56.24                   | 474.30                 | (18.47)                | 492.77                | -                 | 100.00%            |
|         |   | US\$                          | 28.51         | (19.44)             | 50.98        | 41.91             | 40.66       | 0.76                    | 6.39                   | (0.25)                 | 6.64                  | -                 |                    |
| 13      | Jain America Holdings Inc., USA   | INR                           | 2,227.45      | (1,586.96)          | 9,955.23     | 9,314.73          | 3,750.93    | 995.33                  | (118.86)               | (60.01)                | (58.85)               | -                 | 100.00%            |
|         |   | US\$                          | 30.30         | (21.59)             | 135.44       | 126.72            | 51.03       | 13.41                   | (1.60)                 | (0.81)                 | (0.79)                | -                 |                    |
| 14      | Jain (Europe) Ltd., UK  | INR                           | 1,110.01      | (243.85)            | 2,866.99     | 2,000.84          | 907.30      | 266.88                  | (76.03)                | (14.52)                | (61.52)               | -                 | 100.00%            |
|         |   | GBP                           | 11.00         | (2.42)              | 28.40        | 19.82             | 8.99        | 2.75                    | -0.78                  | (0.15)                 | (0.63)                | -                 |                    |
| 15      | Jain Irrigation Holding Corp., USA (Consolidated)                             | INR                           | 406.81        | (406.81)            | -            | -                 | -           | -                       | -                      | -                      | -                     | -                 | 100.00%            |
|         |   | US\$                          | 5.53          | (5.53)              | -            | -                 | -           | -                       | -                      | -                      | -                     | -                 |                    |
| 16      | Jain Irrigation Inc., USA (Consolidated)                                      | INR                           | 2,261.85      | (120.88)            | 6,497.28     | 4,356.30          | -           | 4,251.33                | 32.55                  | 2.29                   | 30.26                 | -                 | 100.00%            |
|         |   | US\$                          | 30.77         | (1.64)              | 88.39        | 59.27             | -           | 57.28                   | 0.44                   | 0.03                   | 0.41                  | -                 |                    |
| 17      | "Jain Farm Fresh Foods Inc., USA* (Erstwhile Cascade Specialities Inc., USA)" | INR                           | 4,596.99      | (1,608.62)          | 4,010.55     | 1,022.18          | -           | 4,204.87                | 672.11                 | 105.69                 | 566.42                | -                 | 100.00%            |
|         |   | US\$                          | 62.54         | (21.88)             | 54.56        | 13.91             | -           | 56.65                   | 9.05                   | 1.42                   | 7.63                  | -                 |                    |
| 18      | Naandan Jain Irrigation Ltd, Israel (Consolidated)                            | INR                           | 1,545.86      | 42.30               | 12,054.37    | 10,466.21         | -           | -                       | 667.52                 | 179.18                 | 488.34                | -                 | 100.00%            |
|         |   | ILS                           | 70.20         | 1.92                | 547.37       | 475.25            | -           | 10,752.79               | 30.39                  | 8.16                   | 22.23                 | -                 |                    |
| 19      | The Machines Yvonand SA, Switzerland  | INR                           | -             | -                   | -            | -                 | -           | 1,233.39                | 0.95                   | 0.95                   | -                     | -                 | 0.00%              |
|         |   | CHF                           | -             | -                   | -            | -                 | -           | 15.34                   | 0.01                   | 0.01                   | -                     | -                 |                    |

(All amount in ₹ Million, unless otherwise stated)

(43) AOC-1 Contd..

(All amount in ₹ Million, unless otherwise stated)

| Sr. No. | Name of Subsidiary Company                                    | Reporting currency & Eq. in ₹ | Share capital | Reserve and surplus | Total Assets | Total Liabilities | Investments | Turnover / Total Income | Profit Before Taxation | Provision for Taxation | Profit After Taxation | Proposed Dividend | % of share holding |
|---------|---|-------------------------------|---------------|---------------------|--------------|-------------------|-------------|-------------------------|------------------------|------------------------|-----------------------|-------------------|--------------------|
| 20      | Jain International Foods Ltd, UK                              | INR                           | 639.84        | 449.47              | 6,695.53     | 5,606.23          | 904.48      | 1,996.53                | (12.25)                | (2.28)                 | (9.97)                | -                 | 100.00%            |
|         |   | GBP                           | 6.34          | 4.45                | 66.32        | 55.53             | 8.96        | 20.57                   | (0.13)                 | (0.02)                 | (0.10)                | -                 | 100.00%            |
| 21      | Sleaford Quality Foods Ltd., UK                               | INR                           | 17.16         | 203.44              | 2,566.69     | 2,346.09          | -           | 3,280.50                | (417.67)               | -                      | (417.67)              | -                 | 100.00%            |
|         |   | GBP                           | 0.17          | 2.02                | 25.43        | 23.24             | -           | 33.81                   | (4.30)                 | -                      | (4.30)                | -                 | 100.00%            |
| 22      | ProTool AG, Switzerland                                       | INR                           | -             | -                   | -            | -                 | -           | 203.53                  | 4.61                   | 4.61                   | -                     | -                 | 0.00%              |
|         |   | CHF                           | -             | -                   | -            | -                 | -           | 2.53                    | 0.06                   | 0.06                   | -                     | -                 | 0.00%              |
| 23      | Ex-Oel Plastics Ltd, Ireland                                  | INR                           | 97.94         | 11.68               | 965.86       | 856.24            | -           | 1,282.35                | (29.26)                | 0.71                   | (29.97)               | -                 | 100.00%            |
|         |   | EUR                           | 1.14          | 0.14                | 11.22        | 9.94              | -           | 14.81                   | (0.34)                 | 0.01                   | (0.35)                | -                 | 100.00%            |
| 24      | Gavish Control Systems Ltd, Israel                            | INR                           | 0.00          | (91.99)             | 55.56        | 147.55            | -           | 46.20                   | (26.03)                | -                      | (26.03)               | -                 | 51.00%             |
|         |   | ILS                           | 0.00          | (4.18)              | 2.52         | 6.70              | -           | 2.10                    | (1.19)                 | -                      | (1.19)                | -                 | 100.00%            |
| 25      | Excel Plastics Piping Systems SAS, France                     | INR                           | 34.53         | (131.74)            | 189.08       | 286.30            | -           | 0.98                    | (11.29)                | -                      | (11.29)               | -                 | 100.00%            |
|         |   | EUR                           | 0.40          | (1.53)              | 2.20         | 3.33              | -           | 0.01                    | (0.13)                 | -                      | (0.13)                | -                 | 100.00%            |
| 26      | Jain MENA DMCC, Dubai   | INR                           | 2.00          | (58.43)             | 79.01        | 135.44            | -           | 9.40                    | (11.19)                | -                      | (11.19)               | -                 | 100.00%            |
|         |   | AED                           | 0.10          | (2.92)              | 3.96         | 6.78              | -           | 0.47                    | (0.55)                 | -                      | (0.55)                | -                 | 100.00%            |
| 27      | Jain Distribution holdings Inc., USA (Consolidated)           | INR                           | 341.50        | (188.17)            | 7,705.32     | 7,551.99          | -           | 8,203.31                | 148.43                 | 40.26                  | 108.16                | -                 | 100.00%            |
|         |   | US\$                          | 4.65          | (2.56)              | 104.83       | 102.74            | -           | 110.52                  | 2.00                   | 0.54                   | 1.46                  | -                 | 100.00%            |
| 28      | Jain Farm Fresh Holdings SPRL, Belgium (Consolidated)         | INR                           | 1.60          | 411.16              | 2,108.35     | 1,695.59          | -           | 1,772.93                | 186.56                 | 43.62                  | 142.94                | -                 | 100.00%            |
|         |   | EUR                           | 0.02          | 4.78                | 24.49        | 19.69             | -           | 20.48                   | 2.15                   | 0.50                   | 1.65                  | -                 | 100.00%            |
| 29      | Pacific Shelf 1218 Ltd. (Consolidated)                        | INR                           | 12.06         | 358.81              | 853.81       | 482.94            | -           | 944.95                  | 55.96                  | 11.78                  | 44.19                 | -                 | 100.00%            |
|         |   | GBP                           | 0.12          | 3.55                | 8.46         | 4.78              | -           | 9.74                    | 0.58                   | 0.12                   | 0.46                  | -                 | 100.00%            |
| 30      | Jain Farm Fresh Gida Sanayi Ve Ticaret Anonim Sirketi, Turkey | INR                           | 110.26        | (11.47)             | 864.61       | 765.83            | -           | 574.36                  | 31.90                  | 3.31                   | 28.59                 | -                 | 60.00%             |
|         |   | US\$                          | 1.50          | (0.16)              | 11.76        | 10.42             | -           | 7.74                    | 0.43                   | 0.04                   | 0.39                  | -                 | 60.00%             |

**Exchange Rates****31-Mar-21**

| INR          | USD     | EUR     | GBP      | ILS     | CHF     | AUD     | AED     |
|--------------|---------|---------|----------|---------|---------|---------|---------|
| Avg. Rate    | 74.2250 | 86.5835 | 97.0386  | 21.9667 | 80.4220 | 53.3058 | 20.2003 |
| Closing Rate | 73.5047 | 86.0990 | 100.9509 | 22.0223 | 77.7838 | 55.8177 | 19.9767 |

The above statement also indicates performance and financial position of each of the subsidiaries.

\* Share Capital also includes Preference Share Capital.

**Part B: Associate**

Statement pursuant to Section 129 (3) of the Act related to associate company

| Sr. No.                  | Name of Associate                       | Latest Audited Balance Sheet date | Shares of associate held by the Company on the year end | Network attributable to shareholding as per latest audited balance sheet (₹) | Profit/(loss) for the year      | Description of how there is significant influence | Reason why associate is not consolidated |
|--------------------------|---|-----------------------------------|---|--|---------------------------------|---|--|
|                          |   |                                   | No.   | Extent of holding (%)  | Considered in consolidation (₹) | Not considered in consolidation (₹)               |  |
| <b>Associate Company</b> |   |                                   |   |  |                                 |   |  |
| 1                        | Sustainable Agro-Commercial Finance Ltd | March 31, 2021                    | 58,800,000  | 49.00%   | 861.08                          | 32.14   | Refer Note 1                             |
|                          |   |                                   |   |  |                                 | 33.46   | Refer Note 2                             |

Notes: 1) Significant influence due to percentage of holding.

2) Because the company doesnot have more than 51% shareholding directly or indirectly, i.e. no controlling interest.

#### 44) Transitional Provision- Ind As 115 Revenue from Contracts with Customers

The Company are engaged in providing solutions in agriculture, piping and infrastructure through manufacturing of Micro Irrigation Systems, PVC Pipes, HDPE Pipes, Plastic Sheets, Agro Processed Products, Renewable Energy Solutions, Tissue Culture Plants, and other agricultural inputs.

##### a) Disaggregation of revenue into Operating Segments and Geographical areas

Revenue from contracts with customers disaggregated on the basis of geographical region and major businesses is as below:

| Particulars                         | 2020-21          |                  |                  |
|-------------------------------------|------------------|------------------|------------------|
|                                     | India            | Outside India    | Total            |
| Hi-tech Agri Input Product Division | 12,220.26        | 22,153.24        | 34,373.50        |
| Plastic Division                    | 6,571.93         | 3,614.87         | 10,186.80        |
| Agro Processing Division            | 1,595.37         | 10,332.13        | 11,927.50        |
| Other Business Division             | 180.39           | 0.65             | 181.04           |
| <b>Total</b>                        | <b>20,567.96</b> | <b>36,100.88</b> | <b>56,668.84</b> |

| Particulars                         | 2019-20          |                  |                  |
|-------------------------------------|------------------|------------------|------------------|
|                                     | India            | Outside India    | Total            |
| Hi-tech Agri Input Product Division | 10,107.67        | 20,946.23        | 31,053.90        |
| Plastic Division                    | 6,940.44         | 4,623.36         | 11,563.80        |
| Agro Processing Division            | 4,166.64         | 12,216.86        | 16,383.50        |
| Other Business Division             | 207.82           | 17.45            | 225.27           |
| <b>Total</b>                        | <b>21,422.58</b> | <b>37,803.89</b> | <b>59,226.47</b> |

Note 1) Other operating revenues includes Incentives and assistance, sale of scrap, provision no longer required etc. to statement of profit and loss.

2) Out of the total revenue recognised under Ind AS 115 during the year, ₹ 8,055.05 (previous year: ₹ 7,899.01) is recognised over a period of time and ₹ 48,613.79 (previous year: ₹ 51,327.46) is recognised at a point in time.

##### b) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers Receivables, which are included in 'Trade receivables

| Particulars                                  | 31-Mar-21 | 31-Mar-20 |
|--|-----------|-----------|
| Trade Receivables                            | 24,899.93 | 28,159.69 |
| Contract assets: Incomplete project          | 2,488.39  | 2,135.45  |
| Contract liabilities : Advance from customer | 1,755.81  | 1,628.65  |

##### c) Other Information

| Particulars   | 31-Mar-21 | 31-Mar-20 |
|---|-----------|-----------|
| a) revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period  | 1,048.36  | 779.03    |
| b) revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods | NIL       | NIL       |
| <b>Significant payment terms</b>  |           |           |
| c) Financing Component  | NIL       | NIL       |

##### (d) Reconciliation of Revenue from operations with contract price (Other Than EPC Contract)

| Particulars            | 31-Mar-21        | 31-Mar-20        |
|------------------------|------------------|------------------|
| Contract Price         | 53,159.56        | 58,137.73        |
| <b>Less :</b>          |                  |                  |
| Sales Returns          | (632.47)         | (2,886.54)       |
| Trade & Cash Discount  | (3,252.21)       | (2,973.27)       |
| Incentives             | (371.32)         | (641.58)         |
| Other Operating Income | (289.77)         | (308.88)         |
| <b>Total</b>           | <b>48,613.79</b> | <b>51,327.46</b> |

(44) Transitional Provision Contd..

**(e) Reconciliation of contracted price with revenue during the year for EPC contract:**

| Particulars   | 31-Mar-21        | 31-Mar-20        |
|---|------------------|------------------|
| <b>Opening contracted price of orders at the start of the year</b>  | <b>39,796.46</b> | <b>25,739.51</b> |
| Add: Fresh orders/change orders received (net)  | 3,352.43         | 16,042.91        |
| Increase due to additional consideration recognised as per contractual terms/ (decrease) due to scope reduction-net | 184.72           | 36.48            |
| Increase due to exchange rate movements (net)   | (86.17)          | 280.44           |
| Less: Orders completed during the year  | (3,565.19)       | (2,302.88)       |
| <b>Closing contracted price of orders on hand at the end of the year</b>  | <b>39,682.25</b> | <b>39,796.46</b> |
| <b>Total Revenue recognised during the year:</b>  |                  |                  |
| a) Revenue out of orders completed during the year  | 2,276.14         | 1,486.25         |
| b) Revenue out of orders under execution at the end of the year (I)   | 5,778.91         | 6,412.76         |
| Revenue recognised upto previous year (from orders pending completion at the end of the year) (II)                  | 17,022.83        | 13,252.29        |
| Increase/(Decrease) due to exchange rate movements (net) (III)  | (31.73)          | 140.76           |
| Balance revenue to be recognised in future viz. Order book (IV)   | 16,912.24        | 19,990.65        |
| <b>Closing contracted price of orders on hand at the end of the year (I+II+III+IV)</b>                              | <b>39,682.25</b> | <b>39,796.46</b> |

Note: As per the contract, the Remaining performance obligations and its expected conversion into revenue with in 1-5 years (previous Year 1-6 years)

**45) OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

The following table sets out the carrying amounts of financial assets and financial liabilities which has not been set-off as at the reporting date:

|                              | Gross and Net amounts of financial instruments in the Balance sheet | Related financial instruments that are not offset | Net amount |
|------------------------------|---|---|------------|
| <b>31-Mar-21</b>             |   |   |            |
| <b>Financial assets</b>      |   |   |            |
| Derivate assets              | 1,328.96  | -   | 1,328.96   |
| <b>Total</b>                 |   |   |            |
| <b>Financial liabilities</b> |   |   |            |
| Derivative liabilities       | 41.32   |   | 41.32      |
| <b>Total</b>                 |   |   | 1,287.64   |
| <b>31-Mar-20</b>             |   |   |            |
| <b>Financial assets</b>      |   |   |            |
| Derivate assets              | 1,527.69  |   | 1,527.69   |
| <b>Total</b>                 |   |   |            |
| <b>Financial liabilities</b> |   |   |            |
| Derivative liabilities       | 21.56   |   | 21.56      |
| <b>Total</b>                 |   |   | 1,506.13   |

- 46)** The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Group's operations and revenue during the period were also impacted due to COVID-19. The Group has made assessment at the balance sheet date of the recoverability and carrying values of its assets and ability to pay its liabilities as they become due and effectiveness of internal financial controls at the balance sheet date, and has concluded that there are no material impact or adjustments required in the financial statements and does not anticipate any challenge in the Group's ability to continue as a going concern considering the restructuring plan. The impact of the pandemic may be different from that estimated as at the date of approval of these results and the management continues to closely monitor any material changes to future economic conditions.
- 47)** During 2019, 2020, the parent Company's lenders have signed an inter-creditor agreement as per RBI circular dated June 7, 2019, the parent Company has been engaged with the lenders on the resolution plan on a proactive basis. A formal resolution process involving lenders and professional advisors is on-going to approve the resolution plan. The proposed resolution plan has received requisite rating from the ICEs appointed by the lenders and we expect the activity to be completed in the near future subject to regulatory compliance and internal approvals of lenders. The financials and operations of the Group have been impacted on account of adverse liquidity conditions being faced by the Group since previous year till date. As on March 31, 2021, the parent Company has principal outstanding including interest thereon overdues to the working capital and term loan lenders aggregating to ₹ 375,787 lacs which is part of resolution plan. As at March 31, 2021, Consolidated networth of the Group stands at ₹ 296,785 lacs. Post implementation of the resolution plan, the Group's ability to pay debt obligations and to optimise operations will improve significantly.

- 48)** Wholly owned subsidiary of the holding company i.e. Jain International Trading B.V. ("Issuer") has issued US\$ bond of US\$ 200.00 million. The said bond was repayable as Feb 1, 2022. The issuer, the (holding company) Guarantor and Existing Noteholders representing 77.01% in aggregate principal amount of the outstanding Existing Notes (the "Noteholder Committee") entered into a restructuring support agreement to govern the terms of the Existing Noteholders' support of the proposed restructuring of the Existing Notes which was amended and restated on May 27, 2021 (the "RSA") (the "Restructuring"). Further the restructuring proposal was put to vote at the Scheme Meeting of Scheme Creditors on 29th June 2021 at 9.00am London time. The Scheme was approved by the requisite majority of Scheme Creditors at the Scheme Meeting. 100 per cent. by number and value of the 82 Scheme Creditors present and voting at the Scheme Meeting (by proxy) voted in favour of the Scheme. No Scheme Creditors voted against the Scheme. The Restructuring is being implemented by an English-law scheme of arrangement (the "Scheme") under the Companies Act 2006 (UK). The Scheme Convening Hearing was held on 14 June 2021 and the Scheme Sanction hearing is expected to be on 26 July 2021.
- 49)** During the year, the lenders of Jain Farm Fresh Foods Ltd. (JFFFL, a subsidiary Company of JISL) have invoked Resolution Plan in terms of RBI Circular dated Aug 06, 2020 on framework for Covid 19 related stress and have entered into Inter Creditor Agreement (ICA) as per the guidelines set out in the said Circular on Nov 26, 2020. Pursuant to ICA, the subsidiary Company and lenders has been completed resolution plan and implemented on May 24, 2021. The management believes that the Resolution Plan, will help the subsidiary Company in resolving the short term liquidity mismatch which has led to delays in meeting the financial and operational obligations of the subsidiary Company, apart from reducing the overall finance cost. Resolution Plan will also help in creating optimum working capital finance structure in line with underlying business.
- 50)** During the year, the lenders of Jain America Holding Inc., USA have invoked Resolution Plan in terms of RBI Circular dated Aug 06, 2020 on framework for Covid 19 related stress and have entered into Inter Creditor Agreement (ICA) as per the guidelines set out in the said Circular on January 21, 2021. Pursuant to ICA, the subsidiary Company and lenders has been completed resolution plan and implemented on June 25, 2021. The management believes that the Resolution Plan, will help the subsidiary Company in resolving the short term liquidity mismatch which has led to delays in meeting the financial and operational obligations of the subsidiary Company, apart from reducing the overall finance cost. Resolution Plan will also help in creating optimum working capital finance structure in line with underlying business.
- 51)** Our subsidiary, Jain Farm Fresh Foods, Inc., USA ("JFFFI USA") has sold its assets related to its Dehydrated Ingredients Division ("DID") (which primarily includes account receivable, inventory, customer contracts, customer list, real estate, fixed assets and manufacturing equipment, employees and business knowledge and relationships) to private firm. Assets and Liabilities transferred and the resultant gain on ₹ 662.70 which is taken to other income. Further, JISL Systems SA (the 'seller') has sold 100% of the shareholding of THE Machines Yvonand SA and ProTool AG (which primarily includes account receivable, inventory, customer contracts, customer list, real estate, fixed assets and manufacturing equipment, employees and business knowledge and relationships) to private firm. Assets and Liabilities transferred and the resultant gain on ₹ 552.50 which is taken to other income. The results of operations of Dehydrated Ingredients Division, THE Machines Yvonand SA and ProTool AG have been presented as discontinued operations in the Statement of Consolidated Financial Results for the quarter and year ended March 31, 2021.
- 52)** Comparative previous year's figures have been reworked, regrouped and reclassified to the extent possible, wherever necessary to confirm to current year's classification and presentation.
- 53)** The financial statements have been approved by the Board of Directors in their meeting held on June 30, 2021.

As per our report of even date attached

For Singhi & Co.  
Chartered Accountants  
Firm Registration Number: 302049E

For and on behalf of the Board of Directors

Sd/-  
Navindra Kumar Surana  
**Partner**  
**Membership No. 053816**

Sd/-  
Avdhut V. Ghodgaonkar  
**Company Secretary**

Sd/-  
Anil B. Jain  
**Vice Chairman & Managing Director**  
**DIN 00053035**

Sd/-  
Atul B. Jain  
**Joint Managing Director & CFO**  
**DIN 00053407**

Sd/-  
Ghanshyam Dass  
**Director**  
**DIN 01807011**

Date : **June 30, 2021**  
Place : **Kolkata**

Date : **June 30, 2021**  
Place : **Jalgaon**



## NOTES

[illegible]



**Jain Irrigation Systems Ltd.**  
Small Ideas. Big Revolutions.®

