



# 17<sup>TH</sup> ANNUAL REPORT

## SARVESHWAR FOODS LIMITED







# Sarveshwar Foods

With over 100 years of experience, Sarveshwar Foods is an amalgam of centuries-old values and traditional farming, modern manufacturing processes, and state-of-the-art quality systems.

It produces the highest quality products from the lap of the Himalayas grown in the mineral-rich soils of the J&K region, nurtured by the snow-melted waters of the River Chenab.



[www.sarveshwarrice.com](http://www.sarveshwarrice.com)





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## 360 Degree Good Karma

At Sarveshwar, the Himalayas are at the centre of our philosophy and our work. The tenets of karma and a satvic lifestyle drive all our efforts.

The concept of karma says that all our actions have their consequences – what goes around comes around. When we mean well and do good, we are rewarded with happiness, peace and contentment. And so, we try our best to be conscious of our thoughts and actions towards everyone we connect with – our farmers, employees, consumers, guests and their families. This is our philosophy of 360 degree Good Karma – the best intentions in every direction







## COMPANY'S CORE INFORMATION

### SARVESHWAR FOODS LIMITED

CIN: L15312JK2004PLC002444

Registered Office: Sarveshwar House,  
Below Gummat, Jammu-J&K (180001)

Email Id: investorrelations@sarveshwarrice.com

Website: www.sarveshwarrice.com

### BOARD OF DIRECTORS

1. Mr. Rohit Gupta, Chairman
2. Mr. Anil Kumar, Managing Director
3. Mr. Surendar Singh Jasrotia, Executive Director
4. Ms. Seema Rani, Whole Time Director
5. Mr. Thyagarajan Kumaran, Independent Director
6. Dr. Tej Partap, Independent Director
7. Dr. Uttar Kumar Padha, Independent Director
8. Mr. Adarsh Kumar Gupta, Independent Director
9. Mr. Ashu Gupta, Additional Executive Director
10. Mr. Harbans Lal, Additional Executive Director
11. Mr. Mahadeep Singh Jamwal, Additional Executive Director-Corporate Affairs
12. Mr. Ambedkar Gupta, Additional Executive Director
13. Dr. Pardeep Kumar Sharma, Additional Non-executive Director
14. Mr. Shailesh Kumar Madan Lal Vora, Additional Executive Director

### CHIEF FINANCIAL OFFICER

Mr. Sourabh Mehta Chief Financial Officer

### COMPANY SECRETARY & COMPLAINTS OFFICER

Ms. Mansi Gupta, Company Secretary & Compliance officer

### AUDITORS OF COMPANY

Name of Firm: K R A & Co, Chartered Accountants

Office: H-1/208, Garg Tower, Netaji Subhash Place, Pitampura, New Delhi 110034

Email Id: rajat@kra.co.in

FRN No: 020266N

### SECRETARIAL AUDITORS

Name of Firm: Yamina Almas & Associates, Practicing Company Secretary

Office: Top Floor, Haroon Complex, Exchange Road, Lal Chowk, Srinagar, Kashmir-190001

Membership No: 49686

CP No: 18068

### BANKERS TO THE COMPANY

The Jammu & Kashmir Bank Limited

I/C Bari Brahamana, Samba J&K -181133.





## ABOUT YOUR COMPANY

Good Health is a pre requisite to human productivity and development process. A healthy community is the infrastructure upon which an economically viable society can be built. Sarveshwar is an amalgam of centuries old values and traditional farming, modern manufacturing processes and state of the art quality systems. Being in the consumer business in past 131 Years, Sarveshwar has not only mastered the skill to maintain high end customer relationship but also adopted to requirements of different generations of customers over the years . We believe that food should be a celebration of life, flavor and taste and should have the ability to instill joy and happiness in the people who experience it. With that in mind, we have carefully curated modern, yet authentic Indian flavors . We believe that we should be sensitive to the culture and sentiments of the people we serve and therefore our products are certified. We believe that we should be able to offer consistency of taste and experience to our patrons across time and space . We also believe that we should enable food lovers the ease of enjoying our products , wherever they are . While delivering great products , we remain conscious of our responsibility towards the environment . Therefore , our endeavor has always been to source our ingredients in an environmentally sustainable manner .We are also working towards packing that is friendly towards the environment. At Sarveshwar, we strive for excellence and will set high standards in food and FMCG industry. As a truly customer-centric company, we focus on creation of new value to achieve sustainable profit growth. With The process of backward integration , Sarveshwar will now be able to add and refine the existing traceability of the products and delivering a high end Farm To Folk Product .

## SARVESHWAR TRADITIONAL BASMATI RICE



*Sarveshwar Foods*

TRADITION SINCE 1890





## CHAIRMAN MESSAGE



Dear Shareholders,

I am delighted to share with you, my message, through this annual report, summarizing Sarveshwar's performance, our preparedness and handling of the pandemic as well as customer accolades.

Throughout FY21, even before the pandemic crisis, Sarveshwar applied these principles to strategically position itself for long-term, sustainable growth. We engaged with customers to develop technologies and solutions that elevate the customer experience and address the challenges of scale without adding linear costs.

My immediate priority was to bring greater stability and continuity to the business, including deepening relationships with strategic customers. We then shifted to accelerate our growth by strengthening our offerings and pursuing larger, strategic deals through increased cross-selling with partners. Very few events have redefined so

dramatically the way we live and work, as the COVID-19 global pandemic. I am extremely proud of Sarveshwar's response to the onset of the pandemic and corresponding actions once the world went into lockdown. The level of coordination, logistics and communication to maintain the highest levels of customer service while keeping employees safe is truly commendable. We believe our teams have the capability and the commitment to take us to the next level of growth and sustainability

Customers have been pleased with our approach and many of them have expressed appreciation for how seamlessly Sarveshwar implemented Business Continuity Plans and Work from Home to keep their businesses running even in the pandemic period.

Before I conclude, it is worthwhile to mention that we will continue to work towards our mission to empower communities and help them achieve their aspirations. Besides, our interventions in conserving the environment and reducing the carbon footprint continue to be a priority for us. I would like to thank our leadership team for their relentless pursuit of excellence throughout the last financial year and for their unmatched guidance through the real test of character throughout the recent adversity. I am also grateful for the support and stewardship that the Board members have provided through the past year. We have the talent, the vision and the conviction. Together, let's use them to continue building a rewarding future.

**Mr. Rohit Gupta**  
Chairman  
Sarveshwar Group





## MANAGING DIRECTOR'S MESSAGE

### **BUILDING A RESPONSIBLE BUSINESS DURING PANDEMIC:**

We endeavour to make Sarveshwar, a responsible corporate not only by becoming future-ready for sustainable growth, but also by making societal value creation, the bedrock of our business strategy. Our brands with a purpose drove long-term sustainability, women empowerment, farm productivity improvement, sustainable procurement, taking up socially relevant causes in the areas of training and education of farmers respectively. All of this has helped us in aligning our business with social and environmental objectives. We will continue our journey as a responsible corporate entity and build further momentum on our consistent track record of sustainable as well as profitable growth. Sarveshwar, as a responsible corporate, is fully committed to its purpose to penetrate itself with a trust in each and every household under the vision "Ab Har Ghar Sarveshwar". We are engaging in meaningful dialogue with all our stakeholders, while striving to improve social, environmental and economic performance of our operations.

Dear Shareholders,

We are pleased to inform you that we have ended yet another successful year with satisfactory results. Despite the increasingly challenging environment due to COVID 19 pandemic, we continue to grow our business profitably. This would not have been possible without our team. At Sarveshwar, our team are passionate about making a measurable impact in everything we do. It is the power of our team, our unique culture and innovative approach, which helps us deliver enduring results. Sarveshwar celebrates and empowers the individuality of each of its team member and their unique personalities that have led to the success we have reached today. At Sarveshwar, we believe that only when you are empowered with freedom and opportunity, you rise above the task at hand and take complete ownership to make a difference.

Sarveshwar has its distribution footprint to 16000 across the country, with the direct retail coverage increasing to 12 k from 10 k last year. Direct coverage indicates the retail outlets which are serviced through our own network of sales personnel and distributors. The company also expanded its presence through newer distribution channels such as Modern trade and E-commerce. We have opened 7 Exclusive rice stores in J & K and also forayed into new products i.e. Sarveshwar Spices and Sarveshwar Wheat Flour in our Portfolio. We consolidated our rural reach by strengthening the





front-end teams, super stockiest and sub-stockiest network. The year also marked the implementation of Project supply, an initiative aimed at improving our value chain and front-end efficiencies in addition to making our supply chain future ready. The company's product are also exported to large institutional customers in more than 10 countries including Key export destinations such as USA , Europe , China and Middle East.

The group ventured into building a network of farmers since 100 years back and is committed to keep the same pace of strong relationship with the farmers for continues supply of quality and cost effective raw material. The Sarveshwar Group is striving to make them as CHANNEL PARTNERS by making various regional FPO's to increase more farmers participation for their upliftment to take the advantage of various advance agricultural techniques with financial assistance.

#### **IMPACT ON BUSINESS**

COVID 19 gave impact on our business growth but at the same time we have changed our strategy and we invested strongly behind our business infrastructure to drive strong revenue growth. We have enhanced our reach and penetration and have started our production from our Delhi unit for the Interstate Sales and from Mundra Plant activated for full fledged capacity to meet the deadlines of our Export business towards new markets i.e China, Africa and Middle East.. We were successful in achieving export orders from new countries..

#### **INTEGRATED MANUFACTURING & LOGISTICS**

Our business draws major strength from our back-end infrastructure, which has been created over the last 2 decades and backed with the experience of 131 years. Our state-of-the-art manufacturing plants concentrate on manufacturing specialized products. We have also aligned ourselves deeper with the farmers in specific pockets of J&K, UP, Haryana and Punjab for sourcing of raw material. While Strengthening our partnership with the farmers, we also undertook welfare activities to improve their economic well-being. To maintain superior farm output, we imparted education on

sustainable farming practices, provided technical assistance and promoted the use of ecologically sound agricultural technologies to the farmer's along with the digital platform in the form of Farmer App to increase farmers base in various projects. The company owns 2 USFDA and BRC approved manufacturing facilities in Jammu and Kashmir for the processing. Sarveshwar has 9 warehouses of which 2 are exclusively used to store paddy and the remainder for the storage of rice.

#### **PROJECTS:**

- We have projects on Organic Farming & Certification in various states of India.
- Organic Rice Cultivation in 10000 acres of Area in Jammu & Kashmir, Himachal Pradesh, Uttar Pradesh and Rajasthan .
- Organic Walnut and Saffron Cultivation in Kashmir.
- Organic Red Rice, Flaxseed cultivation in Himachal Pradesh.
- Organic Red Kidney Beans (Rajma) cultivation in Himachal Pradesh.
- We have implemented a Govt. funded project being funded by Department of Agriculture, Himachal Pradesh & Department of Agriculture, Jammu (J&K).
- Currently we have ongoing Organic Farming Project in Manipur: MISSION ORGANIC VALUE CHAIN DEVELOPMENT FOR NORTH EASTERN REGION.

On this note , I would like to thank all co- Directors on the board and partners in business for contributing to our continuing success. My gratitude also goes to all our shareholders for their faith and belief in us.

**Sincerely**

**Mr. Anil Kumar  
Managing Director  
Sarveshwar Group**





## OUR MANUFACTURING CAPACITY

Location	Capacity & Area	Facility	Products Manufactured	Year of establishment
Seora, Jammu & Kashmir	6TPH	Rice Milling & Processing Facility	<ul style="list-style-type: none"><li>• Basmati &amp; non Basmati Rice</li><li>• Brown Rice</li><li>• Steamed &amp; Sella Rice</li></ul>	2007
SIDCO, Jammu & Kashmir	8 TPH	Rice Milling & Processing Facility	<ul style="list-style-type: none"><li>• Basmati &amp; non Basmati Rice</li><li>• Brown Rice</li><li>• Steamed &amp; Sella Rice</li></ul>	2012
Gandhi Dham ,Gujrat	8TPH	Grading & Sortex facility	<ul style="list-style-type: none"><li>• Basmati &amp; non Basmati Rice</li><li>• Brown Rice</li><li>• White Rice (in the form of raw, steamed &amp; parboiled Rice)</li></ul>	2021





## OUR PRESENCE







## MILESTONES IN YEARS



1890

The business was founded by the late Shri Mulamal Ji in 1890, and his son the late Shri Isher Dass Gupta took it into the second quarter of the last century.

### PLANT AT SEORA & AWARDS & NEW VENTURES

Setting up of the plant at Seora with 6 TPH Milling Capacity. Best Industry award 2010 presented by former Chief Minister of Jammu & Kashmir, Mr. Omar Abdullah. Setting up of a plant at SIDCO. In Subsidiary, Sarveshwar Overseas Limited with 8 TPH milling capacity. Foray into Organic products

2007-2012



2013-2014

### CERTIFICATION & TRADEMARK & TRADEMARK IN US

Certifications from Agricultural & Processed Food Products Development Authority (APEDA) for registering certain products. Registration of "Sarveshwar" as a trademark with the Canadian Intellectual Property Office Registration of "Sarveshwar" as a trademark with the United States Patent and Trademark Office.

### EXPORT OF RICE TO CHINA & HACCP ACCREDITATION

Certification that Rice milling and processing at Unit 1 (Seora) has been verified registration for Export of Rice to China. British Retail Consortium (BRC) for Food facilities are also Hazard Analysis and Critical Control Point (HACCP) accreditee]] Standards Institution and granted safety of both by the British

2015-2016



2017-2018

### FLAGSHIP ORGANIC STORES & LISTING ON NSE EMERGE

Launch of Flagship retail store in Jammu for Organic products - "NIMBARK brg Global Food Safety Initiative (GFSI) certification from Costco Wholesale, USA. Listed the Company share on NSE Emerge in March 2018

### SARVESHWAR NEW STORE & SARVESHWAR ATTA LAUNCH

Sarveshwar expanded its portfolio with the launch of Sarveshwar Atta. This was a huge opportunity and has gained momentum since the pandemic outbreak .

2019-2020



2020-2021

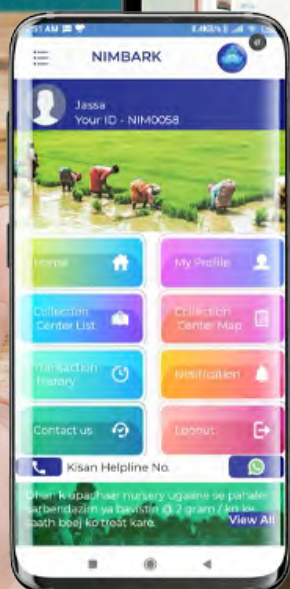
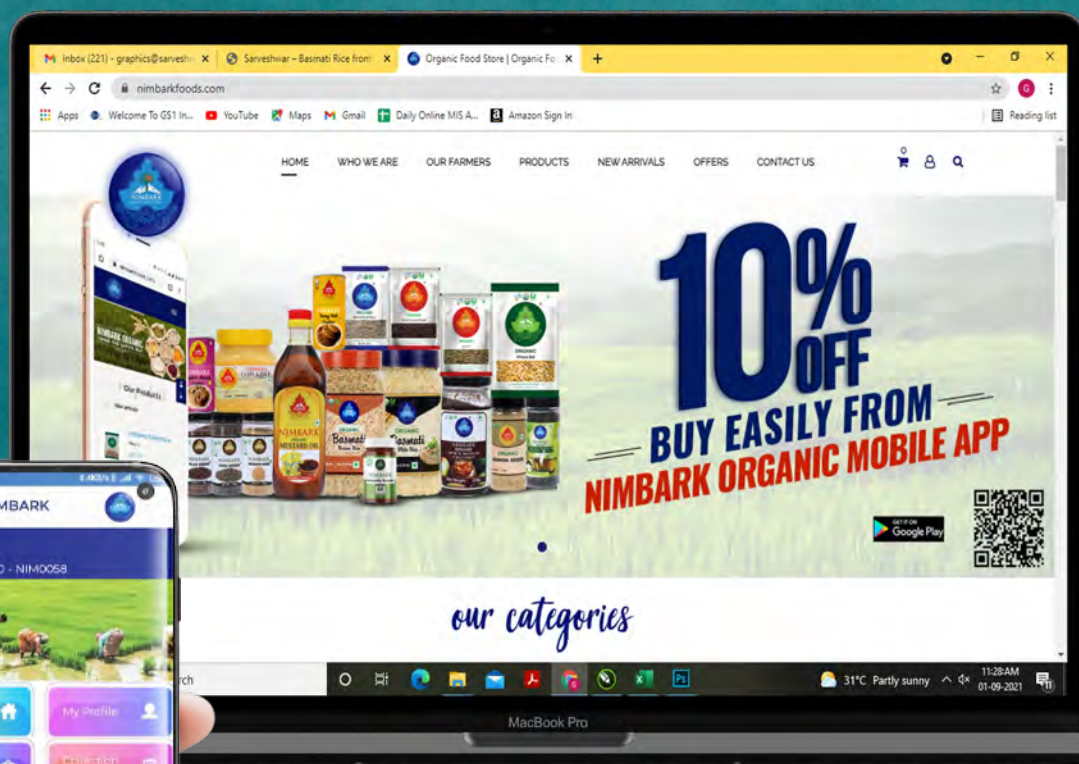
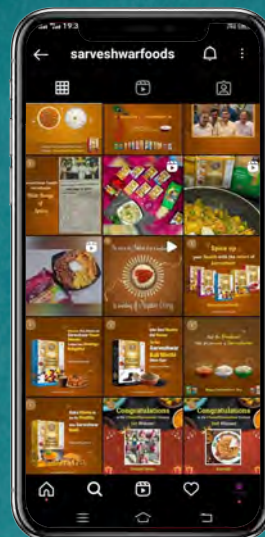
### LAUNCHING OF SARVESHWAR SPICES

Sarveshwar proudly announced the extension of Sarveshwar categories of products by launching our own range of healthy spices .





# DIGITAL PRESENCE







# #AbHarGharSarveshwar

Pure original grains with unique aroma, taste, and texture





## AWARDS & CERTIFICATIONS:

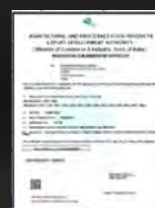
### AWARDS

- Best industry Award from Mr Omar Abdullah, Former Chief Minister
- ET NOW: North India best Industry Achievers Award.



### CERTIFICATIONS:

Sarveshwar is committed to provide the best Basmati rice to connoisseurs around the world. We adhere to the guidelines of ISO 22000:2005. We are also registered with the United States Food and Drug Administration (USFDA), and are BRC, Kosher, HACCP, GMP, and NOP-USDA Organic certified.



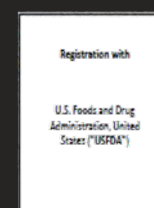
Registration with  
APEDA



BRC & UKAS  
Certification



ISO 22000:2005



USFDA



# OUR PRODUCTS

## INDIAN MARKET



## INTERNATIONAL MARKETS







**Serving  
Indian Markets**





**Institution/Army/  
Paramilitary-  
CSD/NON CSD**



**Serving  
International  
Markets**







## NEW PRODUCT LAUNCH : SARVESHWAR SPICES

### ANOTHER MILESTONE IN THE HISTORY OF SARVESHWAR GROUP(SINCE 1890).

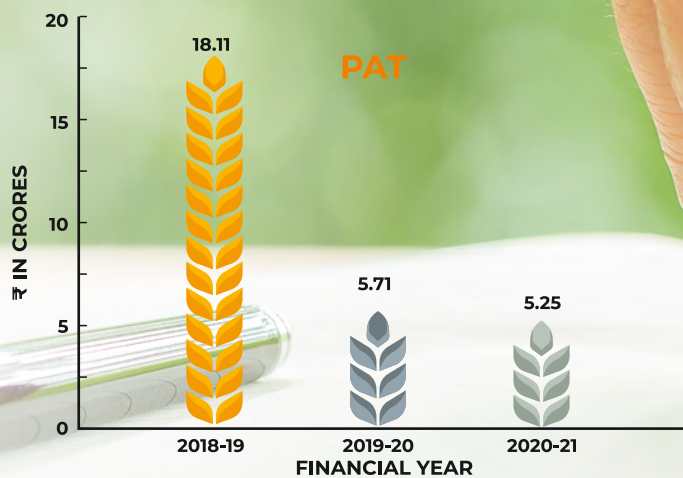
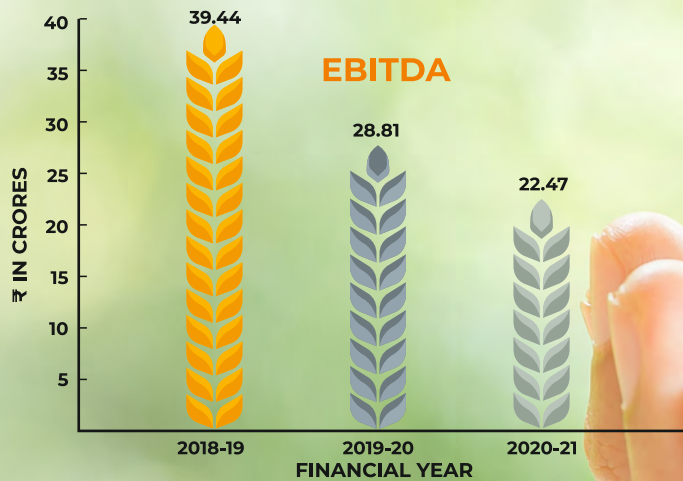
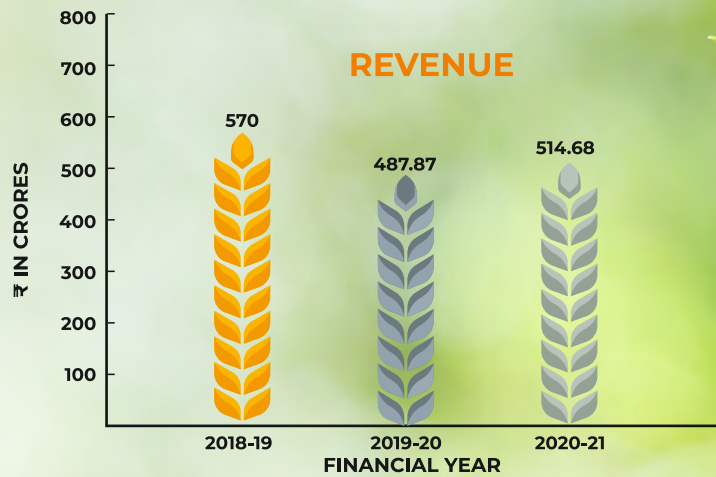
Another milestone in the History of Sarveshwar Group(Since 1890).Sarveshwar is a Family owned business started more than 130 years ago and now running by the Fourth Generation of the Family,has been serving healthy and tasty Rice While respecting and sustaining the Earth and Now has introduced a wide range of Spices under the banner of Sarveshwar Group besides Sarveshwar Rice and Atta.. The Range of Spices has been launched and inaugurated by Member of Parliament Shri Jugal Kishor ji in the presence of Mr. SP Gupta (Promoter of Sarveshwar Group) Mr. Rohit Gupta (Chairman of Sarveshwar Group),Mr. Anil K Sharma(MD) Mr. Surendar Singh Jasrotia(Director),Key Dealers, Staff and other renowned personalities of Jammu at Sarveshwar Store , Bari Brahmana, Jammu.Sarveshwar Foods Ltd. is the only (Private Sector) NSE listed company from Jammu & Kashmir. It's prime focus is Vocal for Local products with world class Quality at affordable prices for the Customers







# FINANCIAL HIGHLIGHTS





## OUR DRIVE TOWARDS ORGANIC FARMING

The Organic Value chain begins with the farmers who takes up Organic Cultivation. We enroll the willing farmers, organize them to form clusters(for small holders group certification), testing of water and soil samples ,providing organic inputs to the farmers, training for nutrient and disease management and documentation, facilitation for certification and establishment of marketing channels for better returns to the products. This way we ensure highest levels of guarantee for organic claim.

### FARMER MEETING



### FARMER TRAINING







## CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is an integral part of Sarveshwar Foods Limited. We have taken initiative which includes activities like spreading awareness about organic agriculture, on farm input preparation, strengthening the farming community, women empowerment programs, training on various aspects of farming and related activities spread across many villages in Jammu and Kashmir, Himachal, Rajasthan and Uttar Pradesh.

The CSR activities involve Enhancing Livelihood of Farmers by motivating them to adopting Organic farming. We are conducting awareness generation camps for the farmers. As the time of sowing farmers are trained for right and healthy seed selection, seed treatment and seed sowing. After sowing we aware farmers for on farm input preparation so that they can prepare compost at home and this will cut his cost for biofertilizers. They are given training on preparation of various composts like vermicompost, matka khad, CPP units. After 6 weeks of sowing we train them to identify various disease and pests attacking the crop. We train them to manage these diseases or pests with the help of biopesticides. We also train our farmers to harvest the organic crop carefully and keep the organic crop separate in a neat and clean warehouse. We encourage soil building practices, such as crop rotation, inter cropping, organic fertilizers and minimum tillage are central to organic practices. These encourage soil fauna and flora, improving soil formation and structure and creating more stable systems in turns the nutrients is increased and the retentive abilities of the soil for the nutrients and water are enhanced, compensating for the non use of mineral fertilizers.

**CSR DURING COVID:** Sarveshwar Feeding the locals, the CSR arm of Sarveshwar has partnered with the local NGOs, district administration and volunteers to identify families in need and distributing ration to the families.





# BOARD OF DIRECTORS

## CHAIRMAN & NON EXECUTIVE DIRECTOR



**Mr. Rohit Gupta**, aged 52 years, is the Promoter and Chairman of our Company. Commerce graduate having experience of more than two decades in the rice industry. He has been the guiding force for the Group in terms of strategy and Management. His continuous efforts and ongoing approach made him to attain the Achiever of the North Award From Times Group (ET Now). He also received Best in Industry Award from the J&K Government. He is a member of All India Rice Exporters Association (AIREA), Chamber of Commerce, Confederation of Indian Industry (CII), Shri Mata Vaishno Devi University (SMVDU), Sher-e-Kashmir University of Agriculture, Science & Technology of Kashmir (SKUAST).

## MANAGING DIRECTOR



**Mr. Anil Kumar**, aged 44 years, is the Managing Director of your Company.. He has over a decade of experience in purchase and sale of paddy and rice. With excellent strategic Leadership skills, he is associated with the Company for quite long and has invested constant efforts in stirring all company's operations, people and ventures in order to maintain and grow business.

## EXECUTIVE DIRECTOR



**Mr. Surendar Singh Jasrotia**, aged 52 years, is Executive Director of our Company. A science graduate and MBA in International Marketing & Indian Marketing obtained certified courses from IIM. Mr. Surendar has over 27 years of sales and business leadership experience across industries. He has worked across firms with different stages of evolution, from H J Heinz and Coke, Pepsi and then building billion dollar businesses like Aakash (Data Wind), Petroleum Sector in Africa, India and APAC. He is highly passionate for creating something new and has led multiple businesses to enormous success from scratch. One such key highlight has been launching Reliance in HP, and Aircel in J&K & North East States of India and recently creating Petroleum business success in Africa as well as Data Wind (FMCD) products in PAN India as well as South Asia Markets.

Surendar has worked across industries - FMCG, Telecom- Operator, Consumer Electronics- Smartphones, and Alcoholic Beverages. And has handled a wide variety of roles- Operations Head, National Head, Business Head, Circle Head, VP-India & APAC, Marketing & Business Development Head East Africa, VP and Regional Head India & Sub Sahara Africa in Personal Care.





## WHOLE TIME DIRECTOR



**Ms. Seema Rani**, aged 38 years is Whole Time Director of the Company. She has obtained degree of Masters of Commerce from Jammu University. She has over 15 years experience in international marketing and sales and is associated with the Company from past 2 decades. She handles the exports of the Company and has attained excellence in her field.

## INDEPENDENT DIRECTORS



**Dr. Tej Partap**, aged 69 years, is an Independent Director on the Board of the Company. Prof. Tej Partap, the 98th President of the Association of Indian Universities is an internationally renowned Policy and Strategy Expert of Mountain Farming Affairs, Mountain Agriculture and Organic Agriculture Development Strategies. A breakthrough leader, Prof Tej Partap carries with him a long experience of institutional leadership at national and international level particularly as Vice Chancellor of CSK Himachal Pradesh Agriculture University, Palampur for two terms; Sher e Kashmir University of Agriculture Sciences and Technology, Srinagar and APG Shimla University, Shimla for one term each. At international level, he served as Programme Leader at Mountain Agriculture Division, International Centre for Integrated Mountain Development (ICIMOD), Kathmandu. A visionary and passionate Agricultural Scientist, Prof Tej Partap was instrumental in preparing the Vision and Mission 2020 of Organic Agriculture in India. He initiated Organic Agriculture movement in India by setting up International Competence Centre for Organic Agriculture (ICCOA). The National Commission on Farmers used his services to formulate hill agriculture sector and organic farming sector reports and to lead the team which prepared the Organic Sub-sector Proposal for 11th Five Year Plan. An International Mountain Agriculture Development Policy Expert, he made significant contributions as Head of the Mountain Agriculture Programme at the International Centre for Integrated Mountain Development (ICIMOD) for 13 years. He was on the Steering Committee of the Global Mountain Program of CGIAR for three years and represented Asia Pacific as elected representative on the Governing Board of the Global Mountain Forum (2000-2002). He is one among the rare few who had the credit of working in the Andean region of South America, Alps in Europe, African highlands, Asian uplands from Thailand to Philippines and Japan and every part of the 8 countries of the Hindu Kush Himalayan region from Afghanistan to China to Myanmar. Some of his widely acknowledged exceptional achievements include the Tibet Agriculture sector Institutional Capacity Building programme; bringing China's sea buckthorn success story to outside world and bringing the Sloping Agriculture Land Technology of Philippines to our part of the world. Recognizing his outstanding contributions, he was conferred with Himachal Ratan award in 2001 by



H E Governor of Himachal Pradesh. He is also a recipient of award of Honorary Professor of Mountain Agriculture by Tibet Academy of Agriculture and Animal Sciences (TAAAS), Lhasa, China in 1994 and Honorary Professor of Mountain Agriculture by Institute of Geography, Chinese Academy of Sciences, Beijing in 1995.



**Mr. Thyagarajan Kumaran**, aged 64 years, is an Independent Director of our Company. He has obtained his degree in Masters and Bachelor of Arts from University of Madras. He is also holds a Certificate from Associate of the Indian Institute of Bankers. He has more than thirty (30) years of experience in the banking sector. He also has been an Independent Director of Shree Ambika Sugars Limited. Furthermore, he is working as a consultant to various companies in the areas of banking, credit and foreign exchange.



**Dr. Uttar Kumar Padha**, aged 65 years, is an Independent Director of our Company. He has obtained his degree in Bachelor of Management studies from Delhi. He has worked as a technical Officer in Blood Bank, Gandhi Nagar Hospital. He has a work experience of more than 34 years. He has been awarded for the best performance in Health Department in state and as well as in centre.



**Mr. Adarsh Kumar Gupta**, aged about 70 years, is an Independent Director of our Company. He has done Bachelor of Science from Jammu University. He is having more than 36 years of experience in Banking Sector. He joined J&K Bank in the year 1975 and worked at different designations in the tenure of 32 years. He is retired as Assistant Vice President of J&K Bank in the year 2011.



## ADDITIONAL EXECUTIVE DIRECTORS



**Mr. Mahadeep Singh Jamwal**, aged 68 years is an Additional Director-Corporate Affairs of the Company. Mr. Jamwal, resident of Jammu & Kashmir has done B.sc (Hons). He has served in J& K Police Department for 36 years and is retired as Senior superintendent of Police. During his service career, he has served as SHO for almost 14 years, served as SP Kathua, was a Special Investigator for number of cases, served as Security Advisor to JKB after retirement. He has Awards and recognitions in his bag- Awardees of Director General Police Medal, Recipient of almost 40 Commendation certificates.

Mr. Jamwal has done various special courses, naming a few- Company Law conducted by CBI-Ghaziabad, Forensic Science in Crime Investigation conducted by CBI, Awareness of SC/ST Act conducted by PTA, Management of Anti-social and criminal behavior conducted by Ministry of Home Affairs, National Institute of Criminology and Forensic Sciences.



**Mr. Ashu Gupta**, aged 53 years, is an Additional Director on the Board of the Company. He is a Commerce Graduate. He has been into business for over 25 Years and has varied experience in the field of FMCG goods (Fast Moving Consumable Goods) covering Edible Oils, Desi Ghee, Skimmed Milk powder, Rice etc. He looks into the general management of the company.



**Mr. Harbans Lal**, 52 years old has is an Additional Director on the Board of the Company.. He has been into business for over 30 Years and has varied experience in purchase and sale of Paddy, wheat, Rice etc. He looks into the general management of the company and has exceptional competence in his field.



**Mr. Ambedkar Gupta**, aged 47 years, is an Additional director of the Company, is a graduate and has contributed in Sports activities at National and International level. He has worked with various elite organizations and currently serving as General Secretary of, Jammu and Kashmir Karate Association. He has handled his job responsibilities with utmost integrity and suave.

Also, he has served as a coach in various karate championship at national and international level. He possesses exceptional leadership



qualities and skills which is very valuable for the Company. He is a Parsuram Award Winner. He achieved 7<sup>th</sup> Dan Black Belt & Shugu title (Grand Master ward in Karate) by Universl Shotokan Karate Do India Year 2019, First person from India who has trained in Coi Kwang Do Martial Art at London in year 1998 and achived First Black belt from London UK.



**Mr Shailesh Kumar Madan Lal Vora**, aged 52 years is a Chartered accountant and is a Senior Professional with more than 3 decades of expertise across almost all spectrum of Corporate & Retail Finance including Debt & Equity, Restructuring apart from Due Diligence & Audit, MIS, Budgeting & System Implementations etc. A qualified Independent Director and Resolution Professional. Result-oriented focusing on quality, costs, people and ethics. A strong team player with a strategic bent of mind and the ability to plan, execute & build.

Mr. Vora experience includes:

**Debt Syndication:** More than INR12,000 Crores including Vanilla Secured & Unsecured Debts, Debentures, Working Capital, Term Loans, Foreign currency loans, Real Estate Sector Funding, Mezzanine Debts, Debt swapping, Realignment of Repayment Schedules, Corporate Loans etc. for Large & Mid Corporates, MSMEs etc. for NBFC, Micro Finance, Manufacturing, Service Sector, Real Estate etc.

**Equity Placement :** Secondary market & Preferential allotments in NBFC, Chemical & Manufacturing sectors.

**Financial Restructuring :** BIFR Representation for Bank and corporates in different transactions. Financial restructuring & turnaround strategies for NPA/Sub Standard Accounts.

**Audits & Due Diligence :** Audit Trail, Statutory/ Concurrent/ Stock & Receivables Audit and TEV Studies for Nationalized, Private & Co-operative Banks, Cost reduction Audit for a Steel Plant, Due Diligence for a Media House.

**MIS & Budgeting, System Implementation :** Accounts, MIS MIS, Inventory, Debtors and Creditors Control, ERP Implementation.

**Government Project :** Consultant to a State Undertaking of Bihar Government in one of their projects.

He has worked with distinguished clients like Shriram Transport Finance, Shriram Chits Limited, Shriram Housing Finance Company Ltd, Dainik Bhaskar Group, Nandi Engineering Ltd (Baba Kalyani Group), Dewan Housing Finance, Balrampur Chini Mills, Manappuram, Muthoot Fincorp, Muthoot Finance, Share Microfin, Asmitha Microfin, Writer Lifestyle, P.N. Writer, Seya Industries, Wanburry Limited, Indosolar Limited, Neeru's Ensembles (Hyd), H&R Johnson, Balkrishna Industries, Neptune Developers Limited, Prabhat Khabar (Ranchi), Mody Enterprise, Mumbai, Vaibhav Gems, Vyzac, Ambika Infra Ventures, Vyzac, Pitti Engineering Ltd. Hyderabad, Priority bags, Shivoham Developers, United Phosphorus Ltd, Malwa Vanaspati & Chemicals Ltd., Strides Arcolabs Ltd. Etc..



## ADDITIONAL NON EXECUTIVE DIRECTOR

**Dr Pradeep K. Sharma**, aged 66 years, is an Additional Non –Executive Director of the Company born at village Jasur, Tehsil Nurpur, District Kangra (HP) is an international Soil & Water Management expert and academician, and has administration management experience in national and international agricultural universities and research institutions. Dr. Sharma's professional career as a researcher, academician, and administration manager in national and international universities and institutions spans over 38 years.

Dr Sharma has 120 research/scientific publications to his credit, including two books, which have been well received by scientific community. He has several national awards to his credit. He has served in national agricultural universities at several Senior Positions such as Chief Scientist (Water Management), Officer on Special Duty to Vice Chancellor, Dean (Postgraduate Studies), Dean (Home Science), and Dean (College of Agriculture), Vice Chancellor of University of Agriculture & Technology, Kanpur, Assistant Director General (EPD) in Education Division, ICAR, New Delhi and Vice Chancellor, Sher-e-Kashmir University of Agricultural Sciences & Technology of Jammu (J&K). Dr Sharma has served on several committees at National and International level.

His Professional experience involves his International Experience of about 6 years like

- Research handling experience
  - **2001-2002** : Scientist, International Maize and Wheat Improvement Centre (CIMMYT): 1y (May 2001 – May 2002)
  - **2000** Consultant at IRRI, Los Banos, Philippines (Sep 1-30, 2000): Developed a research project on Aerobic/Bed-planted Rice, entitled '*Resource management in intensive rice-wheat cropping system*'
  - **1991-1993** : Senior Research Fellow (IRRI), Ubon Rice Research Centre, Ubon Ratchathani 34000, Thailand: 2y (May 1991 – May 1993)
  - **1983-1985**: Post-doctoral Fellow, International Rice Research Institute (IRRI), Philippines: 2y 5 mon (Feb 1983 – Jul 1985)
  - **1981-1982**: Post-doctoral Fellow, State University Gent, Belgium: 1y 8 mon (Apr 1981 – Dec 1982)



A close-up photograph of a hand cupped and holding a large quantity of golden-brown, uncooked rice grains. The background is a blurred field of similar rice grains.

# **STATUTORY SECTION**





# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## OVERVIEW OF ECONOMY

### GLOBAL ECONOMY OVERVIEW:

The global economy is set to expand 5.6 percent in 2021—its strongest post-recession pace in 80 years. This recovery is uneven and largely reflects sharp rebounds in some major economies. In many emerging market and developing economies (EMDEs), obstacles to vaccination continue to weigh on activity. By 2022, last year's per capita income losses will not be fully unwound in about two-thirds of EMDEs. The global outlook remains subject to significant downside risks, including the possibility of additional COVID-19 waves and financial stress amid high EMDE debt levels. Policy makers will need to balance the need to support the recovery while safeguarding price stability and fiscal sustainability and to continue efforts toward promoting growth-enhancing reforms.

### INDIAN ECONOMY OVERVIEW :

#### India's Economic Performance in 2020-21

- India's real GDP to record a 11.0% growth in FY2021-22 and nominal GDP to grow by 15.4%.
- India expected to have a Current Account Surplus of 2% of GDP in FY21, a historic high after 17 years.
- India remained a preferred investment destination in FY 2020-21 with FDI pouring in amidst global asset shifts towards equities and prospects of quicker recovery in emerging economies:
  - Net FPI inflows recorded an all-time monthly high of US\$ 9.8 billion in November 2020, as investors' risk appetite returned.
  - India was the only country among emerging markets to receive equity FII inflows in 2020.
- V-shaped recovery is underway, as demonstrated by a sustained resurgence in high frequency indicators such as power demand, e-way bills, GST collection, steel consumption, etc.
- India became the fastest country to roll-out 10 lakh vaccines in 6 days and also emerged as a leading supplier of the vaccine to neighbouring countries and Brazil.
- India adopted a four-pillar strategy of

containment, fiscal, financial, and long-term structural reforms:

- Calibrated fiscal and monetary support was provided, cushioning the vulnerable in the lockdown and boosting consumption and investment while unlocking.
- A favourable monetary policy ensured abundant liquidity and immediate relief to debtors while unclogging monetary policy transmission.

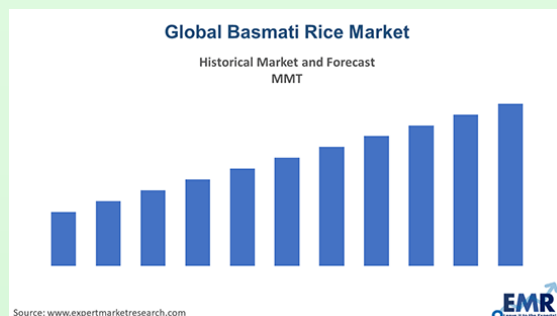
## INNOVATION

- India entered the top-50 innovating countries for the first time in 2020 since the inception of the Global Innovation Index in 2007, ranking first in Central and South Asia, and third amongst lower middle-income group economies.

## OVERVIEW OF INDUSTRY:

### Global Basmati Rice Market Outlook

*The global basmati rice market is being aided by the rising export demand for rice, globally. Basmati rice accounts for 2.1% of the total rice production. In 2020, the global production of rice reached almost 497.76 million metric tons.*

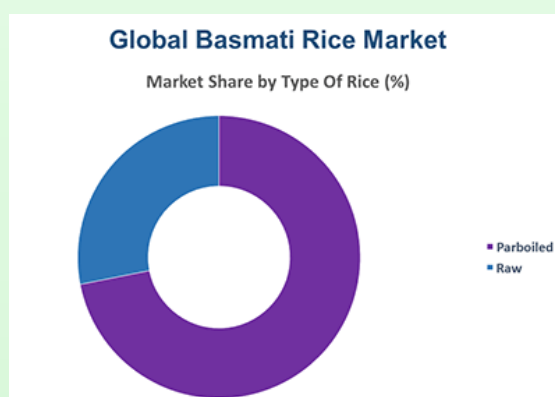


The Asia Pacific is the leading producer of rice, globally. The region accounts for almost 90% of the global production. China is the leading rice producer, followed by India. However, basmati rice, specifically, is primarily grown in India and Pakistan. India is the largest producer of basmati rice, accounting for over 70% of its output in the global basmati rice market. In 2018, its production attained almost 5.03 million tons. The country is also the leading exporter of basmati rice. The country's export of the basmati variety of the paddy crop is projected to reach a peak at INR 30,000 crore in FY2020. The strengthening exports is a combined result



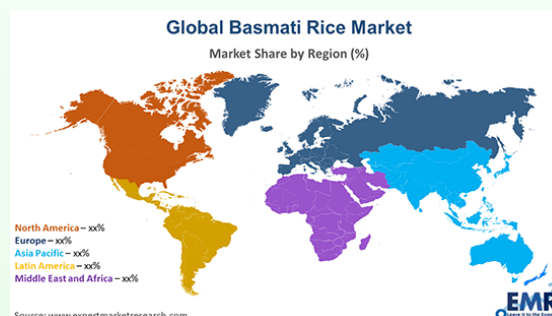
of an increasing demand from Iran and the rise in prices that have been taking place over the last three years. Haryana, Punjab, Himachal Pradesh, Uttarakhand, Uttar Pradesh, Jammu and Kashmir, and Delhi are the major basmati rice producing states in India. In Pakistan, the Punjab province is the largest producer of the paddy crop.

The Middle East and Africa is a significant consumer of basmati rice, which accounts for 37.5% of their total consumption of the paddy crop. GCC countries are the major importers of the basmati variety of the paddy crop. The steady increase in imports from Saudi Arabia and Iran is driving the rise of Indian exports of basmati rice. Between 2017-2018, Iran was the leading importer of the grain from India. Iran was followed by Saudi Arabia and the United Arab Emirates as the other significant importing countries of the basmati variety from India. Algeria, Somalia, and Kenya are the major importing countries in Africa. Europe and the US are also significant consumers of the basmati variety.



Rice is broadly divided into basmati and non-basmati varieties. Basmati is a rice type which was originally found in the Indian subcontinent and is traditionally consumed as part of Indian and other South Asian cuisines. It has a long and slender grain and is aromatic when cooked. It is either served plain or with accompaniments. It is also cooked with spices to make savoury rice dishes. They are available in either raw or parboiled forms. The report on the global basmati rice market looks into the consumption of basmati rice in the various regional markets like North America, Latin America, the Middle East and Africa, Europe, and the Asia Pacific,

along with covering its production in countries like India and Pakistan, among others.



## MARKET ANALYSIS

The global basmati rice market is being aided by the superior quality, taste, and aroma of the product, which are driving the consumer preference for the product. The basmati variety forms an integral part of the Middle Eastern cooking. It is used to cook lavish dishes which contain layers of rice, meats, and dried fruits. It also forms a part of the staple diet of many cultures, thus, further aiding the industry growth. The increasing export demand from the Middle Eastern countries is also propelling the global basmati rice market forward. The US and Europe, too, are significant importing countries. The rising population is also acting as a catalyst for the growth of the global basmati rice market. The increasing disposable income in the major consuming nations is driving the market growth. The rising disposable income is leading to increased consumption of premium products and, thus, is providing further impetus for the global basmati rice market growth as basmati rice is perceived as a premium variety. With the increasing health consciousness among the consumers, the basmati variety is being increasingly preferred due to being rich in nutritional value and having a lower fat content.

## IMPORTERS OF RICE

### CHINA:

As per industry insiders, Indian exporters have offered broken rice at \$300-350 per tonne to Chinese buyers, lower than ruling global prices of \$390-400 per tonne. China are expected to soar threefold this year going by a spike in orders from the neighbouring country for non-basmati broken rice, which they use in making



noodles and wine, exporters said. "In FY21, China had started sending import queries from November; but in the current fiscal, we are seeing that the country has become active from the very beginning, and they are placing substantial orders with the Indian rice companies"



#### **BANGLADESH:**

Bangladesh has floated a tender to buy 50,000 tonnes of non-basmati rice from India, adding to the growing overseas demand for the commodity and raising hopes that this fiscal will be good for Indian rice exporters. Furthermore, Bangladesh is likely to buy the 50,000 tonnes of rice through the National Agricultural Cooperative Marketing Federation of India (Nafed).



#### **PHILIPPINES:**

***India set to export rice to the Philippines after reduction of import duty to 35%. Indian Rice exporters are gearing up to ship the grain to the Philippines as the southeast Asian nation has reduced the import duty on***

#### ***rice being shipped from 35% to 50%.***

Philippines is the second-largest importer of the commodity in the world. The annual rice import in the Philippines is estimated to be about 2.5 million tonnes, about 2 million tonnes of high quality rice and half a million tonnes of lower quality rice.



#### **BELGIUM, NETHERLANDS :**

Rising demand for basmati rice in these European countries has resulted in better price realisation for farmers, the common variety of basmati rice, 1121 Pusa, which is commonly exported has been fetching a 15% higher price at the farmgate from November 2020. India's export for basmati rice to Belgium have increased 60% in the first eight months of the financial year, while imports by the Netherlands have almost doubled.



#### **ORGANIC FARMING MARKET :**

COVID-19 Growth and Change to 2030 provides the strategists, marketers and senior management with the critical information they need to assess the global organic farming market. The global organic farming market is



expected to grow from \$95.38 billion in 2020 to \$103.36 billion in 2021 at a compound annual growth rate (CAGR) of 8.4%.

The growth is mainly due to the companies resuming their operations and adapting to the new normal while recovering from the COVID-19 impact, which had earlier led to restrictive containment measures involving social distancing, remote working, and the closure of commercial activities that resulted in operational challenges.

The market is expected to reach \$151.36 billion in 2025 at a CAGR of 10%.

The organic farming market is associated with the sales of produces by farms that produce them in organic ways. The organic farming is an alternative form of farming for crops and livestock's produce which doesn't use pesticides, artificial fertilizers, genetically modified organisms and antibiotics to increase

the production. This has many benefits to the environment and the individuals using these yields.

Environmental gain from organic farming is expected to drive the organic farming market. Organic farming is highly beneficial to the environment as it does not use any chemical fertilizers or pesticides that cause soil and groundwater contamination. Also, the usage of non-renewable resources that are needed for the development of such artificial fertilizers is less. Organic farming preserves biodiversity of the soil. Therefore environmental benefits of organic farming coupled with health benefits of organic products is increasing the demand for organic food (food produced through the process of organic farming) which in turn is driving the market for Organic farming.









## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the **17<sup>th</sup> Annual General Meeting** of the members of **SARVESHWAR FOODS LIMITED (CIN: L15312JK2004PLC002444)** will be held on Wednesday, 29 September, 2021 at 11: A.M at SFL Meeting Hall, Village Seora, Baba Fareed Nagar, Bisnah–Kunjwani Road, Jammu, J&K - 181132 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> of March, 2021 and Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon and the audited consolidated financial statements of the company for the financial year ended 31<sup>st</sup> March, 2021.
2. To appoint Director in place of **Mr. Rohit Gupta (Din:02715232 )**, and **Mr. Surender Singh Jasrotia (DIN:08566350)**, who retire by rotation and being eligible to offer themselves for re-appointment.
3. To appoint the Statutory Auditors and fix their remuneration and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT M/s KRA & Co,** Chartered Accountants, New Delhi, having Firm Registration No. 020266N were appointed as Statutory Auditors for the period of 5 years in the 13<sup>th</sup> Annual General Meeting held as per the provision of Section 139 & other applicable provisions, if any, of Companies Act, 2013 subject to the ratification by the members at every Annual General Meeting held thereafter till 18<sup>th</sup> Annual General Meeting. The appointment of **M/s KRA & Co**, Chartered Accountants, New Delhi, having Firm Registration No. 020266N, who have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of the Companies Audit and Auditors) Rules, 2014, as Statutory Auditors to hold office from the conclusion of the 17<sup>th</sup> Annual General Meeting of the Company to the conclusion of the 18<sup>th</sup> Annual General Meeting to be held in 2022, on a remuneration as may be agreed upon by the Board of Directors be and is hereby ratified.”

### **SPECIAL BUSINESS:**

1.To consider and, if thought fit, to pass with or without modification(s) the following resolutions as Ordinary Resolutions:

#### **ITEM NO.1**

Regularization and Appointment of Mr. Ashu Gupta as Executive Director of the Company:

**“RESOLVED THAT** in accordance with applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof), and the Articles of Association of the Company, Mr. Ashu Gupta (holding DIN No. 08936265), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 28<sup>th</sup> October, 2020, pursuant to the Articles of Association of the Company and Section 161(1) of the Companies Act, 2013, and who holds office up to the date of ensuing Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013, and Articles of Association of the Company and whose office shall be liable to retire by rotation, be and is hereby appointed as a Director of the Company by the members of the Company to hold office for a term up to 27<sup>TH</sup> October, 2022.

#### **ITEM NO.2**

Regularization and Appointment of Mr. Harbans Lal as Executive Director of the Company

**“RESOLVED THAT** in accordance with applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof), and the Articles of Association of the Company, Mr. Harbans Lal (holding DIN No. 08571117), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 28<sup>th</sup> October, 2020, pursuant to the Articles of Association of the Company and Section 161(1) of the Companies Act, 2013, and who holds office up to the date of ensuing Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013, and Articles of Association of the Company, whose office shall be liable to retire by rotation, be and is hereby appointed as a Director of the Company by the members of the Company to hold office for a term up to 27<sup>TH</sup> October, 2022.

#### **ITEM NO.3**

Regularization and appointment of Mr. Mahadeep Singh Jamwal as Executive Director of the Company

**“RESOLVED THAT** in accordance with applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof), and the Articles of Association of the Company, Mr. Mahadeep Singh Jamwal (holding DIN No.09106268), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 03<sup>rd</sup> March,2021, pursuant to the Articles of Association of the Company and Section 161(1) of the Companies Act, 2013, and who holds office up to the date of ensuing Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013, and Articles of Association of the Company and whose office shall be liable to retire by rotation, be and is hereby appointed as a Director of the Company by the members of the Company to hold office for a term up to 02<sup>nd</sup> March, 2022.

#### **ITEM NO.4**

**Regularization and Appointment of Mr. Ambedkar Gupta as Executive Director of the Company**

**“RESOLVED THAT** in accordance with applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof), and the Articles of Association of the Company, Mr. Ambedkar Gupta (holding DIN No.08397254), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 22<sup>nd</sup> April 2021, pursuant to the Articles of Association of the Company and Section 161(1) of the Companies Act, 2013, and who holds office up to the date of ensuing Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013, and Articles of Association of the Company and whose office shall be liable to retire by rotation, be and is hereby appointed as a Director of the Company by the members of the Company to hold office for a term up to 21<sup>st</sup> April, 2022.

#### **ITEM NO.5**

**Regularization and Appointment of Mr. Pradeep Kumar Sharma as Non -Executive Director of the Company**

**“RESOLVED THAT** in accordance with applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof), and the Articles of Association of the Company, Mr. Pradeep Kumar Sharma (holding DIN No. 06524014), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 20<sup>th</sup> July,2021, pursuant to the Articles of Association of the Company and Section 161(1) of the Companies Act, 2013, and who holds office up to the date of ensuing Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013, and Articles of Association of the Company and whose office shall be liable to retire by rotation, be and is hereby appointed as a Director of the Company by the members of the Company to hold office for a term up to 19 July, 2022.

#### **ITEM NO.6**

**Regularization and Appointment of Mr. Shailesh Kumar Madan Lal Vora as Executive Director of the Company**

**“RESOLVED THAT** in accordance with applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof), and the Articles of Association of the Company, Mr. Shailesh Kumar Madan Lal Vora (holding DIN No. 01381931), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 2<sup>nd</sup> September,2021, pursuant to the Articles of Association of the Company and Section 161(1) of the Companies Act, 2013, and who holds office up to the date of ensuing Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013, and Articles of Association of the Company and whose office shall be liable to retire by rotation, be and is hereby appointed as a Director of the Company by the members of the Company to hold office for a term up to 1<sup>st</sup> September, 2022.

***For and on behalf of the Board  
For Sarveshwar Foods Limited***

**ANIL KUMAR  
MANAGING DIRECTOR  
DIN: 07417538  
Place: Jammu  
Date : 02/09/2021**



## NOTES:

- 1) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto. Additional information, pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), in respect of the directors seeking appointment/ re-appointment at the AGM, is furnished as annexure to the Notice. The Directors have furnished consent /declaration for their appointment /re-appointment as required under the Companies Act, 2013 and the Rules there under.

- 2) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 [FORTY-EIGHT] HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than 10 [ten] percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

- 3) Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
- 4) Members/proxies/authorised representatives are requested to bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
- 5) The Register of Members and Share

Transfer Book of the Company shall remain closed from Wednesday, 22<sup>nd</sup> September, 2021 to Wednesday 29<sup>th</sup> September, 2021 (both days inclusive).

- 6) The practice of distributing copies of Annual Reports at the Annual General Meeting has been discontinued as a measure to save the environment and be eco friendly.
- 7) All documents referred in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days except Saturday & Sunday between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting.
- 8) Members are requested to:
- i. Intimate changes, if any, in their registered address at the earliest.
  - ii. Furnish PAN with Income Tax Ward /Range/District to the Company.
  - iii. Quote ledger folio nos. in all the correspondence with the Company and the Transfer Agent. In case shares are held in dematerialized mode, please quote the DP ID No. and client ID in all the correspondence.
  - iv. Bring the copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.
  - v. Send the queries, if any, **at least 7 (Seven) days in advance** of the meeting so that the information can be made available at the meeting.
- 9) Ministry of Corporate Affairs, Government of India, vide Circular No. 17/2011 dated 21st April, 2011 and Circular No.18/2011 dated 29th April, 2011 allowed service of documents by e-mode as a Green initiative in the Corporate Governance. Members are requested to register their e-mail addresses with the Company's Registrar and Share Transfer Agents, **M/s Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building Opp. Vasant Oasis, Makwana Road Marol, Andheri (East), Mumbai 400059**, for the purpose of service of documents under Section 20 of the Companies Act, 2013. The members are also requested to update their e-mail address in the Depository Account holding shares of the Company in dematerialized mode enabling the Registrar to consider the same. The form for sending the response is annexed at the end of the Annual Report.
- 10) **Voting through electronic means**

In compliance with provisions of Section 108 of Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the Listing Regulations, the Company is pleased to provide members the facility to exercise their right to vote at the 17th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by **National Securities Depository Limited (NSDL)**. The Company has entered into an arrangement with **National Securities Depository Limited (NSDL)** for facilitating e-voting for AGM.

The E-voting period for all items of business contained in this Notice shall commence from Sunday, 26<sup>th</sup> September, 2021 (09.00 A.M. IST) and will end on Tuesday, 28<sup>th</sup> September, 2021 (5.00 p.m. IST). During this period, Equity Shareholders of the Company holding shares either in physical form or in dematerialized form, as on 21<sup>st</sup> September, 2021 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently or cast vote again. The voting rights of Members shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the

register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of e-voting as well as voting at the meeting through ballot. Any person, who acquires shares of the Company, becomes a member of the company after dispatch of the Notice and holding shares as of the cut-off date may follow the same procedure as mentioned for e-Voting.

The Company has appointed an Independent Professional Mr. Nitesh Kumar Ranga of M/S Nitesh Kumar Ranga & Company as Scrutinizer to conduct the E-voting in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or person authorized by him in writing who shall countersign the same.

The results along with Scrutinizer's report shall be placed on the website (i.e. [www.sarveshwarrice.com](http://www.sarveshwarrice.com)) of the Company and shall also be communicated to the Stock Exchanges. The Resolutions shall be deemed to be passed, if approved, on the date of AGM.



## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Sunday, 26<sup>th</sup> September, 2021 at (09.00 A.M. IST) and ends on Tuesday, 28<sup>th</sup> September, 2021 (5.00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 21<sup>st</sup> September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 21<sup>st</sup> September, 2021.

### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:


#### Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Lo gin</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e - Voting page. Click on company name or <b>-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li><li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e - Voting website of NSDL for casting your vote during the remote e Voting period.</li></ol>

	<p>4. Shareholders /Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="text-align: center;">  App Store  Google Play </div> <div style="text-align: center;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p>



Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022 23058738 or 022-23058542-43

**B) Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** ** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

1. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
2. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
  - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
3. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
4. Now, you will have to click on “Login” button.
5. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period Now you are ready for e-Voting as the Voting page opens.
3. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
4. Upon confirmation, the message “Vote cast successfully” will be displayed
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cs.serviceprovider@gmail.com](mailto:cs.serviceprovider@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to



reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to [Ms.Soni Singh,Assistant Manager](mailto:Ms.Soni.Singh,AssistantManager@evoting@nsdl.co.in) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories/ company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [www.sarveshwarrice.com](mailto:www.sarveshwarrice.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [www.sarveshwarrice.com](mailto:www.sarveshwarrice.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS:**

**1.**

<b>Name of Director</b>	<b>Mr. Rohit Gupta</b>
<b>Date of Birth</b>	26/05/1969
<b>Expertise in specific functional area</b>	Commerce graduate having experience of more than two decades in the rice industry. He has been the guiding force for the Group in terms of strategy and Management.
<b>No. of Equity Shares held in the company</b>	18088800
<b>List of Directorship in other companies</b>	<ul style="list-style-type: none"> <li>• Sarveshwar Overseas Limited</li> <li>• Himalayan Ancient Foods Private Limited</li> </ul>
<b>Chairman/ Member of the Committee of Board of Directors of the company</b>	NIL
<b>Chairman/ Member of the Committee of Board of Directors of other companies</b>	NIL

**2.**

<b>Name of Director</b>	<b>Mr. Surendar Singh Jasrotia</b>
<b>Date of Birth</b>	25/04/1969
<b>Expertise in specific functional areas</b>	A science graduate and MBA in International Marketing & Indian Marketing obtained certified courses from IIM . Mr. Surendar has over 27 years of sales and business leadership experience across industries.
<b>No. of Equity Shares held in the company</b>	NIL
<b>List of Directorship in other companies</b>	<ul style="list-style-type: none"> <li>• Sarveshwar Overseas Limited</li> </ul>
<b>Chairman/ Member of the Committee of Board of Directors of the company</b>	NIL
<b>Chairman/ Member of the Committee of Board of Directors of other companies</b>	NIL

**SPECIAL BUSINESS**

**ITEM NO. 1**

The Board of Directors at their meeting held on 28<sup>th</sup> October,2020 appointed Mr. Ashu Gupta as Additional Director in Executive capacity of the company to take effect from 28<sup>th</sup> October,2020 . Mr. Ashu Gupta holds office upto ensuing of Annual General Meeting.

In terms of section 152 and other applicable provisions of companies act,2013 Mr. Ashu Gupta being eligible and seeking for appointment, is proposed to be appointed as a Executive Director to hold office upto 27<sup>th</sup> Oct,2022 .The appointment was recommended by the Nomination and Remuneration Committee in its meeting held on 28<sup>th</sup> October,2020 under the provisions of Section 160 of the companies act,2013 for appointment of Mr. Ashu Gupta for the office of director under applicable provisions of

Companies act,2013.

In opinion of the board of directors , Mr. Ashu Gupta , proposed to be appointed as a Director, fulfills the conditions specified in the Companies act,2013 and rules made thereunder. The board considers that his association would be of immense benefit to the company.

The resolution seeks the approval of members for the appointment of Mr. Ashu Gupta as a director of the company upto 27<sup>th</sup> October,2022, pursuant to applicable provisions of the companies act,2013 and rules made thereunder. He is liable to retire by rotation.

None of the directors, key Managerial personal or their relative, except Mr. Ashu Gupta , to whom the resolution related, are interested or concerned in this resolution.

The Board recommends the resolution set forth in ITEM NO 1 for approval of members.



This explanatory Statement may also be regarded as a disclosure under the SEBI (Listing Obligations and disclosure Requirements ) Regulations,2015 with the Stock Exchange.

#### **ITEM NO. 2**

The Board of Directors at their meeting held on 28<sup>th</sup> October,2020 appointed Mr. Harbans Lal as Additional Director in Executive capacity of the company to take effect from 28<sup>th</sup> October,2020 . Mr. Harbans Lal holds office upto ensuing of Annual General Meeting.

In terms of section 152 and other applicable provisions of companies act, 2013 Mr. Harbans Lal being eligible and seeking for appointment, is proposed to be appointed as a Executive Director to hold office upto 27<sup>th</sup> Oct,2022 . The appointment was recommended by the Nomination and Remuneration Committee in its meeting held on 28<sup>th</sup> October,2020 under applicable provisions of Companies act,2013.

In opinion of the board of directors , Mr. Harbans Lal, proposed to be appointed as a Director, fulfills the conditions specified in the Companies act,2013 and rules made thereunder. The board considers that his association would be of immense benefit to the company.

The resolution seeks the approval of members for the appointment of Mr. Harbans Lal as a director of the company upto 27<sup>th</sup> October,2022, pursuant to applicable provisions of the companies act,2013 and rules made thereunder. He is liable to retire by rotation.

None of the directors, key Managerial personal or their relative, except Mr. Harbans Lal, to whom the resolution related, are interested or concerned in this resolution.

The Board recommends the resolution set forth in ITEM NO 2 for approval of members.

This explanatory Statement may also be regarded as a disclosure under the SEBI (Listing Obligations and disclosure Requirements ) Regulations,2015 with the Stock Exchange.

#### **ITEM NO. 3**

The Board of Directors at their meeting held on 3<sup>rd</sup> March,2021 appointed Mr. Mahadeep Singh Jamwal as an Additional Director-Corporate Affairs in Executive capacity of the company to take effect from 3<sup>rd</sup> March,2021 . Mr. Mahadeep Singh Jamwal holds office upto ensuing of Annual General Meeting. In terms of section 152 and other applicable provisions of companies act,2013 Mr. Mahadeep Singh Jamwal being eligible and seeking for appointment, is proposed to be appointed as a Executive Director to hold office upto 2<sup>nd</sup> March,2022.

The appointment was recommended by the Nomination and Remuneration Committee in its meeting held on 03<sup>rd</sup> March,2021 applicable provisions of Companies act,2013.

In opinion of the board of directors , Mr. Mahadeep Singh Jamwal, proposed to be appointed as a Director, fulfills the conditions specified in the Companies act,2013 and rules made thereunder. The board considers that his association would be of immense benefit to the company.

The resolution seeks the approval of members for the appointment of Mr. Mahadeep Singh Jamwal as a director of the company upto 2<sup>nd</sup> March2022, pursuant to applicable provisions of the companies act,2013 and rules made thereunder. He is liable to retire by rotation.

None of the directors, key Managerial personal or their relative, except Mr. Mahadeep Singh Jamwal, to whom the resolution related, are interested or concerned in this resolution.

The Board recommends the resolution set forth in ITEM NO 3 for approval of members.

This explanatory Statement may also be regarded as a disclosure under the SEBI (Listing Obligations and disclosure Requirements ) Regulations,2015 with the Stock Exchange.

#### **ITEM NO. 4**

The Board of Directors at their meeting held on 22<sup>nd</sup> April,2021 appointed Mr. Ambedkar Gupta as an Additional Director in Executive capacity of the company to take effect from 22<sup>nd</sup> April,2021 . Mr. Ambedkar Gupta holds office upto ensuing of Annual General Meeting.

In terms of section 152 and other applicable provisions of companies act,2013 Mr. Ambedkar Gupta being eligible and seeking for appointment, is proposed to be appointed as a Executive Director to hold office upto 21<sup>st</sup> April, 2022. The appointment was recommended by the Nomination and Remuneration Committee in its meeting held 22<sup>nd</sup> April,2021 under applicable provisions of Companies act,2013.

In opinion of the board of directors , Mr. Ambedkar Gupta, proposed to be appointed as a Director, fulfills the conditions specified in the Companies act,2013 and rules made thereunder. The board considers that his association would be of immense benefit to the company.

The resolution seeks the approval of members for the appointment of Mr. Ambedkar Gupta as a director of the company upto 21<sup>st</sup> April,2022, pursuant to applicable provisions of the companies act,2013 and rules made thereunder. He is liable to retire by rotation.

None of the directors, key Managerial personal or

their relative, except Mr. Ambedkar Gupta, to whom the resolution related, are interested or concerned in this resolution.

The Board recommends the resolution set forth in ITEM NO 4 for approval of members.

This explanatory Statement may also be regarded as a disclosure under the SEBI (Listing Obligations and disclosure Requirements ) Regulations, 2015 with the Stock Exchange.

#### **ITEM NO. 5**

The Board of Directors at their meeting held on 20<sup>th</sup> July, 2021 appointed Mr. Pradeep Kumar Sharma as Additional Director in non-executive Capacity of the company to take effect from 20<sup>th</sup> July, 2021 . Mr. Pradeep Kumar Sharma holds office upto ensuing of Annual General Meeting.

In terms of section 152 and other applicable provisions of companies act, 2013 Mr. Pradeep Kumar Sharma being eligible and seeking for appointment, is proposed to be appointed as a Non-Executive Director to hold office upto 19<sup>th</sup> July, 2022. The appointment was recommended by the Nomination and Remuneration Committee in its meeting held on 20<sup>th</sup> July, 2021 under applicable provisions of Companies act, 2013.

In opinion of the board of directors , Mr. Pradeep Kumar Sharma, proposed to be appointed as a Director, fulfills the conditions specified in the Companies act, 2013 and rules made thereunder. The board considers that his association would be of immense benefit to the company.

The resolution seeks the approval of members for the appointment of Mr. Pradeep Kumar Sharma as a director of the company upto 19<sup>th</sup> July, 2022, pursuant to applicable provisions of the companies act, 2013 and rules made thereunder. He is liable to retire by rotation.

None of the directors, key Managerial personal or their relative, except Mr. Pradeep Kumar Sharma, to whom the resolution related, are interested or concerted in this resolution.

The Board recommends the resolution set forth in ITEM NO 5 for approval of members.

This explanatory Statement may also be regarded as a disclosure under the SEBI (Listing Obligations and disclosure Requirements ) Regulations, 2015 with the Stock Exchange.

#### **ITEM NO. 6**

The Board of Directors at their meeting held on 02<sup>nd</sup> September, 2021 appointed Mr. Shailesh kumar Madan Lal Vora as an Additional Director in Executive capacity of the company to take effect from 02<sup>nd</sup> September, 2021 . Mr. Shailesh kumar Madan Lal Vora holds office upto ensuing of Annual General Meeting.

In terms of section 152 and other applicable provisions of companies act, 2013 Mr. Shailesh Kumar Madan Lal Vora being eligible and seeking for appointment, is proposed to be appointed as a Executive Director to hold office upto 01<sup>st</sup> September , 2022. The appointment was recommended by the Nomination and Remuneration Committee in its meeting held on 02<sup>nd</sup> September, 2021 under applicable provisions of Companies act, 2013.

In opinion of the board of directors , Mr. Shailesh kumar Madan Lal Vora , proposed to be appointed as a Director, fulfills the conditions specified in the Companies act, 2013 and rules made thereunder. The board considers that his association would be of immense benefit to the company.

The resolution seeks the approval of members for the appointment of Mr. Shailesh kumar Madan Lal Vora as a director of the company upto 01<sup>st</sup> September , 2022, pursuant to applicable provisions of the companies act, 2013 and rules made thereunder. He is liable to retire by rotation.

None of the directors, key Managerial personal or their relative, except Mr. Shailesh kumar Madan Lal Vora , to whom the resolution related, are interested or concerted in this resolution.

The Board recommends the resolution set forth in ITEM NO 6 for approval of members.

This explanatory Statement may also be regarded as a disclosure under the SEBI (Listing Obligations and disclosure Requirements ) Regulations, 2015 with the Stock Exchange



### **ANNEXURE TO NOTICE**

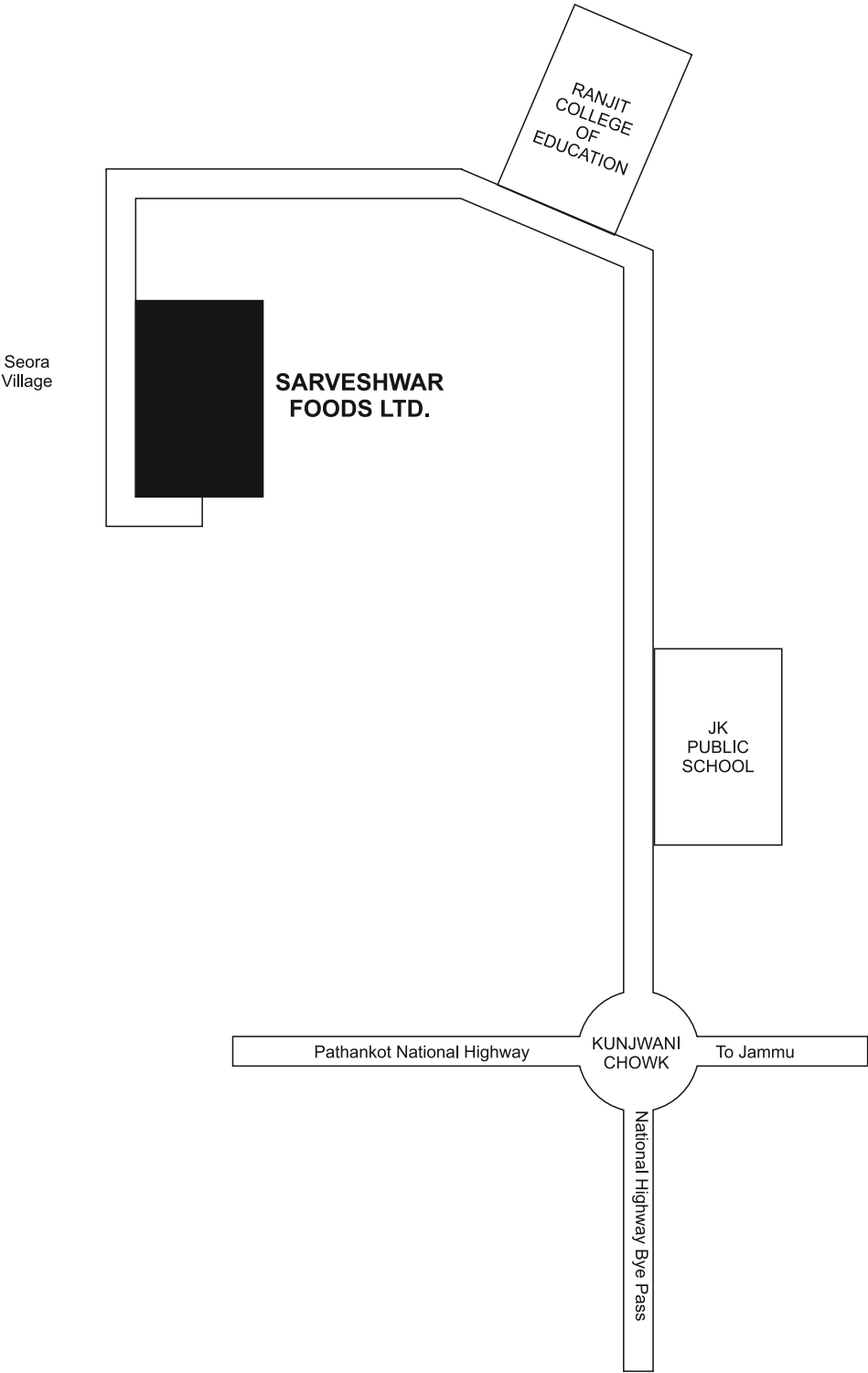
More details about Mr. Rohit Gupta & Mr. Surendar Singh Jasrotia seeking re-appointment at the forthcoming Annual General Meeting are as under:-

<b>Name of Director</b>	<b>Mr. Rohit Gupta</b>
<b>Date of Birth</b>	26/05/1969
<b>Expertise in specific functional areas</b>	Commerce graduate having experience of more than two decades in the rice industry. He has been the guiding force for the Group in terms of strategy and Management.
<b>No. of Equity Shares held in the company</b>	18088800
<b>List of Directorship in other companies</b>	<ul style="list-style-type: none"><li>• Sarveshwar Overseas Limited</li><li>• Himalayan Ancient Foods Private Limited</li></ul>
<b>Chairman/ Member of the Committee of Board of Directors of the company</b>	<ul style="list-style-type: none"><li>• NIL</li></ul>
<b>Chairman/ Member of the Committee of Board of Directors of other companies</b>	NIL

**2.**

<b>Name of Director</b>	<b>Mr. Surendar Singh Jasrotia</b>
<b>Date of Birth</b>	25/04/1969
<b>Expertise in specific functional areas</b>	A science graduate and MBA in International Marketing & Indian Marketing obtained certified courses from IIM . Mr. Surendar has over 27 years of sales and business leadership experience across industries.
<b>No. of Equity Shares held in the company</b>	NIL
<b>List of Directorship in other companies</b>	<ul style="list-style-type: none"><li>• Sarveshwar Overseas Limited</li></ul>
<b>Chairman/ Member of the Committee of Board of Directors of the company</b>	NIL
<b>Chairman/ Member of the Committee of Board of Directors of other companies</b>	NIL

**ROUTE MAP OF AGM VENUE (TO BE INCLUDED ON THIS PAGE)**





## **DIRECTOR'S REPORT**

**TO**

**THE MEMBERS,**

**SARVESHWAR FOODS LIMITED**

**REGISTERED OFFICE: SARVESHWAR HOUSE, BELOW GUMMAT,  
JAMMU-J&K**

Dear Members,

Your Directors have pleasure in presenting their **17<sup>th</sup> Annual Report** on the business and operations of the Company and the accounts for the Financial Year ended 31<sup>st</sup> March, 2021.

### **FINANCIAL RESULTS**

The COVID-19 pandemic which has been a once in a lifetime occurrence has brought with it great suffering to people and to almost all sectors of the economy. The nationwide lockdowns to limit the transmission of COVID-19 has put the global economy in extreme stress and would have a long-lasting economic impact upon the Country too. The long-lasting and evolving nature of this pandemic with its resurfacing in the form of second wave at the close of the year has once again created uncertainty, including adverse economic impact on India. Hopefully, the outreach of vaccination drives across the country, additional efforts to set up adequate medical infrastructure and procurement of required medical supplies, in addition to continued adherence to COVID-19 safety protocols will help in overcoming this unprecedented situation. On consolidated basis, Company's revenue for FY 21 was up by 5.50% at 51468 Lacs on year-on year basis. The strategic intent of the Company has been to focus on our consumer business. With continued focus our consumer business was up by 14% and the share of our branded rice portfolio increased to 74% vs 69% last year. The Net Margins decreased by 15 bps from 1.17% to 1.02%. This was on account of increase in the contribution of consumer business and strong growth from all the geographies. This is to further highlight that our Premium & mid-price product range achieved double digit growth on year-on year basis.

Moving on to the geographical split – India's Consumer Business was up by 4% on year-on-year basis. All the geographies performed as per the assumptions. Our US & Europe export business were subdued as due to COVID-19 the containers movements were stopped and further courier services were not available for 2 quarters in FY 21. Our organic business revenue stood at Rs. 8130 Lacs and contributes 15.79% to the overall revenue. The Company also worked on strengthening its Balance Sheet. This is to reiterate that majority of our debt is working capital Debt which is required because of the nature our business and our focus is to maintain the debt to EBITDA ratio to less than 5 times. Because of our continuous focus on working capital optimization, our net working capital has reduced by 19 days. Interest coverage ratio has also improved significantly from 1.47 to 1.79 year-on year basis. Current ratio has also improved to 1.57 from 1.52 on year-on-year basis.

In the month of April – May 2021, our Company has received the exclusive rights to export rice to china whereby our consolidated export revenue has increased by Rs. 3000 Lacs and our Gandhidham plant is fully operationalised.

This would provide enough firepower to bolster the balance sheet and propel the company into motion for future growth. We believe that COVID-19 will bring up new opportunities across FMCG sectors and our Company being a well-established player in the value-added segments with a pan – India distribution reach is well placed to capture these opportunities and increase our market share. We have been committed to our long-term goal of providing the highest level of consumer satisfaction with our host of well-established brands and we are confident of achieving robust operational and financial performance with full-fledged revival in demand across product categories.

Key aspects of Consolidated and Standalone Financial Performance of Sarveshwar Foods Limited for the current Financial Year 2020-2021 along with the previous Financial Year 2019-2020 are tabulated below:

PARTICULARS	CONSOLIDATED		STANDALONE	
	Year Ended 31 March, 2021	Year Ended 31 March, 2020	Year Ended 31 March, 2021	Year Ended 31 March, 2020
Revenue from operations	51,468.07	48,786.72	22,857.93	19,922.90
Other Income	227.86	427.03	257.24	296.96
<b>Total Income</b>	<b>51,695.93</b>	<b>49,213.75</b>	<b>23,115.17</b>	<b>20,219.86</b>
Expenses	49,449.12	46,332.48	21,991.27	19,113.37
<b>Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)</b>	<b>2,246.81</b>	<b>2,881.27</b>	<b>1,123.9</b>	<b>1,106.49</b>
Depreciation and Amortization Expenses	191.83	222.97	72.37	81.77
Finance Costs	1,255.85	1,959.23	598.78	799.26
<b>Profit before Exceptional Items and Tax</b>	<b>799.13</b>	<b>699.07</b>	<b>452.75</b>	<b>225.45</b>
Exceptional Items	NIL	NIL	NIL	NIL
<b>Profit before Tax (PBT)</b>	<b>799.13</b>	<b>699.07</b>	<b>452.75</b>	<b>225.45</b>
Tax expense:				
Current Year	230.44	148.02	127.41	59.69
Previous Year Tax	20.03	NIL	9.89	NIL
Deferred Tax	24.14	(20.26)	8.22	(9.62)
<b>Profit After Tax (PAT)</b>	<b>524.53</b>	<b>571.31</b>	<b>307.22</b>	<b>175.39</b>
<b>Share of profit/(loss) of associate</b>	<b>(1.66)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
Minority Interest	0.39	0.44	N.A	N.A
<b>Profit after Taxes and Minority Interest</b>	<b>522.48</b>	<b>570.87</b>	<b>307.22</b>	<b>175.39</b>
<b>Appropriations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Earning Per Share (Face Value of Rs. 10/- each)	2.13	2.32	1.25	0.71



### **FINANCIAL REVIEW:**

The Highlights of Company's performance for Financial Year 2020-2021 on consolidated basis are as under:

- Company's Revenue from Operations is Rs 51,695.93 Lacs
- Company's Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) is 2246.81 Lacs
- Company's Profit before Tax is 799.13 Lacs
- Net Worth of the Company is 16022.29 Lacs.

### **DIVIDEND:**

The Board wishes to retain all its earnings to further improve the performance of the Company and thus do not recommend any distribution of dividend for the Financial Year ended on 31<sup>st</sup> March, 2021.

### **TRANSFER OF RESERVES:**

In view of the robust financial strength of the Company, a sum of Rs. 15.36 Lacs has been transferred to General Reserves out of the amount available for appropriations.

### **SHARE CAPITAL:**

There is no change in the Authorised Share Capital of the company during the financial year 2020-2021 and the authorized share capital of the company remains same as on 31<sup>st</sup> March, 2021 i.e Rs. 30,00,00,000 (INR Rs Thirty Crores)

The paid up equity share capital of the Company as on March 31, 2021 is **Rs. 245672000 (INR Rs. Twenty Four Crores Fifty Six Lakhs Seventy two Thousand)** The Company has no other type of securities except equity shares forming part of paid up capital.

### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

No material changes and commitments affecting the financial position of the company occurred between the end of financial year to which this financial statements relates and till the date of this report except the impact of Covid -19.

### **CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There is no change in the nature of business of the Company during the financial year 2020-2021.

### **SEGMENT REPORTING:**

A separate reportable segment forms part of Notes to the Accounts.

### **SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS:**

Your Company has two subsidiaries viz., **Sarveshwar Overseas Limited, Himalayan Bio Organic Foods Private Limited.**

Sarveshwar Foods Limited on 3rd March, 2021 disinvested 55% of its equity shareholding of Natural Global Foods DMCC, its wholly owned subsidiary of the Company turning Natural Global Foods DMCC into our associate Company within the meaning of Section 2(6) of the Companies Act, 2013 during FY 2020-2021

Further there has been no material change in the nature of business of the subsidiaries during the financial year 2020-2021. The Consolidated Financial Statements of your Company for the financial year 2020-2021 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "SEBI Listing Regulations"). The consolidated financial statements have been prepared by consolidating audited financial statements of your Company and its subsidiaries, as approved by the respective Board of Directors. Further, pursuant to the proviso of sub section (3) of section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 a separate statement containing the salient features of the financial statements of Subsidiaries of the company in the prescribed Form AOC-1 is given in the Consolidated Financial Statements, forming part of this Annual report. Consolidated Turnover is Rs. 51,695.93 Lacs in current year as compared to Rs. 49,213.75 Lacs in the previous year. Consolidated Net Profit after Tax is Rs. 524.53 Lacs as compared to Rs. 571.31 Lacs in the previous year. The financial statements of the subsidiary companies and related information are available for inspection by the members at the Registered Office of your Company during business hours on all days except Sunday and holiday upto the date of the Annual General Meeting ('AGM') as required under Section 136 of the Companies Act, 2013. Any member desirous of obtaining a copy of the said financial statements may write to the

Compliance Officer at the Registered Office / Corporate Office of your Company. The financial statements including the consolidated financial statements, Statement containing salient features of the financial statement of Subsidiaries and all other documents shall also be available on Company's website [www.sarveshwarrice.com](http://www.sarveshwarrice.com) downloadable format.

#### **BOARD OF DIRECTORS:**

As on March 31, 2021 your Company's Board has a strength of 11(Eleven) Directors including 1 (One) Woman Director. The Chairman of the Board is a Honorary Chairman. The composition of the Board is as below:

Category	Number of Directors	% to Total Number of Directors
Executive Directors (Including Woman Director)	6	54.54
Independent Non-Executive	4	36.36
Non Executive Directors	1	9.1

The detailed section on '**Board of Directors**' is given in the '**Report on Corporate Governance**' forming part of this Annual Report..

Pursuant to the provisions of Section 149(13) of the Companies Act, 2013 and Articles of Association of the Company all directors except Independent Directors are liable to retire by rotation. The Independent Directors of your Company will hold office for 5 (Five) consecutive years from the date of their respective appointments. No Independent Directors are liable to retire by rotation. However, they can resign from directorship any time before their respective tenure.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Rohit Gupta, Non- Executive Director and Mr. Singh Jasrotia, Director retire by rotation at the ensuing Annual General Meeting, are eligible for re-appointment. The brief resume of the Directors being re-appointed, the nature of their expertise in specific functional areas, names of companies in which they have held Directorships, Committee Memberships, their shareholding etc., are furnished in the explanatory statement to the notice of the ensuing Annual General Meeting and also forming part of Corporate Governance Report. The Board recommends their re-appointment at the ensuing Annual

#### **AUDIT COMMITTEE:**

As on March 31, 2021, the Audit Committee of Sarveshwar Foods Limited comprises of following 3 (Three) Members, with majority of Independent Non-Executive Directors:

Name	Nature of Directorship	Designation in Committee
Mr. Adarsh Gupta	Non-Executive Independent Director	Chairman
Dr. Uttar Kumar Padha	Non-Executive Independent Director	Member
Mr. Anil Kumar	Executive Director	Member

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

#### **KEY MANAGERIAL PERSONNELS:**

The Key Managerial Personnels (KMPs) of the Company in accordance with the provisions of Sections 2(51) and Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force) are as follows:

S.NO	Name of KMP's	Designation
01.	Mr. Anil Kumar	Managing Director
02.	Mr. Sourabh Mehta	Chief Financial Officer
03.	Ms. Mansi Gupta	Company Secretary & Compliance Officer
04.	Ms. Seema Rani	Whole time Director

- Mr Surendar Singh Jasrotia has resigned from the Post of Managing Director & CEO has been appointed as Director –sales of the Company w.e.f 21<sup>st</sup> June,2021.
- Mr. Anil Kumar has been appointed as Managing Director of the Company from Joint Managing Director of the Company w.e.f 21<sup>st</sup> June,2021.
- Resignation of Mr. Sourabh Mehta from post of



- Chief Financial Officer of the Company w.e.f 13<sup>th</sup> November, 2020 .
- Appointment of Mr Deepak Aggarwal as the Chief Financial Officer of the Company w.e.f 13<sup>th</sup> November, 2020 .
- Resignation of Mr Deepak Aggarwal from post of Chief Financial Officer of the Company and appointment of Mr Atul Garg as the Chief Financial Officer w.e.f 21<sup>st</sup> January ,2021
- Resignation of Mr Atul Garg from post of Chief Financial Officer w.e.f 16<sup>th</sup> April, 2021.
- Appointment of Mr. Sourabh Mehta as the Chief Financial Officer of the Company w.e.f 22<sup>nd</sup> April, 2021..
- Ms Mansi Gupta has been appointed as Company Secretary and compliance Officer of the Company w.e.f. 20 March, 2021.

#### **DETAILS OF DIRECTORS APPOINTED AND RESIGNED DURING THE YEAR:**

The following Directors has been appointed and resigned during the year:-

S.No.	Name of Persons	Designation	Appointment/Resignation	Date of Appointment/Resignation
1.	Mr Ashu Gupta	Additional Director	Appointment	28/10/2020
2.	Mr Harbans Lal	Additional Director	Appointment	28/10/2020
3.	Dr. Gayatri Tandon	Executive Director	Resignation	18/12/2020
3.	Mr Mahadeep Singh Jamwal	Additional director	Appointment	03/03/2021
4.	Ms. Seema Rani	Whole Time Director	Appointment (Change in Designation)	21/01/2021

#### **POLICY ON REMUNERATION OF DIRECTORS, KMPs, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES:**

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy of Sarveshwar Foods Limited formulated in accordance with Section 134(3)(e) and Section 178(3) of the Companies Act, 2013 read with Regulation 19 of SEBI Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force. The salient aspects covered in the Nomination and Remuneration Policy have been outlined below:

- To identify the persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees of Sarveshwar Foods Limited.
- To formulate the criteria for evaluation of Independent Director and the Board.
- To evaluate the performance of the members

of the Board and provide necessary report to the Board for further evaluation of the Board and to determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To develop a succession plan for the Board and to regularly review the plan.
- To assist the Board in fulfilling responsibilities.
- To implement and monitor policies and processes regarding principles of corporate governance.

#### **NUMBER OF MEETINGS OF THE BOARD:**

During the Financial Year 2020-2021, Eleven Board meetings were held. For details thereof kindly refer to

the section 'Board Meeting and Procedures - Details of Board Meetings held and attended by the directors during the financial year 2020-2021, in the report of Corporate Governance forming part of this Annual Report.

#### **BOARD EVALUATION:**

In pursuance of Section 178 of the Companies Act, 2013 read with Regulation 4(2), 17(10) and 19(4) read with Schedule II Part D of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standards-I, the Nomination and Remuneration Committee has framed the evaluation process and the performance evaluation of Independent Directors, Executive Directors and Board as a whole as well as working of its Audit, Nomination & Remuneration and other Committees has been carried out during the financial year 2020-2021.

#### **STATEMENT OF DECLARATION BY AN INDEPENDENT DIRECTOR(S) AND RE-APPOINTMENT, IF ANY:**

All the Independent Directors have given their Independency declaration as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

#### **REMUNERATION POLICY:**

The Company has framed Remuneration Policy in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and remuneration policy of the Company in compliance of Section 178 (4) of the Companies Act, 2013.

#### **ANNUAL RETURN:**

As required pursuant to Section 92(3) and Section 134 (3) (a) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 the Company shall place the copy of Annual Return as at 31<sup>st</sup> March, 2021 on its website [www.sarveshwarrice.com/investors/annual-reports](http://www.sarveshwarrice.com/investors/annual-reports)

#### **AUDITORS:**

The Auditors, M/S K R A & CO, Chartered Accountants, Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment and have confirmed that they are not disqualified under any provisions of Section 141(3) of the Companies Act, 2013 and have shown their willingness to accept the office of Statutory Auditors. The Company has received a letter from them to the

effect that their re-appointment, if made, would be within the prescribed limits u/s 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The particulars of every contract or arrangements entered into by the company with related parties referred to in subsection (1) of Section 188 of the Companies Act, 2013 are disclosed in Form No. AOC-2 (Annexure III). With reference to Section 134(3)(h) of Companies Act, 2013, all contracts and arrangement with related parties under Section 188(1) entered by the Company during the financial year were in ordinary course of business and on arms length basis.

#### **AUDITORS' REPORT:**

The Auditors' Report does not contain any qualification, Notes to Accounts and Auditors remarks as their report are self-explanatory and do not call for any further comments.

#### **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

Pursuant to sub-section (3) of Section 129 of the Act, the statement containing the salient feature of the financial statement of a Company's subsidiaries and associate is given as Annexure-IV [Performance and financial position of each of the subsidiaries companies and associate included in the consolidated financial statement. Whereas, Company does not have any Joint Venture.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 related to CSR activities is detailed in (Annexure II).

#### **AUDIT COMMITTEE:**

In pursuance of Section 177 of the Companies Act, 2013 read with Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted the Audit Committee and the details in pursuance of Section 177 (8) of the Companies Act, 2013 in respect of composition of Audit Committee of the Company is given in Corporate Governance Report of the Company.

#### **SECRETARIAL AUDIT REPORT:**

In terms of Section 204 of the Act and Rules made there under, M/s. Yamina Almas & Associates, Practicing Company Secretary have been appointed Secretarial Auditors of the Company. The report of



the Secretarial Auditors is enclosed as Annexure V to this report.

#### **INTERNAL AUDIT & CONTROLS:**

In terms of Compliance of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) rules, 2014, the Company has appointed **M/s Darpan Gupta & Co.**, Chartered Accountants, as its Internal Auditors. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

#### **RISK MANAGEMENT POLICY:**

Sarveshwar Foods Limited has in place comprehensive risk assessment and minimization procedures, which are reviewed by the top management. For comprehensive risk assessment and minimization procedures, the Company has "Risk Management Committee" which plans risk management, reviews, monitors and identify the risk on regular basis.

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

The Company has not received any significant or material orders passed by any regulatory authority, Court or Tribunal which shall impact the going concern status & Company's operations in future.

#### **DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

According to Section 134 (5)(e) of the Companies Act, 2013, the term Internal Financial Control (IFC) means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Company has a well placed internal financial

control system which ensures all the assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's internal financial control system also comprises due compliances with Company's policies and Standard Operating Procedures (SOPs) and audit and compliance by Internal Auditors.

#### **DEPOSITS:**

The Company has neither accepted nor renewed any deposits falling under Chapter V of Companies Act, 2013.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

#### **CORPORATE GOVERNANCE CERTIFICATE:**

The report on Corporate Governance as Stipulated under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations is presented in separate section forming part of this Annual Report.

A Certificate from the Practicing Company Secretary regarding compliance of conditions of corporate governance as stipulated in Regulation 27 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 is annexed with the report.

#### **MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management Discussion and Analysis Report prepared in accordance of Regulation 34(2)(e) of Listing Regulations forms part of this Annual Report for the year ended 31<sup>st</sup> March, 2021

#### **OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee. The Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year, the Company has not received any complaint of harassment.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

**Conservation of energy:**

The company continued to give major emphasis for Conservation of Energy, and the measures taken previous year were continued. The efficiency of Energy utilization is being monitored at every Quarter, in order to achieve effective Conservation of Energy. The significant energy conservation during the year were:

**Power & Fuel Consumption:**

Particulars	2020-2021	2019-2020
<b>Through Electricity Purchases</b>		
Units	838842	936500
Total Amount (Rs.)	27.10	39.72
<b>Through Diesel</b>		
Total Amount (Rs.)	2.26	7.23

**Lighting:**

To conserve energy from Lighting, replacement of Convectional Lamps, Street Lighting Halogen, HPSV WITH LED Light Fixtures were undertaken at various stations during the year. As LEDs are extremely energy efficient and consume up to 60% less power than incandescent bulbs, this helped in reducing the Power consumption and decreasing the maintenance cost due to its long lifespan.

**(b) Technology, Absorption, Adaption and Innovation:**

Technology is changing day by day. During the years, the Company has taken significant steps in adoption of new technologies thus improving overall efficiency of Plants. Similar steps were taken in the current year as well by replacing the lower capacity machines with the New Higher capacity Machines. Some such machines includes the Color Sorters which is one of the critical machine involved in the Rice processing industry. Some of the old lower capacity color sorters were replaced with new upgraded and high capacity machines resulting in reduction of rejection percentage, improvement in final output and increasing overall throughput. The Company has realised and agrees that the continuous improvement can be achieved only if the employees involved in the process directly or indirectly are highly

trained on modern techniques and are aware of Global Standards. One such step taken by the Company in that direction is to start Manufacturing Excellence and Improvement Program. The key highlights of this improvement drive were – 5S, Maintenance Improvement Techniques, Reliability Matrix, MTTR & MTBF etc., which are highly beneficial and globally accepted programs for process improvement.

**(c) Foreign exchange earnings and Outgo:**

During the year, the total foreign exchange earnings and foreign exchange outgo are as mentioned below:

Particulars	2020-2021 (Rs. In Lakhs)	2019-2020 (Rs. In Lakhs)
<b>Foreign Exchange earnings</b>	1483.10	2845.25
<b>Foreign Exchange outgo</b>	28.59	61.7

**Human Resources:**

Your Company treats its "Human Resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement. The Company maintains healthy, cordial and harmonious industrial relation at all levels. The enthusiasm amongst employees has enabled the Company to remain at a leadership position in the industry.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(3)© of the Companies Act, 2013, the Director's based on the representations received from the operating management and after due inquiry confirm that:-

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- The directors had taken proper and sufficient



care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:**

In accordance with the applicable provisions of the Companies Act, 2013, the company has no dividend which remains unpaid/unclaimed for a period of seven years from the date of transfer to unpaid dividend account which is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

#### **LISTING WITH STOCK EXCHANGE:**

The Company confirms that it has paid the Annual Listing Fees for the year 2020-2021 to NSE where the Company's Shares are listed.

#### **ACKNOWLEDGEMENTS:**

Your Director place on record their gratitude to all stakeholder for their assistance, cooperation and encouragement. Your Director also wish to place on record their sincere thanks to all investor, vendor, employees for their outstanding performance.

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

**ANIL KUMAR  
MANAGING DIRECTOR  
DIN: 07417538**

**SURENDAR SINGH JASROTIA  
DIRECTOR  
DIN: 08566350**

**Date: 02/09/2021  
Place: Jammu**

## **ANNEXURE INDEX**

<b>ANNEXURE</b>	<b>CONTENT</b>
I.	Report on Corporate Social Responsibility
II.	Form AOC 2 – Related Party Transactions disclosure
III.	Details of subsidiaries and Joint Venture in Form AOC-1
IV.	Form MR-3 Secretarial Audit Report



**ANNEXURE -I TO DIRECTORS REPORT FOR  
THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021.**

**REPORT ON CORPORATE SOCIAL  
RESPONSIBILITY**

At Sarveshwar Foods Limited, the CSR approach is strategic in nature and embedded in our business processes across the entire value chain of the company, with a strive to operate and conduct itself in an ethical manner. Various initiatives taken under CSR are includes activities like spreading awareness about organic agriculture, farm inputs preparation, strengthening the farming community , women empowerment programs, training on various aspects of farming and related activities spread across many villages in states of Jammu and Kashmir, Himachal Pradesh, Rajasthan, Madhya Pradesh and Uttar Pradesh.

At Sarveshwar Foods Limited, we seek a relationship between business and society that does not treat success and social welfare as a zero sum game. We follow a strategic approach to CSR rather than a responsive approach. Our initiatives involve enhancing livelihood of Farmers by motivating them to adopt Organic Farming. Our initiatives are executed respecting the stakeholder's expectation like conducting awareness generation camps for the farmers. At the time of sowing farmers are trained for right and healthy seed selection, seed treatment and seed sowing. After sowing we aware farmers for on farm input preparation so that they can prepare compost at home, which brings down cost for their Biofertilizer. They are given training on preparation of various composts like Vermicompost, matka khad, and CPP units. After sowing we train them to identify various diseases and pests attacking the crop. We train them to manage these diseases or pests with the help of Biopesticides. We encourage soil building practices such as crop rotation, inter cropping, organic fertilizers and minimum tillage are central to organic practices. These encourage soil fauna and flora, improving soil formation and structure and creating more stable systems in turns the nutrients are increased and the retentive abilities of the soil for the nutrients are increased and the retentive abilities of the soil for the nutrients and water are enhanced, compensating for the non-use of mineral fertilizers.

**KEY POINTS OF OUR CSR POLICY**

**OBJECTIVE**

- I. To set up the guiding principles for carrying out CSR activities.
- II. To set up processes for promoting, investing, engaging, collaborating, implementing and monitoring of the CSR activities to be undertaken by the Company.
- III. To conduct its business in line with the Responsible Business framework.
- IV. To create superior value for our stakeholders.
- V. Implementation of the CSR activities in Projects/ Programme mode through a focused approach for generating maximum approach.

**FOCUS AREAS**

- I. Livelihood security and enhanced income for farmers/producers.
- II. Skill development and training
- III. Environmental sustainability
- IV. Access to drinking water

**CSR BUDGET:**

- I. The Board of Directors will ensure that the Company spends, in every financial year, at least 2% of the average net profit (to be calculated in accordance with the provision of section 198) of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility policy.
- II. Any surplus or profit generated from CSR projects undertaken by us will be tracked and channelized into our CSR corpus or as a supplement to the CSR budget. These funds will be further used in development of the CSR projects and will not be added to the normal business profit.
- III. In the event that the amount to be spent on CSR activities is not spent in its entirety in that FY, the reasons thereof will be outlined as per section 134 (3) (o).
- IV. The company will claim CSR expenditure only for the funds that are provided from its own resources and not for the contribution received from the other sources.
- V. The CSR budget will be used as per the activities mentioned in the schedule VII in project / Programme mode with a process of monitoring, evaluation and clear outlining of desired outcomes.

One of event such as marathons/ awards/ charitable contribution/advertisement/ sponsorship of TV programmes and the like would not qualify as part of CSR expenditure.

- Salaries paid by the Company to regular CSR staff as well as volunteers of the Company can be counted as CSR project cost/ expenditure.
- Contribution to corpus of a trust, society, Section-8 Company etc can qualify as CSR expenditure.

#### PLANNING AND IMPLEMENTATION:

All CSR activities will be in the form of Projects/Programmes, which will, as far as possible, entail the following components:

- Details of annual financial allocation.
- Baseline Survey/Need Assessment where considered necessary/feasible.
- Identification of Beneficiaries.
- Signing of agreement with implementing agency.
- Formulation of detailed Project Report with clear deadlines.
- Preparation and Implementation of a

comprehensive and concurrent documentation procedure.

- Regular Monitoring & Periodic review of the projects.
- Evaluation & Assessment by a third party.
- Mandatory Reporting

#### Mode of carrying CSR activities

- Collaborating with other corporate, Government, International organization participating in projects/programmes where more than one corporate or International agency is involved.
- Through a trust/ society, Section-8 Company set up by the Company or its holding, subsidiary or associate Company.
- If executed through an independent entity, the entity should have three years track record In order to ensure the long term outcomes and impacts, company will lay emphasis on the sustainability of its Projects/Programmes so that they remain sustainable and viable even after the company's withdrawal from the project on

➤ The CSR Committee consisting of the following members as on 31<sup>st</sup> of March, 2021:

S.No.	Name	Nature of Directorship	Designation in Committee
01.	Dr. Uttar Kumar Padhs	Non-Executive Independent Director	Chairman
02.	Mr. Tej Partap	Non-Executive Independent Director	Member
03.	Mr. Anil Kumar	Executive Director	Member

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

Financial Year	Net Profit Before Tax (Rs. In Lakhs)
2017-2018	1460.93
2018-2019	1288.89
2019-2020	<u>225.45</u>
<b>Gross Total</b>	<b><u>2975.27</u></b>

Average Net Profit of Three preceding years

**Rs. 991.75Lacs**

Provision of CSR Expenditure @ 2% of average net profits

**Rs.19.83 Lacs**

- Prescribed CSR Expenditure (two per cent. of the amount as in above item ) : **Rs. 19.83 Lacs**
- Details of CSR spent during the financial year. : **Rs. 1.07 lacs As per the table below)**



- Total amount to be spent for the financial year;  
**Rs. 67.15 Lacs( Last year – FY 2019-2020 unspent amount of Rs. 47.32 lacs included)**  
**Amount unspent, if any; - Rs. 18.76 Lacs**
- **Manner in which the amount spent during the financial year is detailed below.**

As per provision of Section 135 of the Companies Act, 2013, the eligible amount required to be spent by the

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity Identified.	Sector in which the Project is covered	Projects or programs (1)Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (in Rs)	Amount spent on the projects or Programs Subheads:  (1) Direct Expenditure on projects or Programs. (2) Overheads:	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency *
	Training, education, implementation, information on organic farming to farmers, Women Empowerment programmes, Strengthening the farming community etc.	Training about upcoming technology of organic farming Awareness generation of organic farming On farm organic input Marketing Information	<b>Jammu &amp; Kashmir</b>	Rs.53500	Rs.53500	Rs.53500	Sarveshwar Organic Cluster, Sarveshwar Organic Jammu Project, , Sarveshwar Organic Project Jammu, Sarveshwar Organic Kisan Mitra Project, Sarveshwar Organic Kranti Project, Sarveshwar Organic Kisan Khidmat Project, Sarveshwar Organic Kisan Pragti Project, Sarveshwar Organic Kisan Samridhi Project
	Training, education, implementation, information on organic farming to farmers, Empowerment programmes, Strengthening the farming community etc.	Training about upcoming technology of organic farming Awareness generation of organic farming On farm organic input Marketing Information	<b>Himachal Pradesh</b>	Rs.53500	Rs.53500	Rs.53500	Kisan Samaridhi Society- Bir,  Kisan Shakti Society- Jiya,  Kisan Unnati Project, Una  Kisan Unnati Project 2, Basoli
				<b>Rs.107000</b>	<b>Rs.107000</b>	<b>Rs.107000</b>	

As per provision of Section 135 of the Companies Act, 2013, the eligible amount required to be spent by the Company is Rs. 19.83 Lacs during the financial year, 2020-2021, however, the Company despite of its best efforts for the utilization of eligible amount towards CSR, could spend only Rs. 1.07, the unspent amount of Rs 18.72 Lacs shall be spent in the current financial year.

**Date: 02/09/2021**

**Place: Jammu**

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

**ANIL KUMAR  
MANAGING DIRECTOR  
DIN: 07417538**

**SURENDAR SINGH JASROTIA  
DIRECTOR  
DIN:08566350**

**ANNEXURE -I ITO DIRECTORS REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021****FORM NO. AOC -2**

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

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

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

<b>S.No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transaction	Not Applicable
c)	Duration of the contracts/arrangements/transaction	Not Applicable
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Not Applicable
e)	Justification for entering into such contracts or arrangements or transactions	Not Applicable
f)	Date of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Not Applicable
h)	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	

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

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Name (s) of the related party & nature of relationship	<b>Rohit Gupta, Chairman</b>
	Nature of contracts/arrangements/transaction	Rent Agreement
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 36 Lacs
	Date of approval by the Board	31/07/2020
	Amount paid as advances, if any	NIL

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
2	Name (s) of the related party & nature of relationship	<b>Radhika Overseas, Proprietership Firm</b>
	Nature of contracts/arrangements/transaction	Purchases
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 5.70 Lacs
	Date of approval by the Board	31/07/2020

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
3	Name (s) of the related party & nature of relationship	<b>Radhika Overseas, Proprietership Firm</b>
	Nature of contracts/arrangements/transaction	Sales
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 0.51 Lacs
	Date of approval by the Board	31/07/2020
	Amount paid as advances, if any	NIL



SL. No.	Particulars	Details
4	Name (s) of the related party & nature of relationship	<b>Anil Sharma, Managing Director</b>
	Nature of contracts/arrangements/transaction	Salary
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 9.85 Lacs
	Date of approval by the Board	31/07/2020
	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
5	Name (s) of the related party & nature of relationship	<b>Surendar Singh Jasrotia, Executive Director</b>
	Nature of contracts/arrangements/transaction	Salary
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 17.65 Lacs
	Date of approval by the Board	31/07/2020
	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
6	Name (s) of the related party & nature of relationship	<b>Gayatri Tandon, Director</b>
	Nature of contracts/arrangements/transaction	Salary
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 7.31 Lacs
	Date of approval by the Board	31/07/2020
	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
7	Name (s) of the related party & nature of relationship	<b>Seema Rani, Whole Time Director</b>
	Nature of contracts/arrangements/transaction	Salary
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 5.78 Lacs
	Date of approval by the Board	31/07/2020
	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
8	Name (s) of the related party & nature of relationship	<b>Adarsh Kumar Gupta, Independent Director</b>
	Nature of contracts/arrangements/transaction	Sitting Fees
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 0.50 Lacs
	Date of approval by the Board	31/07/2020
	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
9	Name (s) of the related party & nature of relationship	<b>Uttar Kumar Padha, Independent Director</b>
	Nature of contracts/arrangements/transaction	Salary
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 0.33 Lacs
	Date of approval by the Board	31/07/2020
	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
10	Name (s) of the related party & nature of relationship	<b>Sarveshwar Logistics, Partnership Firm</b>
	Nature of contracts/arrangements/transaction	Freight
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 29.75 Lacs
	Date of approval by the Board	31/07/2020
	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
11	Name (s) of the related party & nature of relationship	<b>Himalayan Bio Organic Foods Private Limited, Wholly Owned Subsidiary Company</b>
	Nature of contracts/arrangements/transaction	Purchase
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 8.34 Lacs
	Date of approval by the Board	31/07/2020
	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
12	Name (s) of the related party & nature of relationship	<b>Himalayan Bio Organic Foods Private Limited, Wholly Owned Subsidiary Company</b>
	Nature of contracts/arrangements/transaction	Sales
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 403.99 Lacs
	Date of approval by the Board	31/07/2020
	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
13	Name (s) of the related party & nature of relationship	<b>Sarveshwar Overseas Limited, Subsidiary Company</b>
	Nature of contracts/arrangements/transaction	Purchases
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 1600 Lacs
	Date of approval by the Board	31/07/2020
	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
14	Name (s) of the related party & nature of relationship	<b>Sarveshwar Overseas Limited, Subsidiary Company</b>
	Nature of contracts/arrangements/transaction	Unsecured Loan Given
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 1249.83 Lacs
	Date of approval by the Board	31/07/2020
	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
15	Name (s) of the related party & nature of relationship	<b>Sarveshwar Overseas Limited, Subsidiary Company</b>
	Nature of contracts/arrangements/transaction	Unsecured Loan Repayment Received
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 1400.94 Lacs
	Date of approval by the Board	31/07/2020
	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
16	Name (s) of the related party & nature of relationship	<b>Sarveshwar Overseas Limited, Subsidiary Company</b>
	Nature of contracts/arrangements/transaction	Interest on Loan Received
	Duration of the contracts/arrangements/transaction	F.Y 20-21
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 98.04 Lacs
	Date of approval by the Board	31/07/2020
	Amount paid as advances, if any	NIL

Date: 02/09/2021

Place: Jammu

*For and on behalf Board of Directors*

**ANIL KUMAR**  
**MANAGING DIRECTOR**  
**DIN: 07417538**

**SURENDAR SINGH JASROTIA**  
**DIRECTOR**  
**DIN:08566350**



**ANNEXURE -III TO DIRECTORS REPORT FOR  
THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

**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 Personnel)  
Rules, 2014]**

**To,  
The Members,  
Sarveshwar Foods Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **"M/s Sarveshwar Foods Limited"** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **"M/s Sarveshwar Foods Limited"** 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> 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:

**PARA ONE**

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **"M/s Sarveshwar Foods Limited"** ("the Company") for the financial year ended on 31<sup>st</sup> 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;  
**(Not Applicable to the company during Audit Period)**
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws 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; (No fresh FDI and ECB was taken by the company during the Audit Period)

- (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;
  - (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 Audit Period)**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable to the company during Audit Period)**
- (vi) Other laws specifically applicable to the company as identified by the management:
  - Foods Safety & Standards Act, 2006 & Foods Safety & Standards (Licensing & Registration of Food Business), Regulations, 2011;
  - The Boilers Act, 1923 and rules made thereunder;
  - Legal Metrology Act, 2009 and Rules & Regulations made there under;
  - The Petroleum Act, 1934 and rules made thereunder.
  - Electricity Act, 2003 and the respective State Government Policy/ Guidelines for the Wind and Solar Power Projects.
  - The Employee's Provident fund & Miscellaneous Provisions Act, 1952
  - The Equal Remuneration Act, 1976
  - The Maternity Benefit Act, 1961
  - The Minimum wages Act, 1948
  - The Water (Prevention and Control of Pollution) Act, 1974

- The Air (Prevention and Control of Pollution) Act, 1981
- The Environment (Protection) Act, 1986
- The Employee's State Insurance Act, 1948
- The Factories Act, 1948
- Payment of Gratuity Act, 1972
- The Payment of Wages Act, 1956
- The Industrial Dispute Act, 1947
- The Payment of Bonus Act, 1965

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India;
- b) The Listing Agreements entered into by the company with National Stock Exchange of India Limited;
- c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the company has generally complied with the provisions of the Act, Rules, Regulations, and Guidelines to the extent applicable, Standards, etc. mentioned above subject to following:

- 1) As per provision of Section 135 of the Companies Act, 2013, CSR Provision for the financial year, 2020-21 is Rs. 19.83 Lacs, and the expenditure for the same amounts to Rs.1.07 Lacs.

#### **Observations in Clause (i) Para One of Our Report:**

1. According to information and Explanation and verification of forms and returns maintained by Company, the Company as required under Section 403 pays the prescribed additional fees in case of delayed filing.

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Women 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.

2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda 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 was held in compliance of the Act.
3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings. Based on the compliance mechanism established by the company and on the basis of the Compliance Certificate (s) issued by the Director of the Company, and taken on record by the Board of Directors at their meeting (s),
4. Board of Directors approval was obtained in connection with disinvestment, wherein Sarveshwar Foods Limited on 3<sup>rd</sup> March, 2021 disinvested 55% of its equity shareholding of Natural Global Foods DMCC, it's wholly owned subsidiary of the Company. As a result, Natural Global Foods DMCC became Associate Company during Financial Year 2020-2021

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

We further report that during the audit period the company has not incurred any specific event/ action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc. except as follows:

1. Appointment of Mr. Ashu Gupta as Additional Director of the company on 28<sup>th</sup> October, 2020.
2. Appointment of Mr. Harbans Lal as Additional Director of the company on 28<sup>th</sup> October, 2020
3. Resignation of Mr. Sourabh Mehta from post of Chief Financial officer of the Company with effect from 13<sup>th</sup> November, 2020 and appointment of Mr. Deepak Agarwal as Chief Financial Officer of the Company with effect

from 13<sup>th</sup> November, 2020.

4. Resignation of Dr. Gayatri Tandon from post of Directorship with effect from 18<sup>th</sup> December, 2020  
Resignation of Mr. Deepak Agarwal from post of Chief Financial Officer of the Company and appointment of Mr. Atul Garg as Chief Financial Officer with effect from 21<sup>st</sup> January, 2021.
5. Change in designation of Ms. Seema Rani from executive director to whole time director of the Company with effect from 21<sup>st</sup> January, 2021.
6. Appointment of Ms. Mansi Gupta as Company Secretary & Compliance Officer of the Company.

**For Yamina Almas & Associates**

Company Secretaries

**CS Aamir Aslam**

**Partner**

M.No: 49686

CP No: 18068

Place: Srinagar

Date: 01/09/2021

**ANNEXURE-1 TO THE SECRETARIAL AUDIT REPORT**

To,

The Members,

**M/s. Sarveshwar Foods Limited**

Sarveshwar House, Below Gummat, Jammu  
J&K -180001

Sub: Our Secretarial Audit for the Financial Year ended March 31, 2021 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ver 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 the management. Our examination was limited to the verification of the 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.

**For Yamina Almas & Associates**

Company Secretaries

**CS Aamir Aslam**  
**Partner**

M.No: 49686

CP No: 18068

Place: Srinagar

Date: 01/09/2021

**UDIN:- A049686C000871243**



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
***(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI***  
***(Listing Obligations and Disclosure Requirements) Regulations, 2015)***

To  
The Members,  
**SARVESHWAR FOODS LIMITED**  
**SARVESHWAR HOUSEBELOW GUMAT**  
**JAMMU AND KASHMIR JK 180001 IN**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Sarveshwar Foods Limited** having **CIN L15312JK2004PLC002444** and having registered office at **SARVESHWAR HOUSEBELOW GUMAT JK** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

**For Yamina Almas & Associates**

Practicing Company Secretaries

Sd/-  
**CS Aamir Aslam**  
M.No: 49686  
CP No: 18068  
Place: Srinagar  
Date: 27/08/2021

**ANNEXURE -IV TO DIRECTORS REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH,2021**  
**Statement Containing certain financial information of subsidiaries, associate Companies and Joint Ventures of Sarveshwar Foods Limited as at 31<sup>st</sup> March 2021**  
**Statement pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014**  
**PART-A "SUBSIDIARIES/ASSOCIATES"**

Sl. No.	Particulars	Details of Subsidiaries	
1.	<b>Name of the subsidiary/Associate</b>	<b>Sarveshwar Overseas Limited</b>	<b>Himalayan Bio Organic Foods Private Limited</b>
2.	Date since when subsidiary/Associate was acquired	28/04/2015	22/06/2017
3.	Reporting period for the subsidiary/associate concerned, if different from the holding company's reporting period	N/A	N/A
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N/A	N/A
5.	Share capital: Equity Share Capital Preference Share Capital	1500.00 2200.00	280.23 NIL
6.	Reserves & Surplus	642.55	2069.71
7.	Total assets	23443.14	4818.35
8.	Total Liabilities	23443.14	4818.35
9.	Investments	NIL	NIL
10.	Turnover	22496.77	8127.06
11.	Profit/Loss before taxation	74.56	285.33
12.	Provision for taxation	35.8	93.27
13.	Profit/loss after taxation	38.76	192.06
14.	Proposed Dividend	NIL	NIL
15.	% of shareholding	99.00%	100.00%

\*\*AED: Exchange Rate as on 31/03/2021 is Rs. 19.947 per AED.

**PART -B-ASSOCIATES**  
**(Rs. In Lakhs)**

Sl. No.	Particulars	Details of Associates
1.	<b>Name of the Associate</b>	<b>Natural Global Foods DMCC</b>
2.	Date since when Associate was acquired	03/03/2021
3.	Reporting period for the associate concerned, if different from the holding company's reporting period	N/A
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Associate	AED
5.	Total assets	480.20
6.	Total Liabilities	58.70
7.	Net Assets	421.50
8.	Profit/loss after taxation	(13.51)
9.	% of shareholding	45.00%

\*\*AED: Exchange Rate as on 31/03/2021 is Rs. 19.947 per AED.

**CORPORATE GOVERNANCE REPORT**  
**According to the Regulation 27(2) of SEBI**  
**(Listing Obligation and Disclosure**  
**Requirements) Regulations, 2015, the**  
**Corporate Governance report generated by**  
**Sarveshwar Foods Limited**

**“Sarveshwar Foods Limited”** ('the Company') believe that good corporate governance is about ensuring that companies are managed as efficiently as possible in the interests of the stakeholders. Efficient corporate governance requires a clear understanding of the respective roles of the Board and of senior management and their relationships with others in the corporate structure. The relationship of the Board and management shall be characterized by sincerity, their relationship with employees shall be characterized by fairness, their relationship with the communities in which they operate shall be characterized by good citizenship, and their relationship with government shall be characterized by a commitment to compliance.

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

In **Sarveshwar Foods Limited**, Corporate Governance philosophy stems from our belief that corporate governance is an integral element in improving efficiency and growth as well as enhancing investor confidence level. The Board of Directors has the important role of overseeing management performance on behalf of Stakeholders. Stakeholders necessarily have little voice in the day to day management of corporate operations, but have the right to elect representatives (Directors) to look out for their interests and to receive the information they need to make investment and voting decisions. Over the last few years, the Board of Directors of your Company has from time to time developed corporate governance practices to enable the Directors to effectively and efficiently discharge their responsibilities individually and collectively to the shareholders of the Company in the areas of - fiduciary duties - oversight of the Management – evaluation of the Management performance – support and guidance in shaping company policies and business strategies. Corporate Governance has been a high priority both in letter as well as in spirit. The Company's Board of Directors represents the Stakeholders interest in perpetuating a successful business and optimizing long term financial returns in a manner consistent with applicable legal requirements and ethical considerations. The Board is responsible for identifying and taking reasonable actions to help and assure that the Company is

managed in a way designed to achieve this result. The Company is fully compliant with the mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the “SEBI Listing Regulations”) formulated by the Securities and Exchange Board of India

**2. BOARD OF DIRECTORS:**

**A. SIZE AND COMPOSITION OF BOARD**

The present policy of Sarveshwar Foods Limited regarding size and composition of the Board is to have an optimum combination of Executive and Non-Executive Directors along with a Woman Director which clearly demarcate the functions of governance and management. As on March 31, 2021, your Company's Board has a strength of 11 (Nine) Directors including 1 (One) Women Director and one (1) Honorary Chairman. The composition of the Board is given below:

Category	Number of Directors	% to Total No. of Directors
Executive Directors (Including Woman Director)	6	54.54
Independent Non-Executive Directors	4	36.36
Non Executive Director	1	9.1

At present there are 4 (Four) Independent Non-Executive Directors on the Board of Sarveshwar Foods Limited which is in compliance with the provisions of Composition of Board as per SEBI Listing Regulations. All Independent Directors are drawn from amongst eminent professionals with expertise in Business/Finance/Law/Public Enterprises and other allied field. All Independent Directors adhere to the criteria defined under Regulation 16 of SEBI Listing Regulations read with the provisions of Section 152, 149 and other applicable provisions of the Companies Act, 2013.

**B. ROTATION OF DIRECTORS:**

The Independent Directors of your Company will hold office for 5 (Five) consecutive years from the date of appointment in the General Meeting. No Independent Directors are liable to retire by rotation. However, they can resign from directorship any time before their respective tenure.



Pursuant to the provision of Section 149(13) of the Companies Act, 2013, and as per Amended Articles of Association of the Company, all directors except Independent Directors are liable to retire by rotation.

In accordance with the provisions of Section 152 of the Companies Act, 2013, and as per Amended Articles of Association of the Company, Mr. Rohit Gupta, Non-Executive Director and Mr. Surendar Singh Jasrotia, Executive Director, will retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment. This shall not constitute a break in office of Mr. Rohit Gupta, Non-Executive Director and Mr. Surendar Singh Jasrotia, Executive Director in the Company. All the Directors of the Company are entrusted with the ultimate responsibility of the management, general affairs,

direction and performance of the Company and has been vested with the requisite powers, authorities and duties.

### **C. DIRECTORS ATTENDANCE RECORD AND THEIR OTHER DIRECTORSHIP(S) AND COMMITTEE MEMBERSHIP(S):**

As mandated by Regulation 26 of the SEBI Listing Regulations, none of the Director is a member of more than 10 (Ten) Board level Committees or Chairman of more than 5 (Five) Committees across all listed companies in which he/she is a Director. Directors' attendance at the Board Meetings during the financial year and the last Annual General Meeting (AGM) and also their Directorships and Memberships in other committees are given below:

Composition of the Board, Attendance Record, Directorships and Committee Membership for the Financial Year 2020-2021:

Brief Information about Directors		Attendance Record during financial year 2020-2021			Directorship/Membership/ Chairmanship as on March 31, 2021		
Name of Directors	Directors Identification Number	Number of Board Meeting held and Attended		Attendance at the last AGM	Number of Directorships in all Companies* as on March 31, 2021	Number of Committee Positions held in all Companies* as on March 31, 2021	
		Held	Attended			Chairman	Member
Executive Directors:							
Mr. Anil Kumar	07417538	11	11	Yes	04	Nil	03
Mr. Surendar Singh Jasrotia	08566350	11	11	Yes	02	Nil	Nil
Dr. Gayatri Tandon	07417422	11	6	Yes	01	Nil	Nil
Ms Seema Rani	08385581	11	11	Yes	02	Nil	Nil
Mr. Ashu Gupta	08936265	11	06	No	02	Nil	Nil
Mr. Harbans Lal	08571117	11	06	No	03	Nil	Nil
Mr. Mahadeep Singh Jamwal	09106268	11	01	No	01	Nil	Nil
Independent Non-Executive Director:							
Mr. Thyagarajan Kumaran	07465316	11	Nil	No	02	Nil	Nil
Dr. Tej Partap	07818713	11	01	No	01	Nil	04
Dr. Uttar Kumar Padha	07242286	11	05	Yes	02	02	03
Mr. Adarsh Kumar Gupta	08135776	11	04	Yes	01	03	Nil
Non –Executive Director							
Mr. Rohit Gupta	02715232	11	09	Yes	03	Nil	Nil

**D. LIMIT ON THE NUMBER OF DIRECTORSHIPS:**

In compliance with Regulation 25 of the SEBI Listing Regulations, the Independent Directors on the Board of the company does not serve as an Independent Directors in more than 7 (Seven) Listed Companies and in case he/she is serving as a Whole Time Director in any Listed Company, does not hold position of Independent Director in more than 3 (Three) Listed Companies.

**E. MAXIMUM TENURE OF INDEPENDENT DIRECTORS:**

In accordance with the provisions of Section 149(11) of the Companies Act, 2013, the current tenure of Independent Directors of the Company has been fixed for a period of 5 (Five) consecutive years from the date of their Appointment/change in designation.

**F. FORMAL LETTER OF APPOINTMENT TO INDEPENDENT DIRECTORS:**

- i) In accordance with the provisions of SEBI Listing Regulations read with Schedule IV of the Companies Act, 2013, the Company has issued formal letters of appointment along with the terms and conditions of appointment to all the Independent Directors.

**G. PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS:**

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board members, including Independent Directors. The performance evaluation of Independent Directors was done by the entire Board of Directors excluding the directors being evaluated.

**H. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

- i) In compliance with the provisions of Regulation 25 of the SEBI Listing Regulations, all Independent Directors are familiarized about the company, through various programs from time to time, including the following:
- (a) nature of the industry in which the company operates;
  - (b) business model of the company;
  - (c) roles, rights and responsibilities of Independent Directors; and
  - (d) any other relevant information.
- ii) The policy on the familiarization programs for Independent Directors has been uploaded on the Company's website at [www.sarveshwarrice.com](http://www.sarveshwarrice.com).

**I. NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON- EXECUTIVE DIRECTOR:**

S.No	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01-04-2020 to 31-03-2021)	
	For each of the Non – Executive Directors	No. of Shares at the beginning	% of Total Shares of the company				No. of Shares	% of Total Shares of the company
<b>DIRECTORS:</b>								
01.	Rohit Gupta	1,80,88,800	73.629	March, 2021	Nil	Nil	1,80,88,800	73.629
02.	Thyagarajan Kumaran	NIL	NIL	March, 2021	NIL	NIL	NIL	NIL
03.	Dr. Tej Partap	NIL	NIL	March, 2021	NIL	NIL	NIL	NIL
04.	Adarsh Kumar Gupta	NIL	NIL	March, 2021	NIL	NIL	NIL	NIL
05.	Dr. Uttar Kumar Padha	NIL	NIL	March, 2021	NIL	NIL	NIL	NIL

## **.J. ROLES AND RESPONSIBILITIES OF THE BOARD:**

The primary role of the Board is that of trusteeship to protect and enhance shareholders value through strategic direction to the company. As trustee, the Board of Directors has fiduciary responsibility to ensure that the company has clear goals aligned to shareholder value and its growth. The Board exercises its duties with care, skill and diligence and exercises independent judgment. The Board sets strategic goals and seeks accountability for their fulfillment. The Board also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfills stakeholders' aspirations and societal expectations.

### **Disclosure of Information:**

- Members of Board of Directors and key managerial personnel shall disclose to the Board of Directors whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the company.
- The Board of Directors and senior management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.

### **Key functions of the Board:**

- The Board reviews and guides Corporate Strategy, Major Plans of Action, Risk Policy, Annual Budgets and Business Plans; Setting Performance Objectives; Monitoring Implementation and Corporate Performance; and Overseeing Major Capital Expenditures.
- Board monitors the effectiveness of the Company's governance practices and making changes as needed.
- Selects, Compensates, Monitors and, when necessary, replaces key executives and overseeing succession planning.
- Ensures a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.
- Monitors and manages potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions.
- Ensures the integrity of the Company's Accounting and Financial Reporting Systems, including the Independent Audit,

and that appropriate systems of control are in place, in particular, systems for Risk Management, Financial and Operational Control, and Compliance with the law and relevant standards.

- Oversees the process of disclosure and communications.
- Monitors and reviews Board Evaluation Framework.
- Aligned key managerial personnel and remuneration of Board of Directors with the longer term interests of the company and its shareholders.
- Company has well established committees of the Board of Directors, and their mandate, composition and working procedures have been well defined and disclosed by the Board of Directors.

### **Other responsibilities:**

- The Board provides the strategic guidance to the company, ensure effective monitoring of the management and should be accountable to the company and the shareholders.
- The Board sets corporate culture and the values by which executives throughout a group will behave.
- Board members acts on a fully informed basis, in good faith, with Due Diligence and Care, and in the best interest of the Company and the shareholders.
- The Board encourages continuing directors training to ensure that the Board members are kept up to date.
- Where Board decisions affect different shareholder groups differently, the Board treats all shareholders fairly.
- The Board applies high ethical standards. It takes into account the interests of stakeholders.
- The Board is able to exercise objective Independent Judgement on Corporate Affairs.
- Board considers assigning a sufficient number of Non-Executive Board Members capable of exercising Independent Judgement to tasks where there is a potential for conflict of interest.
- The Board ensures that, while rightly encouraging positive thinking, these do not result in over optimism that either leads to significant risks not being recognized or exposes the company to excessive risk.
- In order to fulfill their responsibilities, board members have access to accurate, relevant



and timely information.

- The Board and Senior Management facilitate the Independent Directors to perform their role effectively as a Board member and also a member of a committee.

#### **Role of Independent Directors:**

Independent Directors have emerged as the cornerstones of the worldwide Corporate Governance movement. Their increased presence in the boardroom has been hailed as an effective deterrent to fraud and mismanagement, inefficient use of resources, inequality and unaccountability of decisions and as a harbinger for striking the right balance between individual, economic and social interests.

Independent Directors plays a key role in the decision making process of the Board. The Independent Directors are committed to act in what they believe to be in the best interest of the Company and its Shareholders. The Independent Directors are professionals, with expertise and experience in general corporate management, Public Policy, Finance, Financial Services and Other allied fields. This wide knowledge of their respective fields of expertise and best-in-class boardroom practices helps foster varied, unbiased, Independent and experienced perspective. The company benefits immensely from their inputs in achieving its strategic direction.

#### **K. INTER-SE RELATIONSHIP AMONGST DIRECTORS:**

There is no inter-se relationship amongst Directors of the company.

### **3. BOARD MEETINGS AND PROCEDURES:**

#### **A. BOARD MEETINGS**

Company's Corporate Governance Policy requires the Board to meet at least four times in a year. The maximum gap between two board meetings should not be more than 120 (One hundred and twenty) days as prescribed under Regulation 17 of the SEBI Listing Regulations. Additional board meetings may be convened to address the specific needs of the Company. In case of business exigencies or matters of urgency, the board may also approve resolution by circulation as permitted by the Companies Act, 2013.

#### **B. BOARD PROCEDURE**

Board Meetings are governed by a structured agenda. The Agenda is prepared in consultation with the Chairman of the Board of Directors and all other

Board Members. The agenda for the meetings of the board together with the appropriate supporting documents are circulated well in advance to all the Board members. Detailed presentations are also made to the Board covering operations, Business Performance, Finance, Sales, Marketing, Global and Domestic Business Environment and related details. All necessary information including but not limited to those as mentioned in Part-A Schedule II of the SEBI Listing Regulations are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company. The Board also reviews periodical compliances of all laws, rules and regulations. At the Board Meeting, members have full freedom to express their opinion and decisions are taken after detailed deliberations. Members of the senior management team are invited to attend the Board Meetings as and when required, which provides additional inputs to the items being discussed by the Board.

#### **C. SHAREHOLDING OF DIRECTORS**

The Shareholding of Directors as on March 31, 2021 given below:

<b>Name</b>	<b>Number of Shares Held</b>
Mr. Rohit Gupta	1,80,88,800
Mr. Anil Kumar	200
Mr. Thyagarajan Kumaran	Nil
Dr. Tej Partap	Nil
Mr. Adarsh Kumar Gupta	Nil
Dr. Uttar Kumar Padha	Nil
Mr. Surendar Singh Jasrotia	Nil
Ms. Seema Rani	Nil

#### **D. DISCLOSURE PURSUANT TO REGULATION 36 OF THE SEBI LISTING REGULATIONS REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS AT THE FORTHCOMING AGM:**

- Mr. Rohit Gupta, aged 52 years, is the Non-Executive Director of your Company.
- Mr. Gupta is a Commerce graduate having experience of more than two decades in the rice industry. He has been the guiding force for the Group in terms of strategy and Management. His continuous efforts and ongoing approach made him to attain the Achiever of the North Award From Times Group (ET Now). He also received Best in Industry Award from the J&K Government.

**Disclosure of relationship between directors inter-se:**

There is no inter-se relationship between the Directors and Mr. Rohit Gupta.

Listed Entities (other than Sarveshwar Foods Limited) in which Mr. Rohit Gupta holds directorship and membership in committees are as follows:  
Directorship: NIL

Chairperson of Board Committees: Nil

Member of Board Committees: Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility (CSR) Committee and Risk Management Committee.

Shareholding in the Company: 18088800 Equity Shares

- Mr. Surendar Singh Jasrotia, aged 52 years, is the Executive Director of your Company.
- Mr. Jasrotia is a science graduate and MBA in International Marketing & Indian Marketing obtained certified courses from IIM. Mr. Surendar has over 27 years of sales and business leadership experience across industries.

**Disclosure of relationship between directors inter-se:**

There is no inter-se relationship between the Directors and Mr. Surendar Singh Jasrotia.

Listed Entities (other than Sarveshwar Foods Limited) in which Mr. Rohit Gupta holds directorship and membership in committees are as follows:  
Directorship: NIL

Chairperson of Board Committees: Nil

Member of Board Committees: Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility (CSR) Committee and Risk Management Committee.

Shareholding in the Company : NIL

**4. COMMITTEES OF THE BOARD:**

Sarveshwar Foods Limited has 5 (Five) Board level Committees:

- ❖ Audit Committee
- ❖ Nomination and Remuneration Committee
- ❖ Stakeholders Relationship Committee
- ❖ Corporate Social Responsibility (CSR) Committee
- ❖ Risk Management Committee

**I) AUDIT COMMITTEE:****A. Composition of the Committee**

The audit committee presently consists of the following Directors of the Board:

- i) Mr. Adarsh Gupta, Chairman;
- ii) Dr. Uttar Kumar Padha, Member;
- iii) Mr. Anil Kumar, Member

All the members of the Committee have good knowledge of Finance, Accounts and Business Management. The Chairman of the Committee, Mr. Adarsh Kumar Gupta, has more than thirty two (32) years of experience in the banking sector. He worked with J&K Bank for a period of 32 years at various positions. The Statutory Auditors of the Company attend the meetings of the Committee on the invitation of the Chairman.

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The audit committee oversees the work carried out in the financial reporting process by the management, the internal auditors and the independent auditors, and notes the process and safeguards employed by each of them.

**B. Terms of Reference**

The roles, powers and functions of the Audit Committee of Sarveshwar Foods Limited are in accordance with the provisions of Section 177 of the Companies Act, 2013, read with Regulation 18 and Part-C of Schedule II of the SEBI Listing Regulations.

The scope of the Audit Committee shall include the following:

1. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of our Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3

of section 134 of the Companies Act, 2013;

- b. Changes, if any, in accounting policies and practices and reasons for the same;
- c. Major accounting entries involving estimates based on the exercise of judgment by management;
- d. Significant adjustments made in the financial statements arising out of audit findings;
- e. Compliance with listing and other legal requirements relating to financial statements;
- f. Disclosure of any related party transactions; and
- g. Modified opinion(s) in the draft audit report.

5. Reviewing, the quarterly financial statements with the management before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of our Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of our Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Monitoring the end use of funds raised through public offers and related matters;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17. Discussion with statutory auditors before the commencement of the audit, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. To look into the reasons for substantial defaults in

the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

19. To establish and review the functioning of the whistle blower mechanism;

20. Approval of appointment of the chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

21. Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or the SEBI Listing Regulations or by any other regulatory authority; and

22. Review of (1) management discussion and analysis of financial condition and results of operations; (2) statement of significant related party transactions (as defined by the audit committee), submitted by management; (3) management letters / letters of internal control weaknesses issued by the statutory auditors; (4) internal audit reports relating to internal control weaknesses; (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; (6) statement of deviations including (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

### C. Meetings and Attendance

During the financial year 2020-2021, 4 (Four) meetings of Audit Committee were held. Details of Audit Committee Meetings held and attended by members during the financial year 2020-2021 are as follows:

S No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of Attendance
01.	04/09/2020	3	2	66.66
02.	28/10/2020	3	2	66.66
03.	13/11/2020	3	2	66.66
04.	18/12/2020	3	2	66.66
05.	21/01/2021	3	2	66.66
06.	03/03/2021	3	2	66.66



## D. Remuneration Policy

The Remuneration policy of the Company is to lay down a framework in relation to remuneration of Directors, KMP, Senior Management Personnel and other Employees and directed towards rewarding performance, based on review of achievements on periodic basis. The remuneration paid to Directors, Key Managerial Personnel (KMP) and Senior Management is recommended by the Remuneration Committee and approved by the Board of Directors in the Board Meeting, subject to the subsequent approval by the shareholders (for Directors only) at the General Meeting and such other authorities, as the case may be. The Non-Executive Directors will be paid with the sitting fee, if any, subject to the approval of Board of Directors/including any sub-committee thereof, upto the limit as specified under the Companies Act, 2013 and also in Compliance with the SEBI Listing Regulations. The Nomination and Remuneration policy is available on the website of the company at [www.sarveshwarice.com](http://www.sarveshwarice.com).

## E. Remuneration of Directors

Details of Remuneration and Sitting Fees paid to the Directors during the Financial Year 2020-2021 are as follows:

Name of Directors	Salaries	Perquisites	Sitting Fees*	Total
Mr. Anil Kumar	Rs.985,128/-	-	-	Rs.985,128/-
Mr. Surender Singh Jasrotia	Rs.1,764,924/-	-	-	Rs.1,764,924/-
Ms. Seema Rani	Rs.5,78,390/-	-	-	Rs.5,78,390/-
Dr. Gayatri Tandon	Rs.730,734/-	-	-	Rs.730,734/-
Dr. Uttar Kumar Padha	Rs.33000/-	-	-	Rs.33000/-
Mr. Adarsh Kumar Gupta	Rs 50000/-	-	-	Rs 50000/-

## III) Stakeholders Relationship Committee:

### A. Composition of the Committee

The Stakeholders Relationship Committee presently consists of the following Directors of the Board:

- Mr. Adarsh Gupta, Chairman;
- Dr. Tej Partap, Member;
- Dr. Uttar Kumar Padha, Member

### B. Terms of Reference

The scope of the Stakeholders Relationship Committee is set out below:

- Resolving the grievances of the shareholders of our Company including complaints related to transfer

of shares, non- receipt of annual report and non-receipt of declared dividends;

- Investor relations and redressal of grievances of security holders of our Company in general and relating to non-receipt of dividends, interest, non-receipt of balance sheet, etc.;

- Approve requests for security transfers and transmission and those pertaining to rematerialisation of securities /subdivision/ consolidation/ of shares, issue of renewed and duplicate share/debenture certificates, etc.; and

- Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

## C. Meetings and Attendance

During the financial year 2020-2021, 1(One) meeting of Stakeholders Relationship Committee were held. Details of Stakeholders Relationship Committee Meetings held and attended by members during the financial year 2020-2021 are as follows:

S No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of Attendance
01.	18/12/2020	3	2	66.66

## IV) Corporate Social Responsibility (CSR) Committee:

### A. Composition of the Committee

The CSR Committee presently consists of the following Directors of the Board:

- Dr. Uttar Kumar Padha, Chairman;
- Dr. Tej Partap, Member;
- Mr. Anil Kumar, Member

### B. Terms of Reference

The scope of the CSR Committee is set out below:

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the activities;
- To monitor the CSR Policy of our Company from time to time;
- To monitor the CSR activities undertaken by our Company, which shall be as per the CSR Policy, as projects or programs or activities undertaken in India (either new or ongoing), excluding activities undertaken in its normal course of business;
- To provide a report on CSR activities to the Board of our Company;

6. To be responsible for the implementation and monitoring of CSR Policy, this shall be in compliance with CSR objectives and Policy of our Company; and
7. To ensure the compliance of Section 135 read with Schedule VII of Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 and subsequent amendments thereto.

### C. Meetings and Attendance

During the financial year 2020-2021, 1(One) meeting of Corporate Social Responsibility (CSR) Committee were held. Details of Corporate Social Responsibility (CSR) Committee held and attended by members during the financial year 2020-2021 are as follows:

S No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of Attendance
01.	03/03/2021	3	2	66.66

### V) Risk Management Committee:

#### A. Composition of the Committee

The Risk Management Committee presently consists of the following Directors of the Board:

- i) Dr. Uttar Kumar Padha, Chairman;
- ii) Dr. Tej Partap, Member;
- iii) Mr. Anil Kumar, Member

The purpose of Risk Management Committee of the Board of Directors is to assist the Board in fulfilling its corporate governance oversight responsibilities with regard to the Identification, Evaluation and Mitigation of Operational, Strategic and External Environment Risks.

### B. Terms of Reference

The role of the Risk Management Committee of Sarveshwar Foods Limited is to identify the risks impacting Company's business and formulate and administer Policies/ Strategies aimed at Risk Minimization and risk mitigation as part of risk management.

The scope of the Risk Management Committee is set out below:

1. To finalise risk assessment under the risk management framework;
2. To monitor and review risk management plan/ framework as approved by the Board; and
3. To inform the Board in relation to the risk assessed and action required to be taken/ already taken for mitigating risks on quarterly basis.

### C. Meetings and Attendance

During the financial year 2020-2021, 1(One) meeting of Risk Management Committee were held. Details of Risk Management Committee Meetings held and attended by members during the financial year 2020-2021 are as follows:

S No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of Attendance
01.	03/03/2021	3	2	66.66

### 5. MATERIAL SUBSIDIARY COMPANIES:

Sarveshwar Foods Limited has two material subsidiaries i.e. Sarveshwar Overseas Limited, Himalayan Bio Organic Foods Private Limited as defined under Regulation 16(1)(c) of the SEBI Listing Regulations.

The Company has formulated a policy for determining its Material Subsidiaries and the same is available on the website of the Company at [www.sarveshwarrice.com](http://www.sarveshwarrice.com).

## 6. DETAILS OF ANNUAL GENERAL MEETINGS:

### GENERAL BODY MEETING HELD DURING LAST 3 YEARS

Financial Year	General Meeting	Location	Date	Time
2019-2020	16 <sup>th</sup> AGM	SFL Meeting Hall, Village Seora, Baba Fareed Nagar, Bisnah –Kunjiwani Road, Jammu, J& K -181132	29 <sup>th</sup> September, 2020	11:00 AM.
2018-2019	15 <sup>th</sup> AGM	Raddison Blu Hotel, Raddison Square, Narwal Bala, Bypass Road, Jammu, Jammu & Kashmir- 180006	27 <sup>th</sup> September, 2019	11:00 A.M.
2017-2018	14 <sup>th</sup> AGM	Raddison Blu Hotel, Raddison Square, Narwal Bala, Bypass Road, Jammu, Jammu & Kashmir- 180006	25 <sup>th</sup> Day of September, 2018	3:00 P.M

During the last three Annual General Meetings, two special resolutions was passed by the Shareholders of the Company.

Special Resolutions was passed in Annual General Meeting held for FY 2018-2019 for following special business:

1. Approval of Sarveshwar foods Limited Employee Stock Option Scheme 2019 (SFLE SOS 2019).
2. Approval of SFL ESOS Trust for the eligible employees of the Company.

**Extra Ordinary General Meetings held during the financial year 2020-2021:**

**No Extra Ordinary General Meeting was conducted during the Financial Year 2020-2021.**

## **B. SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT**

During the financial year 2020-2021, No resolution was passed through Postal Ballot.

## **7. DISCLOSURES:**

### **A. MANAGEMENT DISCUSSION AND ANALYSIS**

The Annual Report has a detailed chapter on Management Discussion and Analysis, which forms part of this report.

### **B. MATERIALY SIGNIFICANT RELATED PARTY TRANSACTIONS**

Related party transactions as required by the Indian Accounting Standard Ind AS-24 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India (ICAI) disclosed in Notes to the Annual Accounts. Members may refer to the notes to accounts for details of Related Party Transactions. However these are not having potential conflict with the interest of the Company at large.

The Company has formulated a Policy on Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of the Companies Act, 2013 read with the provisions of Regulation 23 of the SEBI Listing Regulations.

### **C. DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS**

The Company has followed prescribed Indian Accounting Standards as laid down by the Institute of Chartered Accountants of India (ICAI) and notified by the Ministry of Corporate Affairs in preparation of its financial statements. Kindly refer to Note No. 2 of the financial statements (standalone and consolidated) for significant accounting policies adopted by the Company.

### **D. STATUTORY COMPLIANCE, PENALTIES AND STRICTURES**

The Company has paid penalty of Rs 25960 for delay in publishing Annual Report with the Exchange in accordance with Regulation 34 of Sebi (LODR) Regulation, 2015. The penalty was imposed in terms of provisions of System Operating process. The reasons for delay was due to Covid-19 outbreak and circumstances prevailing in the Office due to Covid - 19 pandemic and detailed reason for delay was filed with the exchange.

Further, Company also paid fine of Rs 22420 to National Stock Exchange of India Limited for delay in appointment of Company Secretary in accordance with Regulation 34 of Sebi (LODR) Regulation, 2015. The detailed reason for delay for appointment of Company Secretary was filed with the exchange.

Except above mentioned delay compliance, there was no other case of non-compliance and no other penalties was imposed by stock exchange or SEBI or any other statutory Authorities for any violation during the Financial year 2020-2021.

### **E. VIGIL MECHANISM POLICY**

The Company promoted ethical behavior in all its business activities and in line with the best governance practices, Sarveshwar Foods Limited has established a system through which Directors, employees, business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has a policy, under which all Directors, Employees, Business Associates have direct access to the Chairman of the Audit Committee. The Policy has been disclosed on the website of the company at [www.sarveshwarrice.com](http://www.sarveshwarrice.com).

### **F. PECUNIARY RELATIONSHIP OR TRANSACTIONS WITH NON-EXECUTIVE DIRECTORS**

There is no pecuniary relationship or transactions with Non- Executive Directors except payment of sitting fee to Non- Executive Directors.

### **G. DISCLOSURE REGARDING APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS**

Disclosure regarding Directors appointed/re-appointed is given under the head Directors. Further, the relevant details also forming part of the Notice of 17<sup>th</sup> Annual General Meeting of the Company.

### **H. RISK MANAGEMENT**

As required under Regulation 21 of the SEBI Listing Regulations, the Company has a review procedure to apprise the Board of Directors of the Company on



the Key Risk Assessment areas and suggest Risk Mitigation Mechanism.

#### **I. CORPORATE SOCIAL RESPONSIBILITY**

The detailed Annual Report on Corporate Social Responsibility have also been disclosed as Annexure-1 in the separate section titled Directors' Report forming part of the Annual Report.

#### **J. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandated under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has a formulated policy for prevention of sexual harassment of its women employees.

#### **K. CEO/ CFO CERTIFICATION**

CFO certification on the Financial Statements and the cash flow statement for the year is given at the end of the report on Corporate Governance.

#### **8. MEANS OF COMMUNICATION FINANCIAL RESULTS AND ANNUAL REPORTS ETC.**

The Half Yearly and the Annual Audited Financial Results as approved and taken on record by the Board of Directors of the Company are sent immediately to the NSE with which the Shares of the Company are listed.

The Half Yearly and Annual Financial Statements, the Annual Report of the Company and other information can also be retrieved by Investors from the website of the Company at [www.sarveshwarrice.com](http://www.sarveshwarrice.com).

### **9. GENERAL SHAREHOLDER INFORMATION ANNUAL GENERAL MEETING**

Day, Date & Time	Wednesday September 29, 2021 11.00 A. M
Venue	SFL Meeting Hall, Village Seora, Baba Fareed Nagar, Bisnah –Kunjwani Road, Jammu (J& K) - 181132
Financial Calendar	The Financial year of the Company start from 1st April of a year and ends on March 31 of the following year.
<b>Tentative Schedule for declaration of results during the financial year 2020-2021</b>	
• 1st Half Year (September, 2020)	Third week of December, 2020
• 2 <sup>nd</sup> Half Year (March, 2021) and Audited : Financial Results for the year ended 31st March, 2021	Third week of July, 2021
Date of Book Closure	From Tuesday, 22 <sup>th</sup> September, 2021 to Tuesday, 29 <sup>th</sup> September, 2021 (both days inclusive) for the purpose of Annual General Meeting
Listing on Stock Exchange and Stock Code	Equity Shares of the Company are listed at National Stock Exchange of India Limited (NSE- EMERGE), (Symbol: SARVESHWAR)
Face Value of Equity Shares	Rs. 10/- each.

## 10. MARKET PRICE DATA

**Monthly High/Low price of Equity Shares of the Company during the financial year 2020-2021 on National Stock Exchange of India Limited.**

Month	National Stock Exchange of India Limited (NSE)	
	Month's High Price (In Rs.)	Month's Low Price (In Rs.)
March, 2021	9.60	37.85

## 11. REGISTRAR AND SHARE TRANSFER AGENT

The Company has appointed **M/s. Bigshare Services Private Limited**, 1st Floor, Bharat Tin

Works Building Opp. Vasant Oasis, Makwana Road Marol, Andheri (East) Mumbai-400059 as its Registrar and Transfer Agent (RTA) for electronic mode of Transfer of Share of both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

## 12. SHARE TRANSFER SYSTEM

The Company's shares being in compulsory Demat list are transferable through the depository system. The Company obtains half-yearly certificate of compliance related to the share transfer formalities from a Company Secretary in practice and Registrar and Share Transfer Agent as required under Regulation 40 (9) and 7(3) of the Listing Regulations respectively and files a copy of the certificate with the Stock Exchanges on or before the due date.

For guidance on depository services, shareholders may write to the Company or to the respective depositories:

<b>National Securities Depository Limited (NSDL)</b> Trade World, 4th Floor Kamala Mills Compound Senapati Bapat Marg, Lower Parel Mumbai – 400 013 Telephone: 022 – 24994200 Facsimile: 022 – 24972933 E-mail: investor@nsdl.co.in Website: www.nsdl.co.in	<b>Central Depository Services (India) Limited (CDSL)</b> Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013 Telephone: 022 – 22723333 Facsimile: 022 – 22723199 E-mail: info@cdslindia.com Website: <a href="http://www.cdslindia.com">www.cdslindia.com</a>
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## 13. DIVIDEND

Sarveshwar Foods Limited has not declared any dividend during the year under review.

## 14. RECONCILIATION OF SHARE CAPITAL AUDIT

Mr. Aamir Aslam, M/s Yamina Almas & Associates, ACS Number-49686, CP Number -18068, Practicing Company Secretaries, carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the Reconciliation of Total Issued and Listed Capital with that of total share capital admitted / held in Dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges, where the Company's shares are listed.

**15. SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2021:**

Sr. No.	Category of Shares	No. of Shares	% of total shares
(A)	<b>Promoter &amp; Promoter Group :</b>		
	(a) Individuals/Hindu Undivided Family	18099800	73.67
	(b) Bodies Corporate	-	-
	Sub Total	18099800	73.67
(B)	<b>Public Shareholding</b>		
	1. Institutions		
	(a) Mutual Funds	-	-
	(b) Alternate Investment Funds	00	00
	(c) Financial Institutions/Banks	-	-
	(d) Foreign Institutional Investors	-	-
	1. Non-Institutions 2.		
	(a) Individuals	4913800	20
	(b) Trust	-	-
	(c) Hindu Undivided Family	220800	0.9
	(d) Non-Resident	496000	2.03
	(e) Clearing Members	67200	0.27
	(f) Bodies Corporate	769600	3.13
	Sub Total	24567200	100

**16. TOP TEN SHAREHOLDERS (OTHER THAN PROMOTERS) AS ON MARCH 31, 2021**

S.No	Name of Top Ten Shareholders	Number of Shares held	% of Shares
01.	NADIKATTU RAMI REDDY	409600	1.67
02.	PALADUGU DHANANJAYA RAO	408000	1.66
03.	BAL KRISHEN	406400	1.65
04.	SAHIL GUPTA	376000	1.53
05.	KEYNOTE CAPITALS LTD	294400	1.20
06.	BACKBAY EQUITY PARTNERS LLP	243200	0.99
07.	P F DADABHAO	187200	0.76
08.	DR. RAMESH CHIMANLAL SHAH	134400	0.55
09.	G DAS CAPITAL MARKETS PRIVATE LIMITED	94400	0.38
10.	ABHISHEK GUPTA	73600	0.30

**17. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2021**

NOMINAL SHARE HOLDERS	NUMBER OF SHARE HOLDERS	PERCENTAGE OF SHARES %	SHARE AMOUNT (RS)	PERCENTAGE %
1-5000	05	0.3383	10000	0.0041
5001-10000	03	0.2030	16000	0.0065
10001-20000	1213	82.0704	19408000	7.9000
20001-30000	Nil	Nil	Nil	Nil
30001-40000	133	8.9986	4256000	1.7324
40001-50000	29	1.9621	1392000	0.5666
50001-100000	40	2.7064	3024000	1.2309
100001-999999999	55	3.7212	217566000	88.5595
<b>Grand Total</b>	<b>1478</b>	<b>100.00</b>	<b>245672000</b>	<b>100.00</b>

**18. ADDRESS FOR CORRESPONDENCE:**

Sarveshwar Foods Limited  
Sarveshwar House, Below Gummat, Jammu-J&K  
E-mail: [investorrelations@sarveshwarrice.com](mailto:investorrelations@sarveshwarrice.com)



**CFO Certification pursuant to Regulation 17(8) of SEBI ( Listing Obligations & Disclosure Requirements), 2015 for the financial year ending 2020-2021.**

To,  
The Board of Directors,  
**M/s. Sarveshwar Foods Limited**  
Sarveshwar House, Below Gumat, Jammu  
J&K -180001  
This is to certify that:

a) I, Sourabh Mehta, Chief Financial Officer of the Company have reviewed financial statements and cash flow statement for the year 2020-2021 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 present a true and fair view of the Company's affairs and are in compliance with the 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) I, 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 pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) I have indicated to the auditors and the Audit committee,

I. Significant changes in internal control over financial reporting during the year,

II. Significant change in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and;

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

Thanking you,

For **Sarveshwar Foods Limited**

**Sourabh Mehta**  
Chief Financial Officer

Dated: 20/07/2021  
Place: Jammu

## **DECLARATION BY MANAGING DIRECTOR**

I, **Anil Kumar**, (DIN: **07417538**) Managing Director of “Sarveshwar Foods Limited”, hereby declare that all the members of the Board of Directors have affirmed compliance with the Code of Conduct applicable to them as laid down by the Board of Directors in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March 2021.

*By Order of the Board  
For Sarveshwar Foods Limited*

**ANIL KUMAR**  
**MANAGING DIRECTOR**  
**DIN:07417538**  
Place: Jammu  
Date: 02/09/2021

## **CERTIFICATE ON CORPORATE GOVERNANCE**

**To,**

**The Members of Sarveshwar Foods Limited**

We have examined the compliance of conditions of Corporate Governance by Sarveshwar Foods Limited for the year ended March 31, 2021 as stipulated in the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015") as referred in Regulation 15(2) of the listing regulations for the period 1st April, 2020 to 31st March 2021.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

**For Yamina Almas & Associates**  
Practicing Company Secretaries

**CS Aamir Aslam**  
**Partner**  
M.No: 49686  
CP No: 18068

Place: Srinagar  
Date: 27/08/2021



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SARVESHWAR FOODS LIMITED

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

#### Opinion

We have audited the standalone financial statements of **SARVESHWAR FOODS LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its Profit, and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director's report, management discussion and analysis and report on corporate governance, but does not include the financial statements and our auditor's report thereon. The director's report, management discussion and analysis and report on corporate governance are 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 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.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters to communicate

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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.

### **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 Companies Act, 2013, we

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

2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company did not have any pending litigations for which there were any impact on its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For KRA & Co.**  
**Chartered Accountants**  
**(Firm Registration No.020266N)**

**Rajat Goyal**  
**Partner**  
**Membership No.: 503150**  
**UDIN: 21503150AAA.VK5451**  
**Place: Delhi**  
**Date: July 20, 2021**



**ANNEXURE -A TO THE INDEPENDENT  
AUDITORS' REPORT OF EVEN DATE ON THE  
STANDALONE FINANCIAL STATEMENTS OF  
SARVESHWAR FOODS LIMITED**

**(Referred to in Paragraph 1 under the heading of  
"Report on Other Legal and Regulatory  
Requirements" of our report of even date)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (b) In accordance with the phased programme for verification of fixed assets, certain items of fixed assets were physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of immovable properties are held in the name of the company.
- (ii) Stocks of inventories have been physically verified during the year by the management. The Company has a perpetual inventory system. In our opinion, the frequency of such verification is reasonable.
- (iii) The company has granted loan to its subsidiary company namely Sarveshwar Overseas Ltd, which is covered in the register maintained under Section 189 of the Companies Act, 2013. Terms and conditions of the grant of such loan are not prejudicial to the company's interest. The schedule of repayment of principal and payment of interest has been stipulated. As per the repayment schedule, repayment of the said loan was not due during the year under audit.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. Consequently, clause (v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Company is not

required to maintain cost records under section 148(1) of the Companies Act, 2013. Consequently, clause (vi) of the Order is not applicable to the Company.

- (vii) According to the information and explanations given to us and on the basis of our examination of the books of account, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, GST, cess and any other dues, during the year, with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, GST, cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
  - (c) There are no dues of Income-tax, Sales-tax, Excise Duty, GST and Service Tax which have not been deposited as on March 31, 2021, on account of disputes with the related authorities.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions or banks. The Company does not have any outstanding debentures.
- (ix) In our opinion and according to the information and explanations given to us, the Company has availed a term loan during the year, which have been applied for the specified purpose only. The Company has not made an initial public offer during the year.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid Managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us,

- the Company is not a Nidhi Company. Accordingly, clause (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, and corresponding details have been disclosed in the financial statements, as required by the applicable Accounting Standards.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, requirement under clause (xiv) is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, requirement under clause (xv) is 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.

**For KRA & Co.**  
**Chartered Accountants**  
**(Firm Registration No.020266N)**

**Rajat Goyal**  
**Partner**  
**Membership No.: 503150**  
**UDIN: 21503150AAA5451**  
**Place: Delhi**  
**Date: July 20, 2021**

## **ANNEXURE “B” TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SARVESHWAR FOODS LIMITED**

**(Referred to in Paragraph 2 point (f) under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date)**

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

We have audited the internal financial controls over financial reporting of **SARVESHWAR FOODS LIMITED** (“the Company”) as at 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material

respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 KRA & Co.  
Chartered Accountants  
(Firm Registration No.020266N)**

**Rajat Goyal  
Partner  
Membership No.: 503150  
UDIN: 21503150AAA5VK5451  
Place: Delhi  
Date: July 20, 2021**



**SARVESHWAR FOODS LIMITED**  
**Standalone Balance Sheet as at March 31' 2021**

	Note No.	(in ₹) As at 31-Mar-2021	(in ₹) As at 31-Mar-2020
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3		
-Equity Share Capital		2,456.72	2,456.72
Reserves and surplus	4	9,471.96	9,164.75
		<u>11,928.68</u>	<u>11,621.47</u>
<b>Non current liabilities</b>			
Long term borrowings	5	1,873.70	9.85
		<u>1,873.70</u>	<u>9.85</u>
<b>Current liabilities</b>			
Short term borrowings	7	9,996.67	10,195.21
Trade payables	8	2,501.00	1,486.80
Other current liabilities	9	443.18	1,253.15
Short term provisions	10	107.67	-
		<u>13,048.52</u>	<u>12,935.16</u>
		<u>26,850.91</u>	<u>24,566.47</u>
<b>Assets</b>			
<b>Non current assets</b>			
Fixed assets			
(i) Tangible assets	11	385.44	434.54
Non Current Investments	12	3,016.23	3,048.28
Long Term Loans & Advances	13	1,173.04	1,331.47
		<u>4,574.71</u>	<u>4,814.28</u>
Deferred Tax Assets (Net)	6	18.27	26.49
<b>Current assets</b>			
Inventories	14	10,785.66	8,518.31
Trade receivables	15	10,135.53	10,463.84
Cash and bank balances	16	22.49	25.01
Short-term loans and advances	17	1,017.66	457.26
Other Current Assets	18	296.59	261.27
		<u>22,257.94</u>	<u>19,725.70</u>
		<u>26,850.91</u>	<u>24,566.47</u>

Significant accounting policies 2

As per our report of even date

**For K R A & Co**

**Firm Registration No: 020266N**

**Chartered Accountants**

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

**SARVESHWAR FOODS LIMITED**

**Rajat Goyal**  
**Partner**  
**Membership No. 503150**  
**UDIN: 21503150AAA5VK5451**

**Place: Delhi**  
**Date: 20th July 2021**

**Anil Kumar Sharma**  
**Managing Director**  
**DIN:07417538**

**Place: Jammu**  
**Date: 20th July 2021**

**Sourabh Mehta**  
**CFO**  
**PAN: ALDPM4604L**

**Place: Jammu**  
**Date: 20th July 2021**

**Surendar Singh Jasrotia**  
**Director**  
**DIN:8566350**

**Place: Jammu**  
**Date: 20th July 2021**

**SARVESHWAR FOODS LIMITED**  
**Standalone Statement of Profit and Loss for the year ended March 31, 2021**

	Notes	(in ₹ ) For the year ended 31-Mar-2021	(in ₹ ) For the year ended 31-Mar-2020
<b>INCOME</b>			
Revenue from operations	19	22,857.93	19,922.90
Other income	20	257.24	296.96
		<b>23,115.17</b>	<b>20,219.86</b>
<b>EXPENDITURE</b>			
Raw materials consumed	21	6,994.66	8,056.77
Purchases	22	15,511.62	5,332.22
Decrease in inventories of semi finished and finished goods	23	(2,206.62)	4,421.62
Employee benefits expenses	24	200.51	208.69
Depreciation expenses	11	72.37	81.77
Finance cost	25	598.78	799.26
Operating and other expenses	26	1,491.10	1,094.07
		<b>22,662.42</b>	<b>19,994.40</b>
<b>Profit/(Loss) before tax Exceptional Items</b>		<b>452.75</b>	<b>225.45</b>
Exceptional item			
Extraordinary items			
<b>Profit/(Loss) before tax</b>		<b>452.75</b>	<b>225.45</b>
(a) Current Year Tax		127.41	59.69
(b) Previous Year Tax		9.89	
(c) Deferred Tax		8.22	(9.62)
<b>Profit / (loss) for the year</b>		<b>307.22</b>	<b>175.39</b>
Minorities			
Owners of the Company			
Earnings per equity share	27	<b>1.25</b>	<b>0.71</b>
Basic and diluted annualised		<b>1.25</b>	<b>0.71</b>
Significant accounting policies	2		
As per our report of even date			
<b>For K R A &amp; Co</b>		<b>For and behalf of the Board of Directors</b>	
<b>Firm Registration No: 020266N</b>		<b>SARVESHWAR FOODS LIMITED</b>	
<b>Chartered Accountants</b>			

**Rajat Goyal**  
**Partner**  
**Membership No. 503150**  
**UDIN: 21503150AAAVK5451**  
**Place: Delhi**  
**Date: 20th July 2021**

**Anil Kumar Sharma**  
**Managing Director**  
**DIN:07417538**  
**Place: Jammu**  
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**Place: Jammu**  
**Date: 20th July 2021**

**Surendar Singh Jasrotia**  
**Director**  
**DIN:8566350**  
**Place: Jammu**  
**Date: 20th July 2021**

**SARVESHWAR FOODS LIMITED**  
**Standalone Statement of Cash Flows for the year ended March 31, 2021**

	(in ₹ ) For the year ended 31-Mar-2021	(in ₹ ) For the year ended 31-Mar-2020
<b>Cash flow from operating activities</b>		
<b>Profit Before tax</b>	452.75	225.45
<b>Adjustment to reconcile profit before tax to net cash flows</b>		
Prior Period Items	-	(15.09)
Depreciation / amortization expenses	72.37	81.77
Profit on sale of Investments	(139.73)	-
Profit on sale of fixed assets	(0.08)	
Interest income	(98.70)	(168.40)
Unrealized foreign exchange loss/ gain	-	(64.75)
Interest on loan	598.78	799.26
<b>Operating profit before working capital changes</b>	885.39	858.25
Movements in working capital :		
Increase / (Decrease) in other liabilities	(809.96)	(720.94)
Increase / (Decrease) in Trade Payable	1,014.20	(352.61)
(Increase)/ Decrease in trade receivable	328.32	(6,634.41)
Decrease/(Increase) in Inventory	(2,267.35)	5,569.74
Decrease/ (Increase) in other current assets	(35.31)	(11.36)
<b>Net cash flow (used in) operations</b>	(884.72)	(1,291.32)
Less: Direct taxes paid Including Advance taxes	(29.64)	(150.86)
<b>Net cash flow (used in) operating activities (A)</b>	(914.37)	(1,442.18)
<b>Cash flows from investing activities</b>		
Decrease/ (Increase) in other non-current investment in FDR	14.76	(14.76)
Decrease/ (Increase) in other advances to related Parties	200.08	654.07
Decrease/ (Increase) in other advances	(616.81)	-127.19
Sale proceeds from Investments	171.78	
Purchase of fixed assets	(23.70)	(67.76)
Sale of Fixed Assets	0.51	-
Interest received	98.70	168.40
<b>Net cash flow (used in)/ generated from investing activities (B)</b>	(154.68)	612.76
<b>Cash flows from financing activities</b>		
Proceeds/ repayments from/ of borrowings	1,665.31	1,576.37
Interest paid on loan	(598.78)	(799.26)
<b>Net cash flow from/ (used in) in financing activities (C)</b>	1,066.53	841.86
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	(2.52)	12.44
Cash and cash equivalents at the beginning of the year	25.01	12.57
<b>Cash and cash equivalents at the end of the year</b>	22.49	25.01
<b>Components of cash and cash equivalents</b>		
<b>Total cash and cash equivalents (note 16)</b>	22.49	25.01
Significant accounting policies		

As per our report of even date

**For K R A & Co**

**Firm Registration No: 020266N**

**Chartered Accountants**

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

**SARVESHWAR FOODS LIMITED**

**Rajat Goyal**  
**Partner**  
**Membership No. 503150**  
**Place: Delhi**  
**Date: 20th July 2021**

**Anil Kumar Sharma**  
**Managing Director**  
**DIN:07417538**  
**Place: Jammu**  
**Date: 20th July 2021**

**Sourabh Mehta**  
**CFO**  
**PAN: ALDPM4604L**  
**Place: Jammu**  
**Date: 20th July 2021**

**Surendar Singh Jasrotia**  
**Director**  
**DIN:8566350**  
**Place: Jammu**  
**Date: 20th July 2021**



## **SARVESHWAR FOODS LIMITED**

Notes to Accounts as on March 31, 2021

### **1 Corporate information**

Sarveshwar Foods Limited is engaged in Manufacturing, Trading and Export of Basmati rice, which is a long grain with a fine texture. The company having its registered office at "SARVESHWAR HOUSE, BELOW GUMAT, JAMMU, JAMMU AND KASHMIR JK 180001 IN" is a listed public limited company.

Company was originally incorporated as a private limited company, at Jammu and Kashmir, India under the Companies Act, 1956 in the name of Sarveshwar Overseas Private Limited vide Certificate of Incorporation dated August 3, 2004. Fresh Certificate of Incorporation dated April 13, 2010 was issued to the Company pursuant to change of name of the Company to Sarveshwar Organic Foods Private Limited. Subsequently, fresh Certificate of Incorporation consequent upon change of name on conversion to Public Limited Company dated June 29, 2010 was issued by RoC, Jammu and Kashmir. Further, the name of the Company was changed to Sarveshwar Foods Limited pursuant to which, the Company has received a fresh Certificate of Incorporation dated June 29, 2015.

### **2 Basis of Preparation of financial statements (Significant Accounting Policies & other explanatory Notes)**

#### **2.1 Basis of Preparation**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous years.

#### **2.2 Use of estimates**

The preparation of financial statements are in conformity with the Accounting Standards which requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to the contingent liabilities as on the date of balance sheet and the reported amount of revenues and expenditures during the reporting period. The estimates and assumptions used in the Financial Statements are based upon Management's best evaluation of the relevant facts and circumstances as of the date of the Financial Statements. Examples of such estimates include useful life of fixed assets, creation of deferred tax asset, lease rentals and write off of deferred revenue expenditure. Actual results may differ from those estimates.

#### **2.3 Inventories**

Inventories are valued at cost after providing for obsolescence and other losses, where considered necessary and realizable value whichever is less. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads.

#### **2.4 Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise of cash at bank and in hand and short term investments with an original maturity of three months or less. Earmarked balances with bank, margin money or security against borrowings, guarantees and other commitments, if any shall be treated separately from cash and cash equivalent.

#### **2.5 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## **2.6 Depreciation and amortisation**

Depreciation has been provided as per the useful life of the respective asset by retaining 5% as residual value in accordance with the Schedule II to the Companies Act, 2013.

Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are acquired/installed. Depreciation on sale/deduction from fixed assets is provided for up to the date of sale, deduction and discardment as the case may be.

In case of items having value of Rs. 5,000/- or below that are acquired during the year, are charged to profit & loss account at 100% in the year of purchase.

## **2.7 Revenue recognition**

### Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax, value added tax and GST. The company follows the mercantile system of accounting and recognizes the income and expenditures on accrual basis except in case of significant uncertainties. Certain items of income such as insurance claim, market fees refund, overdue interest from customers etc have been considered to the extent the amount is accepted by the parties.

Domestic sales are recognized at the point of dispatches to customers.

Export Sales are recognized at the time of issue of Bill of Lading.

## **2.8 Other income**

Interest income is recognised on time proportion basis.

## **2.9 Tangible fixed assets**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use, including borrowing cost till commencement of commercial production, net changes on foreign exchange contracts, if capitalization criteria are met. Capital work in progress is stated at cost. Capital work in progress includes the cost of fixed assets that are not yet ready for their intended use, as on the balance sheet date.

## **2.10 Intangible assets**

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

## **2.11 Foreign currency transactions and translations**

### Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

### Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

## **2.12 Government grants, subsidies and export incentives**

Export Incentive if any is accounted on accrual basis except Interest Subsidy which has been accounted for on receipt basis.

## **2.13 Investments**

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

## **2.14 Employee benefits**

The Company has adopted the Accounting Standard 15- Employee Benefits prescribed under the Companies (Accounting Standards) Rules, 2006. Employee benefits include provident fund, bonus, superannuation fund, compensated absences, long service awards and post-employment medical benefits. The Company's obligation towards various employee benefits has been recognized as follows:

### **Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are short-term employee benefits. Benefits such as salaries, wages and bonus wages, etc, are recognized in the Profit and Loss statement in the period in which the employee renders the related service.

### **Defined contribution plans**

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

## **2.15 Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

Borrowing cost attributable to the fixed assets during construction/ exploration, renovation and modernization are capitalized. Such borrowing costs are apportioned on the average balance of capital work in progress for the year. Other borrowing costs are recognized as an expense in the period in which they are incurred.



## **2.16 Segment reporting**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance. However the company is currently dealing in only one primary segment..

## **2.17 Taxes on income**

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income that originates in one period and are capable of reversal in one or more subsequent periods

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

## **2.18 Impairment of assets**

The carrying values of assets / cash generating units are reviewed at each Balance Sheet date for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

## **2.19 Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A contingent liability is disclosed where, as a result of past events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## **2.20 Insurance claims**

Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

## **2.21 Leases**

### **a) Finance lease**

- i) Assets taken on finance lease are capitalised at fair value or net present value of the minimum lease payments, whichever is less.
- ii) Lease payments are apportioned between the finance charges and outstanding liability in respect of assets taken on lease.

### **b) Operating lease**

- i) Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating lease. Lease rent are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

## **2.22 Earning per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## **2.23 The Previous Year figures have been regrouped/rearranged wherever necessary to make them comparable.**

	(in ₹) As at 31-Mar-2021	(in ₹) As at 31-Mar-2020
<b>NOTE 3</b>		
<b>SHARE CAPITAL AUTHORISED</b>		
30,000,000 Equity shares of Rs 10 each with voting rights	3,000.00	3,000.00
(Previous Year 30,000,000 Equity shares of Rs 10 each with voting rights)		
<b>ISSUED SUBSCRIBED AND FULLY PAID UP</b>		
24,567,200 Equity shares of Rs 10 each with voting rights	2,456.72	2,456.72
(Previous Year 24,567,200 Equity Shares of Rs 10 each with voting rights)		
<b>Total</b>	<b>2,456.72</b>	<b>2,456.72</b>
<b>A) Reconciliation of number of equity shares outstanding</b>		
As at the beginning of the year	2,45,67,200	2,45,67,200
Add: Shares Issued during the year		
Less: Bought back during the year		
As at the end of the year	<b>2,45,67,200</b>	<b>2,45,67,200</b>
<b>Share holders having 5% or more Shares</b>		
<b>Name Of Shareholders</b>		
<b>Rohit Gupta</b>		
No. of shares	1,80,88,800	1,80,88,800
% of holding	73.63	73.63
<b>Other Promoters Group</b>		
No. of shares	10,800	11,000
% of holding	0.04	0.04
<b>Other Public Holding</b>		
No. of shares	64,67,600	64,67,400
% of holding	26.33	26.33
	<b>2,45,67,200.00</b>	<b>2,45,67,200.00</b>
	-	-
<b>NOTE 4</b>		
<b>RESERVE AND SURPLUS</b>		
<b>General Reserve</b>		
Opening Balance	107.41	98.64
Transfer from Profit & Loss	15.36	8.77
	<b>122.77</b>	<b>107.41</b>
<b>Share Premium</b>		
Opening Balance	4,347.62	4,347.62
Add: Received during the year	-	-
	<b>4,347.62</b>	<b>4,347.62</b>
<b>Profit &amp; Loss A/c</b>		
Opening Balance	4,709.71	4,558.18
Add: Additions During the Year	307.22	175.39
Less: Transfer to General Reserve	(15.36)	(8.77)
Less: Prior Period Items		(15.09)
	<b>5,001.57</b>	<b>4,709.71</b>
<b>Total</b>	<b>9,471.96</b>	<b>9,164.75</b>



	(in ₹) As at 31-Mar-2021	(in ₹) As at 31-Mar-2020
<b>NOTE 5</b>		
<b>Long Term Liabilities</b>		
<b>Secured Loan</b>		
Term Loan from Banks	1,885.60	19.20
Less: Payable with 12 months	(11.89)	(9.35)
<b>Total</b>	<b>1,873.70</b>	<b>9.85</b>
<b>NOTE 6</b>		
<b>Deferred Tax Liabilities</b>		
WDV As per Income Tax	458.02	539.80
WDV As per Companies Act	385.44	434.54
Timing Difference on Account of Fixed Assets	72.58	105.26
Deferred Tax Asset	18.27	26.49
Deferred Tax liability	-	-
<b>Current year Provision</b>	<b>8.22</b>	<b>(9.62)</b>
<b>Total</b>	<b>(18.27)</b>	<b>(26.49)</b>
<b>NOTE 7</b>		
<b>Short Term Borrowings</b>		
Cash Credit	9,996.67	10,195.21
Others	-	-
<b>Total</b>	<b>9,996.67</b>	<b>10,195.21</b>
<b>NOTE 8</b>		
<b>Trade payables</b>		
Due to MSME		
Sundry Creditors for Trade	2,501.00	1,486.80
<b>Total</b>	<b>2,501.00</b>	<b>1,486.80</b>
<b>NOTE 9</b>		
<b>Other current liabilities</b>		
Statutory Liabilities:	7.01	6.18
Loan From Banks Repayable in one year	11.89	9.35
Expenses payable	24.54	36.51
Other current liabilities	40.53	133.93
Advance received from related Parties	249.06	1,059.10
Advance received from debtors	110.15	8.08
<b>Total</b>	<b>443.18</b>	<b>1,253.15</b>

	(in ₹) As at 31-Mar-2021	(in ₹) As at 31-Mar-2020
<b>NOTE 10</b>		
<b>Short Term Provisions</b>		
Provision for Taxation (Net of advance tax)	107.67	-
<b>Total</b>	<u>107.67</u>	<u>-</u>
<b>NOTE 12</b>		
<b>OTHER NON CURRENT ASSETS</b>		
Investment in Shares of HBOFPL	1,505.00	1,505.00
Investment in Shares of Sarveshwar Overseas Ltd.,	1,485.00	1,485.00
Investment in Shares of Natural Global Foods DMCC	26.23	58.28
<b>Total</b>	<u>3,016.23</u>	<u>3,048.28</u>
<b>NOTE 13</b>		
<b>Non Current Assets</b>		
Unsecured Loans & Advances	1,173.04	1,316.71
Margin Money Redeemable after 12 Months	-	14.76
<b>Total</b>	<u>1,173.04</u>	<u>1,331.47</u>
<b>NOTE 14</b>		
<b>INVENTORIES</b>		
(Stock of Traded Goods have been Valued at lower of Cost and NRV)		
Finished Goods Trading	1,471.20	5,089.81
Finished Goods Manufacturing	9,096.61	3,271.37
Raw Material	217.86	157.13
<b>Total</b>	<u>10,785.66</u>	<u>8,518.31</u>
<b>NOTE 15</b>		
<b>TRADE RECEIVABLES</b>		
<b>Over Six Months</b>		
Unsecured Considered Good	916.12	1,962.16
<b>Others</b>	-	
Unsecured Considered Good	9,219.40	8,501.68
<b>Total</b>	<u>10,135.53</u>	<u>10,463.84</u>

	(in ₹) As at 31-Mar-2021	(in ₹) As at 31-Mar-2020
<b>NOTE 16</b>		
<b>CASH AND BANK ADVANCES</b>		
Cash on Hand	16.72	20.65
Balance with Banks	5.77	4.35
<b>Total</b>	<b>22.49</b>	<b>25.01</b>
<b>NOTE 17</b>		
<b>Short-term loans and advances</b>		
Advance paid to Related Party	67.83	124.24
Advance paid to Vendors	949.83	333.03
<b>Total</b>	<b>1,017.66</b>	<b>457.26</b>
<b>NOTE 18</b>		
<b>Other Current assets</b>		
Loans & Advances	7.68	1.82
Security Deposits	34.07	23.38
GST Receivable	125.16	106.49
Prepaid Expenses	11.66	10.36
Interest & subsidies receivable	89.72	88.40
Margin Money Redeemable in 3-12 Months	14.57	7.52
Other Current assets	13.72	0.50
Taxes Paid (After setting of provisions)	-	22.81
<b>Total</b>	<b>296.59</b>	<b>261.27</b>



	(in ₹ ) For the year ended 31-Mar-2021	(in ₹ ) For the year ended 31-Mar-2020
<b>NOTE 19</b>		
<b>Revenue from operations</b>		
Sale of products	22,857.93	19,922.90
<b>Total</b>	<b>22,857.93</b>	<b>19,922.90</b>
<b>NOTE 20</b>		
<b>Other Income</b>		
Foreign Exchange Fluctuations	-	64.75
Discount Received	-	4.54
Interest on FDR & Loan	98.70	168.40
Job Work	12.24	14.75
Shortage /Excess	1.59	6.49
Miscellaneous income	0.52	0.01
Insurance Claim	0.62	2.21
Unclaimed Liability	-	4.29
Profit on Sale of Investments	139.73	-
Profit on Sale of Asset	0.08	
Other Income (Organic Project)	3.75	31.52
<b>Total</b>	<b>257.24</b>	<b>296.96</b>
<b>NOTE 21</b>		
<b>MATERIAL CONSUMED</b>		
<b>Raw Materials' Consumption</b>		
Opening Stock	157.13	1,305.24
Add: Purchases	6,907.42	6,668.80
Add: Freight Inward	37.19	38.75
Add: Packing Material Purchase	110.77	201.10
Less : Closing Stock	(217.86)	(157.13)
	-	-
<b>COGS</b>	<b>6,994.66</b>	<b>8,056.77</b>
<b>NOTE 22</b>		
<b>PURCHASE OF TRADED GOODS</b>		
Purchase of traded goods	15,511.62	5,332.22
<b>Total</b>	<b>15,511.62</b>	<b>5,332.22</b>

	(in ₹ ) For the year ended 31-Mar-2021	(in ₹ ) For the year ended 31-Mar-2020
<b>NOTE 23</b>		
<b>INCREASE /(DECREASE ) &amp; FINISHED GOODS</b>		
Opening Stock of Finished Goods	8,361.18	12,782.80
Closing Stock of Finished Goods	10,567.81	8,361.18
Increase/(Decrease) in Finished Goods	(2,206.62)	4,421.62
<b>Total</b>	<b>(2,206.62)</b>	<b>4,421.62</b>
<b>NOTE 24</b>		
<b>EMPLOYEE BENEFIT EXPENSE</b>		
Salaries	158.93	164.75
Directors Remuneration	37.18	41.26
Staff Welfare	4.39	2.68
<b>Total</b>	<b>200.51</b>	<b>208.69</b>
<b>NOTE 25</b>		
<b>Financial costs</b>		
Bank Interest	585.63	777.42
Bank Charges	13.13	9.78
Interest on late payments of statutory dues	0.02	12.07
<b>Total</b>	<b>598.78</b>	<b>799.26</b>

	(in ₹ ) For the year ended 31-Mar-2021	(in ₹ ) For the year ended 31-Mar-2020
<b>NOTE 26</b>		
<b>Other expenses</b>		
<b>Manufacturing Expenses</b>		
Consumables	2.42	0.43
Electricity Charges	29.36	46.95
Fumigation expense	0.04	-
Job Work	12.24	-
Pest control service charges	9.74	17.30
Repair & Maintenance	18.47	9.99
Toll Tax	0.02	0.41
Wages & Labour Charges	176.71	206.64
<b>Business Development Expenses</b>		
Business Promotion	10.77	25.26
<b>Selling, Distribution &amp; Administration Expenses</b>		
Advertisement Expenses	0.56	0.91
Audit fee & Expenses	4.80	4.80
Bad Debts & Provisions	61.99	-
Brokerage & Commission	20.35	50.58
Business Promotion & Marketing	728.38	26.33
Clearing & Handling Charges	27.68	61.73
Communication Charges	8.03	9.05
Consultancy Expense	6.35	59.85
Conveyance & Travelling	23.17	45.81
CSR Expenses	0.39	6.31
Foreign Exchange Loss	9.42	-
Freight & transportation on Sales	71.62	111.66
Insurance	37.65	33.00
Misc. Expenses	20.26	49.98
Printing & Stationery	5.17	4.48
Prior Period Expense	7.46	-
Professional Fees	57.28	58.61
Rent, Rates & Taxes	113.92	226.50
Repair & Maintenance	26.84	37.48
<b>Total</b>	<b>1,491.10</b>	<b>1,094.07</b>

## NOTE 27

### Earning Per Share

a) Profit for the year (in Rs )	3,07,21,913.60	1,75,38,520.69
No of Shares at beginning of the year	2,45,67,200.00	2,45,67,200.00
No of Shares at end of the year	2,45,67,200.00	2,45,67,200.00
b) Weighted average no. of equity shares outstanding	2,45,67,200.00	2,46,34,507.40
c) Earning per share		
Basic (in Rs)	1.25	0.71
Diluted (in Rs)	1.25	0.71



**SARVESHWAR FOODS LIMITED**
**Notes to Accounts as on March 31' 2021**
**28 Related party disclosures:**
**Nature and name of related parties**
**Key Management Person**

Rohit Gupta

**Relative of Key Management Person**

Suraj Prakash Gupta

Radha Rani

Pooja Gupta

**Enterprises Owned or controlled by Key Management Personnel or their relatives**

Sarveshwar Logistics

Radhika Overseas

Sarveshwar International

Himalayan Ancient Foods P Ltd

Radhika Pest Control

Shree Jee Trading

**Subsidiary Companies**

Sarveshwar Overseas Ltd

Himalayan Bio Organic foods p Ltd

Natural Global Food DMCC (up to 03.03.2021)

**Transactions with related parties during the year:**
**(in ₹ Lacs)**

Name of related party	Nature of transaction	Transaction during the year Dr./(Cr.)	
		2021	2020
Rohit Gupta	Rent	36.00	72.00
Anil Sharma	Salary	9.85	13.04
Surendar Jasrotia	Salary	17.65	14.88
Sunil Bakshi	Salary	2.35	
Adarsh Gupta	Salary	0.50	
Uttar Kumar Padha	Salary	0.33	
Gayatri Tandon	Salary	7.31	9.03
Seema Rani	Salary	5.78	4.31
Sarveshwar Logistics	Freight	29.75	27.00
Radha Rani	Rent	-	22.50
Himalayan Bio Organic Foods P Ltd	Purchases	8.34	18.98
Himalayan Bio Organic Foods P Ltd	Sales	403.99	169.97
Sarveshwar Overseas Ltd	Purchases	1,600.00	-
Sarveshwar Overseas Ltd	Sales	-	54.99
Sarveshwar Overseas Ltd	Unsecured Loan Given	1,249.83	962.29
Sarveshwar Overseas Ltd	Unsecured Loan Repayment Rcvd	1,400.94	1,594.44
Sarveshwar Overseas Ltd	Interest on loan Received	98.04	164.50
Radhika Overseas	Purchases	5.70	357.12
Radhika Overseas	Sales	0.51	-

29 Expenditure and earnings in foreign currency (on accrual basis)

(in ₹ Lacs)		
Particulars	2021	2020
Expenditure		
Professional fee		-
Certification Fees	1.32	0.54
Consultancy Fee	6.35	59.85
Lab Testing		0.44
Advertisement Exp	1.06	
Subscription Charges	0.12	
Commission on Exports	19.22	
Travelling Expenses in foreign Currency	0.52	0.87
Earnings		
Sale of finished goods	1,483.10	2,845.25

30 Unhedged foreign currency exposures as at the balance sheet date

Particulars	2021				2020			
	in USD	in JPY	Exchange rate	in ₹ Lacs	in USD	in JPY	Exchange rate	in ₹ Lacs
Trade receivables	3,08,293		73.21	225.69	3,76,099	-	75.39	283.53

31 The balances of receivables, payables, security deposit given are subject to confirmation & reconciliation, if any.

32 **Disclosure under Accounting Standard (AS) 15 " Employee Benefits"**
**Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The gratuity plan of the Company is funded. The information in the note is for disclosure purpose.

**The defined benefit plans expose the Company to a number of actuarial risks as below:**

**Interest risk:** A decrease in the bond interest rate will increase the plan liability.

**Salary risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**(i) The key assumptions used in accounting for retiring gratuity is as below:**
**(in ₹ Lacs)**

Particular	2021	2020
Discount rate	7.25%	7.25%
Rate of escalation in salary	7.00%	7.00%

**(ii) Changes in present value of Obligation:**

Particular	2021	2020
Obligation at the beginning of the year	(12.42)	(10.46)
Interest costs	(0.87)	(0.78)
Current service costs	(2.33)	(1.27)
Benefits paid	-	0.73
Remeasurement (gains)/losses	2.73	(0.63)
Obligation at the end of the year	<b>(12.90)</b>	<b>(12.42)</b>

**(iii) Changes in the fair value of plan assets:**

Particular	2021	2020
Fair value of plan assets at beginning of year	15.67	12.51
Expected return on plan assets	(0.02)	0.94
Contributions	-	2.95
Benefits paid	-	(0.73)
Remeasurement (gains)/losses	-	-
Fair value of plan assets at the end of year	<b>15.65</b>	<b>15.67</b>

**(iv) Amounts to be recognised in the balance sheet**

Particular	2021	2020
Present value of obligation	(12.90)	(12.42)
Fair value of plan assets	15.65	15.67
Funded status	2.76	3.25
Net assets / (liability) recognized in balance sheet as provision	<b>2.76</b>	<b>3.25</b>

**(v) Expenses to be recognised in the statement of profit and loss**

Particular	2021	2020
Current service costs	(2.33)	(1.27)
Interest costs	(0.87)	(0.78)
	<b>(3.20)</b>	<b>(2.06)</b>
Expected return on plan assets	(0.02)	0.94
Net Actuarial (gain)/ loss	2.73	(0.63)
	2.71	0.31
Net Impact on Profit & Loss	<b>(0.49)</b>	<b>(1.74)</b>

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors on long term basis.

## Details of secured borrowings as on March 31, 2021

Name of the lenders	Facility Type	Interest rate	Loan Currency	Sanctioned Amount in Lakhs	Tenure	Outstanding Loan as on 31.03.2021 in INR Lacs	Security as per the loan agreement
<b>Long Term</b>							
J&K Bank Loan WCTL (GECL) 0230260440000002p	WCTL	1 Year MCLR	INR	1,867.00		1,867.00	Properties and Stocks & Debtors
<b>Short Term</b>							
J&K Bank	CC	MCLR+ 0.5%	INR	10,500.00	Renewal Done Every Year	7,740.60	Various Immovable Properties and Stocks & Debtors
J&K Bank PCFC	SUB Limit CC	6M LIBOR/EURIBO R+400bps p.a	USD		Renewal Done Every Year	-	Various Immovable Properties and Stocks & Debtors
J&K Bank PSFC	SUB Limit CC	6M LIBOR/EURIBO R+200bps p.a	USD		Renewal Done Every Year	-	Various Immovable Properties and Stocks & Debtors
J&K Bank PSL 004	LC /NON LC BACKED	10% Less Subvention Benefit 5%	INR		Renewal Done Every Year	-	Various Immovable Properties and Stocks & Debtors
PCL Limit A/c No. 06	Pledge Limits	10% Less Subvention Benefit 5%	INR		Renewal Done Every Year	2,256.07	Various Immovable Properties and Stocks & Debtors
<b>Total</b>				12,367.00		11,863.67	

## 34 Contingent Liability

Sr No	Particulars	As on March 2021	As on March 2020
1	Corporate Guarantee given by the company for loans taken by its subsidiary company from banks/financial institutions.	2,500.00	2,500.00

34 The Company has reclassified previous year figures to conform to this year's classification.

As per our report of even date

For K R A & Co  
Firm Registration No: 020266N  
Chartered Accountants

For and behalf of the Board of Directors  
SARVESHWAR FOODS LIMITED

Rajat Goyal  
Partner  
Membership No. 503150  
UDIN: 21503150AAAVK5451  
Place: Delhi  
Date: 20th July 2021

Anil Kumar Sharma  
Managing Director  
DIN:07417538

Place: Jammu  
Date: 20th July 2021

Sourabh Mehta  
CFO  
PAN: ALDPM4604L

Place: Jammu  
Date: 20th July 2021

Surendar Singh Jasrotia  
Director  
DIN:8566350

Place: Jammu  
Date: 20th July 2021



**SARVESHWAR FOODS LIMITED**

**Statement of Notes to Accounts for the year ended March 31, 2021**

**11 Tangible assets**

(in ₹ Lacs)

	Land	Building	Plant & Machinery	Office Equipments	Furniture & Fixture	Electrical Installation	Vehicles	Computer	Softwares	Total
<b>Gross block</b>										
<b>At March 31, 2019</b>	14.07	213.99	231.09	28.09	14.41	-	84.87	21.08	12.11	619.70
Additions	-	-	53.08	1.30	0.88	-	11.72	0.78	-	67.76
Disposals	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2020</b>	14.07	213.99	284.17	29.40	15.28	-	96.59	21.86	12.11	687.46
Additions	-	-	21.26	0.90	0.68	-	-	0.87	-	23.70
Disposals	-	-	-	0.08	-	-	-	0.42	-	0.51
<b>At March 31, 2021</b>	14.07	213.99	305.42	30.21	15.96	-	96.59	22.30	12.11	710.65

**Depreciation**

<b>At March 31, 2019</b>	-	38.21	67.61	12.95	5.17	-	37.88	9.33	-	171.15
Charge for the year	-	16.70	32.67	4.48	2.44	-	13.80	7.64	4.04	81.77
Disposals	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2020</b>	-	54.91	100.28	17.44	7.61	-	51.68	16.97	4.04	252.92
Charge for the year	-	15.12	34.04	3.34	2.09	-	11.85	3.23	2.69	72.37
Disposals	-	-	-	0.01	-	-	-	0.08	-	0.08
<b>At March 31, 2021</b>	-	70.03	134.32	20.77	9.70	-	63.53	20.12	6.73	325.21

**Net block**

<b>At March 31, 2020</b>	14.07	159.08	183.89	11.96	7.68	-	44.91	4.89	8.07	434.54
<b>At March 31, 2021</b>	14.07	143.96	171.10	9.44	6.26	-	33.06	2.18	5.38	385.44

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SARVESHWAR FOODS LIMITED

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of **SARVESHWAR FOODS LIMITED** ("hereinafter referred to as the 'Holding Company'") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2021, and the consolidated statement of profit and loss, 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 (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director's report, management discussion and analysis and report on corporate governance, but does not include the financial statements and our auditor's report thereon. The director's report, management discussion and analysis and report on

corporate governance are 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 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.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters to communicate

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

The Holding Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the Companies Included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the each Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or

error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the Companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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.

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 Companies Act, 2013, we are also

responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities 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 financial information 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. Our responsibilities in this regard are further described in section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors and management certified accounts as referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our

audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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 Matters**

We did not audit the financial statements / financial information of one associate company included in the consolidated financial results. This Company is an erstwhile subsidiary company which is recognized as an associate from March 03, 2021 onwards due to the partial sale of its stake by the Holding Company, the Company financial results/financial information reflects, total revenue of Rs. NIL, total net loss after tax of Rs. 17.19 Lacs for the year ended March 31, 2021. The Group's share of net loss in this associate is Rs. 1.66 lacs, as considered in the consolidated annual financial results. This Company has not been audited by its auditor till the date of our audit report and it has been consolidated based on its management certified accounts.

Our conclusion on the Statement is not modified in respect of the above matter

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our

knowledge and belief were necessary for the 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group did not have any pending litigations for which there were any impact on its financial position.
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For KRA & Co.  
Chartered Accountants  
(Firm Registration No.020266N)**

**Rajat Goyal  
Partner  
Membership No.: 503150  
UDIN: 21503150AAA AVN3760  
Place: Delhi  
Date: July 20, 2021**



## **ANNEXURE “A” TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SARVESHWAR FOODS LIMITED**

(Referred to in Paragraph 1 point (f) under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of **SARVESHWAR FOODS LIMITED** (the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group') as at and for the year ended 31 March 2021, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Holding Company, its two subsidiary companies, which are companies covered under the Act, as at that date.

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

The respective Board of Directors of the Holding Company, its two subsidiary companies, which are companies covered under the Act, as at that date, are 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its two subsidiary companies, which are companies covered under the Act, as at that date, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and

deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, its two subsidiary companies as aforesaid.

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of

changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Holding Company, its two subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Holding Company, its two subsidiary companies as aforesaid, 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 KRA & Co.  
Chartered Accountants  
(Firm Registration No.020266N)**

**Rajat Goyal  
Partner  
Membership No.: 503150**

**Place: Delhi  
Date: July20, 2021**

**SARVESHWAR FOODS LIMITED**  
Consolidated Balance Sheet As At March 31st 2021

		(in ₹ ) For the year ended 31-Mar-2021	(in ₹ ) For the year ended 31-Mar-2020
	Note No.		
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3		
-Equity Share Capital		2,456.72	2,456.72
-Preference Share Capital		2,200.00	2,200.00
Reserves and surplus	4	11,344.15	11,244.63
Minority Interest		21.42	21.03
		16,022.28	15,922.37
<b>Non current liabilities</b>			
Long term borrowings	5	4,013.44	101.70
		4,013.44	101.70
<b>Current liabilities</b>			
Short term borrowings	7	22,520.78	22,045.22
Trade payables	8	6,872.40	3,827.55
Other current liabilities	9	1,112.65	966.77
Short term provisions	10	173.91	2.27
		30,679.74	26,841.81
		50,715.46	42,865.88
<b>Assets</b>			
<b>Non current assets</b>			
Fixed assets			
(i) Tangible assets	11	1,994.53	2,153.42
Non Current Investments	12	417.34	-
Long Term Loans & Advances	13	39.13	41.79
		2,451.00	2,195.21
Deferred Tax Assets (Net)	6	36.60	60.73
<b>Current assets</b>			
Inventories	14	24,431.24	19,274.68
Trade receivables	15	21,267.52	19,559.63
Cash and bank balances	16	75.23	165.34
Short-term loans and advances	17	1,690.41	1,031.58
Other Current Assets	18	763.47	578.70
		48,227.87	40,609.94
		50,715.46	42,865.88
Significant accounting policies	2	-	0.00
As per our report of even date			

**For K R A & Co**  
**Firm Registration No: 020266N**  
**Chartered Accountants**

**For and behalf of the Board of Directors**  
**SARVESHWAR FOODS LIMITED**

**Rajat Goyal**  
**Partner**  
**Membership No. 503150**  
**UDIN: 21503150AAAANV3760**  
**Place: Delhi**  
**Date: 20th July 2021**

**Anil Kumar Sharma**  
**Managing Director**  
**DIN:07417538**  
**Place: Jammu**  
**Date: 20th July 2021**

**Sourabh Mehta**  
**CFO**  
**PAN: ALDPM4604L**  
**Place: Jammu**  
**Date: 20th July 2021**

**Surendar Singh Jasrotia**  
**Director**  
**DIN:8566350**  
**Place: Jammu**  
**Date: 20th July 2021**

**SARVESHWAR FOODS LIMITED**  
**Consolidated Statement of Profit and Loss for the year ended March 31, 2021**

		(in ₹ ) For the year ended 31-Mar-2021	(in ₹ ) For the year ended 31-Mar-2020
	Notes		
<b>INCOME</b>			
Revenue from operations	19	51,468.07	48,786.72
Other income	20	227.86	427.03
		<b>51,695.93</b>	<b>49,213.75</b>
<b>EXPENDITURE</b>			
Raw materials consumed	21	15,630.74	15,624.28
Purchases	22	36,107.64	18,518.18
Decrease in inventories of semi finished and finished goods	23	(5,968.85)	9,601.28
Employee benefits expenses	24	371.70	411.89
Depreciation expenses	11	191.83	222.97
Finance cost	25	1,255.85	1,959.23
Operating and other expenses	26	3,307.88	2,176.85
		<b>50,896.80</b>	<b>48,514.68</b>
<b>Profit/(Loss) before tax Exceptional Items</b>		<b>799.13</b>	<b>699.07</b>
Exceptional item			
Extraordinary items		-	-
<b>Profit/(Loss) before tax</b>		<b>799.13</b>	<b>699.07</b>
(a) Current Year Tax		230.44	148.02
(b) Previous Year Tax		20.03	-
(c) Deferred Tax		24.14	(20.26)
<b>Profit / (loss) for the year</b>		<b>524.53</b>	<b>571.31</b>
Profit from Associates		(1.66)	-
<b>Net Profit</b>		<b>522.87</b>	<b>571.31</b>
<b>Profit Attributable to:</b>			
Minorities		<b>0.39</b>	<b>0.44</b>
Owners of the Company		<b>522.48</b>	<b>570.87</b>
Earnings per equity share	27	<b>2.13</b>	<b>2.32</b>
Basic and diluted annualised		<b>2.13</b>	<b>2.32</b>
Significant accounting policies	2		
As per our report of even date			

**For K R A & Co**

**Firm Registration No: 020266N**

**Chartered Accountants**

**Rajat Goyal**

**Partner**

**Membership No. 503150**

**UDIN: 21503150AAAANVN3760**

**Place: Delhi**

**Date: 20th July 2021**

**Anil Kumar Sharma**

**Managing Director**

**DIN:07417538**

**Place: Jammu**

**Date: 20th July 2021**

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

**SARVESHWAR FOODS LIMITED**

**Sourabh Mehta**

**CFO**

**PAN: ALDPM4604L**

**Place: Jammu**

**Date: 20th July 2021**

**Surendar Singh Jasrotia**

**Director**

**DIN:8566350**

**Place: Jammu**

**Date: 20th July 2021**



**SARVESHWAR FOODS LIMITED**  
**Consolidated Statement of Cash Flows for the year ended March 31, 2021**

	(in ₹ ) For the year ended 31-Mar-2021	(in ₹ ) For the year ended 31-Mar-2020
<b>Cash flow from operating activities</b>		
<b>Profit Before tax</b>	799.13	699.07
<b>Adjustment to reconcile profit before tax to net cash flows</b>		
Prior Period Items	-	(32.40)
Depreciation / amortization expenses	191.83	222.97
Profit on sale of Investments	(139.73)	-
Non Cash Adjustment on conversion of Subsidiary into Associate	(874.00)	
Profit on sale of fixed assets	(0.23)	
Foreign Subsidiary Conversion Difference	-	(1.01)
Interest income	(5.01)	(196.58)
Unrealized foreign exchange loss/ gain	23.20	(75.30)
Interest on loan	1,255.85	1,959.23
<b>Operating profit before working capital changes</b>	1,251.04	2,575.98
Movements in working capital :		
Increase / (Decrease) in other liabilities	145.88	(1,292.29)
Increase / (Decrease) in Trade Payable	3,044.85	(356.99)
(Increase)/ Decrease in trade receivable	(1,707.89)	(10,623.26)
Decrease/(Increase) in Inventory	(5,156.57)	10,387.05
Decrease/ (Increase) in other current assets	(184.76)	713.54
<b>Net cash flow (used in) operations</b>	(2,607.45)	1,404.02
Less: Direct taxes paid Including Advance taxes	(78.83)	(282.28)
<b>Net cash flow (used in) operating activities (A)</b>	(2,686.27)	1,121.74
<b>Cash flows from investing activities</b>		
Decrease/ (Increase) in other non-current investment in FDR	9.76	(32.81)
Decrease/ (Increase) in other advances to related Parties	(95.43)	7.51
Decrease/ (Increase) in other advances	(570.49)	(333.39)
Sale proceeds from Investments	171.78	
Purchase of fixed assets	(33.48)	(95.89)
Sale of Fixed Assets	0.77	6.25
Interest received	5.01	196.58
<b>Net cash flow (used in)/ generated from investing activities (B)</b>	(512.09)	(251.75)
<b>Cash flows from financing activities</b>		
Proceeds/ repayments from/ of borrowings	4,387.30	1,122.33
Foreign Exchange Gain	(23.20)	75.30
Interest paid on loan	(1,255.85)	(1,959.23)
<b>Net cash flow from/ (used in) in financing activities (C)</b>	3,108.25	(761.60)
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	(90.11)	108.39
Cash and cash equivalents at the beginning of the year	165.34	56.95
<b>Cash and cash equivalents at the end of the year</b>	75.23	165.34

Significant accounting policies

As per our report of even date

**For K R A & Co**

**Firm Registration No: 020266N**

**Chartered Accountants**

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

**SARVESHWAR FOODS LIMITED**

**Rajat Goyal**  
**Partner**  
**Membership No. 503150**  
**Place: Delhi**  
**Date: 20th July 2021**

**Anil Kumar Sharma**  
**Managing Director**  
**DIN:07417538**  
**Place: Jammu**  
**Date: 20th July 2021**

**Sourabh Mehta**  
**CFO**  
**PAN: ALDPM4604L**  
**Place: Jammu**  
**Date: 20th July 2021**

**Surendar Singh Jasrotia**  
**Director**  
**DIN:8566350**  
**Place: Jammu**  
**Date: 20th July 2021**

# SARVESHWAR FOODS LIMITED

Notes to Accounts as on March 31, 2021

## 1 Corporate information

Sarveshwar Foods Limited is engaged in Manufacturing, Trading and Export of Basmati rice, which is a long grain with a fine texture. The company having its registered office at "SARVESHWAR HOUSE, BELOW GUMAT, JAMMU, JAMMU AND KASHMIR JK 180001 IN" is a listed public limited company.

Company was originally incorporated as a private limited company, at Jammu and Kashmir, India under the Companies Act, 1956 in the name of Sarveshwar Overseas Private Limited vide Certificate of Incorporation dated August 3, 2004. Fresh Certificate of Incorporation dated April 13, 2010 was issued to the Company pursuant to change of name of the Company to Sarveshwar Organic Foods Private Limited. Subsequently, fresh Certificate of Incorporation consequent upon change of name on conversion to Public Limited Company dated June 29, 2010 was issued by RoC, Jammu and Kashmir. Further, the name of the Company was changed to Sarveshwar Foods Limited pursuant to which, the Company has received a fresh Certificate of Incorporation dated June 29, 2015.

## 2 Basis of Preparation of financial statements (Significant Accounting Policies & other explanatory Notes)

### 2.1 Basis of Preparation

The consolidated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under section 133 of the Companies Act, 2013. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous years.

The consolidated financial statements have been prepared on the following basis:

i) The financial statements of the Company and its subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".

ii) The subsidiary – Natural Global Food DMCC being foreign subsidiary, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year.

iii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

### 2.2 Use of estimates

The preparation of financial statements is in conformity with the Accounting Standards which requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to the contingent liabilities as on the date of balance sheet and the reported amount of revenues and expenditures during the reporting period. The estimates and assumptions used in the Financial Statements are based upon Management's best evaluation of the relevant facts and circumstances as of the date of the Financial Statements. Examples of such estimates include useful life of fixed assets, creation of deferred tax asset, lease rentals and write off of deferred revenue expenditure. Actual results may differ from those estimates.

### 2.3 Inventories

Inventories are valued at cost after providing for obsolescence and other losses, where considered necessary and realizable value whichever is less. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads.

## **2.4 Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise of cash at bank and in hand and short term investments with an original maturity of three months or less. Earmarked balances with bank, margin money or security against borrowings, guarantees and other commitments, if any shall be treated separately from cash and cash equivalent

## **2.5 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## **2.6 Depreciation and amortisation**

Depreciation has been provided as per the useful life of the respective asset by retaining 5% as residual value in accordance with the Schedule II to the Companies Act, 2013.

Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are acquired/installed. Depreciation on sale/deduction from fixed assets is provided for up to the date of sale, deduction and discardment as the case may be.

In case of items having value of Rs. 5,000/- or below that are acquired during the year, are charged to profit & loss account at 100% in the year of purchase.

## **2.7 Revenue recognition**

### Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax, value added tax and GST. The company follows the mercantile system of accounting and recognizes the income and expenditures on accrual basis except in case of significant uncertainties. Certain items of income such as insurance claim, market fees refund, overdue interest from customers etc have been considered to the extent the amount is accepted by the parties

Domestic sales are recognized at the point of dispatches to customers.

Export Sales are recognized at the time of issue of Bill of Lading.

## **2.8 Other income**

Interest income is recognised on time proportion basis.

## **2.9 Tangible fixed assets**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use, including borrowing cost till commencement of commercial production, net changes on foreign exchange contracts, if capitalization criteria are met. Capital work in progress is stated at cost. Capital work in progress includes the cost of fixed assets that are not yet ready for their intended use, as on the balance sheet date.

## 2.10 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

## 2.11 Foreign currency transactions and translations

### Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

### Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

## 2.12 Government grants, subsidies and export incentives

Export Incentive if any is accounted on accrual basis except Interest Subsidy which has been accounted for on receipt basis.

## 2.13 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

## 2.14 Employee benefits

The Company has adopted the Accounting Standard 15- Employee Benefits prescribed under the Companies (Accounting Standards) Rules, 2006. Employee benefits include provident fund, bonus, superannuation fund, compensated absences, long service awards and post-employment medical benefits. The Company's obligation towards various employee benefits has been recognized as follows:

### **Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are short-term employee benefits. Benefits such as salaries, wages and bonus wages, etc, are recognized in the Profit and Loss statement in the period in which the employee renders the related service.

### **Defined contribution plans**

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.



## **2.15 Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

Borrowing cost attributable to the fixed assets during construction/ exploration, renovation and modernization are capitalized. Such borrowing costs are apportioned on the average balance of capital work in progress for the year. Other borrowing costs are recognized as an expense in the period in which they are incurred.

## **2.16 Segment reporting**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance. However the company is currently dealing in only one primary segment..

## **2.17 Taxes on income**

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income that originates in one period and are capable of reversal in one or more subsequent periods

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

## **2.18 Impairment of assets**

The carrying values of assets / cash generating units are reviewed at each Balance Sheet date for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

## **2.19 Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A contingent liability is disclosed where, as a result of past events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## **2.20 Insurance claims**

Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

## **2.21 Leases**

### **a) Finance lease**

- i) Assets taken on finance lease are capitalised at fair value or net present value of the minimum lease payments, whichever is less.
- ii) Lease payments are apportioned between the finance charges and outstanding liability in respect of assets taken on lease.

### **b) Operating lease**

- i) Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating lease. Lease rent are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

## **2.22 Earning per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## **2.23 The Previous Year figures have been regrouped/rearranged wherever necessary to make them comparable.**

	(in ₹ ) As at 31-Mar-2021	(in ₹ ) As at 31-Mar-2020
<b>NOTE 3</b>		
<b>SHARE CAPITAL AUTHORISED</b>		
30,000,000 Equity shares of Rs 10 each with voting rights	3,000.00	3,000.00
(Previous Year 30,000,000 Equity shares of Rs 10 each with voting rights)		
220,000 Preference shares of Rs. 1,000 Each	2,200.00	2,200.00
(Previous Year 220,000 Preference shares of Rs. 1,000 Each)		
<b>ISSUED SUBSCRIBED AND FULLY PAID UP</b>		
24,567,200 Equity shares of Rs 10 each with voting rights	2,456.72	2,456.72
(Previous Year 24,567,200 Equity Shares of Rs 10 each with voting rights)		
220,000 Preference shares of Rs. 1,000 Each	2,200.00	2,200.00
(Previous Year 220,000 Preference shares of Rs. 1,000 Each)		
<b>Total</b>	<b>4,656.72</b>	<b>4,656.72</b>
<b>A) Reconciliation of number of equity shares outstanding</b>		
As at the beginning of the year	2,45,67,200.00	2,45,67,200.00
Add: Shares Issued during the year	-	-
Less: Bought back during the year	-	-
As at the end of the year	2,45,67,200.00	2,45,67,200.00
<b>Share holders having 5% or more Shares</b>		
<b>Name Of Shareholders</b>		
<b>Rohit Gupta</b>		
No. of shares	1,80,88,800.00	1,80,88,800.00
% of holding	73.63	73.63
<b>Other Promoters Group</b>		
No. of shares	10,800.00	11,000.00
% of holding	0.04	0.04
<b>Other Public Holding</b>		
No. of shares	64,67,600.00	64,67,400.00
% of holding	26.33	26.33
	2,45,67,200.00	2,45,67,200.00
	-	-
<b>B) Reconciliation of number of Preference shares outstanding</b>		
As at the beginning of the year	2,20,000.00	2,20,000.00
Add: Shares Issued during the year		
Less: Bought back during the year		
As at the end of the year	2,20,000.00	2,20,000.00
<b>Share holders having 5% or more Shares</b>		
<b>Name Of Shareholders</b>		
<b>Rohit Gupta</b>		
No. of shares	2,20,000.00	2,20,000.00
% of holding	100.00	100.00
	2,20,000.00	2,20,000.00

	(in ₹ ) As at 31-Mar-2021	(in ₹ ) As at 31-Mar-2020
<b>NOTE 4</b>		
<b>RESERVE AND SURPLUS</b>		
<b>General Reserve</b>		
Opening Balance	107.41	98.64
Transfer from Profit & Loss	15.36	8.77
	<u>122.77</u>	<u>107.41</u>
<b>Share Premium</b>		
Opening Balance	4,347.62	4,347.62
Add: Received during the year	-	-
	<u>4,347.62</u>	<u>4,347.62</u>
<b>Profit &amp; Loss A/c</b>		
Opening Balance	6,789.60	6,260.91
Add: Additions During the Year	522.48	570.87
Less: Transfer to General Reserve	(15.36)	(8.77)
Less: Prior Period Items	-	(32.40)
Impact of Opening Balance of Net Assets on Sale of Subsidiary	(422.96)	
Foreign Subsidiary Conversion Difference	-	(1.01)
	<u>6,873.76</u>	<u>6,789.60</u>
<b>Total</b>	<u><u>11,344.15</u></u>	<u><u>11,244.63</u></u>
<b>NOTE 5</b>		
<b>Long Term Liabilities</b>		
<b>Secured Loan</b>		
Term Loan from Banks	3,908.64	22.29
Less: Payable with 12 months	(31.58)	(11.97)
Unsecured Loans from Directors	136.38	91.38
	<u>4,013.44</u>	<u>101.70</u>
<b>Total</b>	<u><u>4,013.44</u></u>	<u><u>101.70</u></u>
<b>NOTE 6</b>		
<b>Deferred Tax Liabilities</b>		
<b>Current year Provision</b>	<u>24.14</u>	<u>(20.26)</u>
<b>Total</b>	<u><u>(36.60)</u></u>	<u><u>(60.73)</u></u>
<b>NOTE 7</b>		
<b>Short Term Borrowings</b>		
Cash Credit	20,459.77	20,221.46
Others	2,061.01	1,823.77
	<u>-</u>	<u>-</u>
<b>Total</b>	<u><u>22,520.78</u></u>	<u><u>22,045.22</u></u>



	(in ₹ ) As at 31-Mar-2021	(in ₹ ) As at 31-Mar-2020
<b>NOTE 8</b>		
<b>Trade payables</b>		
Due to MSME	44.59	50.91
Sundry Creditors for Trade	6,827.81	3,776.64
<b>Total</b>	<b>6,872.40</b>	<b>3,827.55</b>
<b>NOTE 9</b>		
<b>Other current liabilities</b>		
Statutory Liabilities:	19.84	31.01
Loan From Banks Repayable in one year	31.58	11.97
Expenses payable	54.35	115.26
Other current liabilities	40.53	155.64
Dividend on Preference Shares	100.98	100.98
Dividend Distribution Tax & Interest Theron payable	18.18	18.18
Advance received from related Parties	67.44	240.15
Advance received from debtors	779.74	293.57
<b>Total</b>	<b>1,112.65</b>	<b>966.77</b>
<b>NOTE 10</b>		
<b>Short Term Provisions</b>		
Provision for Taxation (Net of advance tax)	173.91	2.27
<b>Total</b>	<b>173.91</b>	<b>2.27</b>
<b>NOTE 12</b>		
<b>OTHER NON CURRENT ASSETS</b>		
Investment in Shares of Natural Global Foods DMCC	26.23	-
Add : Profit share till 03.03.2021	392.77	
Add : Profit share till 31.03.2021 from 04.03.2021	(1.66)	
<b>Total</b>	<b>417.34</b>	<b>-</b>
<b>NOTE 13</b>		
<b>Non Current Assets</b>		
Unsecured Loans & Advances	16.07	8.98
Margin Money Redeemable after 12 Months	23.05	32.81
<b>Total</b>	<b>39.13</b>	<b>41.79</b>

	(in ₹ ) As at 31-Mar-2021	(in ₹ ) As at 31-Mar-2020
<b>NOTE 14</b>		
<b>INVENTORIES</b>		
(Stock of Traded Goods have been Valued at lower of Cost and NRV)		
Finished Goods Trading	3,839.70	9,084.57
Finished Goods Manufacturing	19,888.80	8,675.08
Raw Material	702.75	1,515.03
	-	-
<b>Total</b>	<b>24,431.24</b>	<b>19,274.68</b>
<b>NOTE 15</b>		
<b>TRADE RECEIVABLES</b>		
	-	-
<b>Over Six Months</b>		
Unsecured Considered Good	2,098.41	2,680.39
<b>Others</b>		
Unsecured Considered Good	19,169.11	16,879.24
	-	-
<b>Total</b>	<b>21,267.52</b>	<b>19,559.63</b>
<b>NOTE 16</b>		
<b>CASH AND BANK ADVANCES</b>		
Cash on Hand	34.13	30.66
Balance with Banks	41.09	134.67
<b>Total</b>	<b>75.23</b>	<b>165.34</b>
<b>NOTE 17</b>		
<b>Short-term loans and advances</b>		
Advance paid to Related Party	86.87	(1.47)
Advance paid to Vendors	1,603.54	1,033.05
<b>Total</b>	<b>1,690.41</b>	<b>1,031.58</b>
<b>NOTE 18</b>		
<b>Other Current assets</b>		
Loans & Advances	13.05	17.35
MAT Credit Entitlement	-	0.03
Security Deposits	35.67	32.56
GST Receivable	221.73	177.61
Prepaid Expenses	32.53	22.08
Interest & subsidies receivable	391.77	278.48
Margin Money Redeemable in 3-12 Months	50.45	22.75
Other Current assets	18.28	0.50
Taxes Paid (After setting of provisions)	-	27.35
<b>Total</b>	<b>763.47</b>	<b>578.70</b>

	(in ₹ ) For the year ended 31-Mar-2021	(in ₹ ) For the year ended 31-Mar-2020
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## NOTE 19

### Revenue from operations

Sale of products	51,468.07	48,786.72
<b>Total</b>	<b>51,468.07</b>	<b>48,786.72</b>

## NOTE 20

### Other Income

Foreign Exchange Fluctuations	-	75.30
Discount Received	40.01	22.48
Duty Drawback/GST Refund	18.41	72.44
Interest on FDR & Loan	5.01	196.58
Job Work	12.24	14.75
Shortage /Excess	1.59	6.49
Miscellaneous income	1.19	0.30
Insurance Claim	5.71	2.86
Unclaimed Liability	-	4.29
Profit on Sale of Investments	139.73	-
Profit on Sale of Asset	0.23	-
Other Income (Organic Project)	3.75	31.52
<b>Total</b>	<b>227.86</b>	<b>427.03</b>

## NOTE 21

### MATERIAL CONSUMED

#### Raw Materials' Consumption

Opening Stock	1,515.03	2,300.80
Add: Purchases	14,455.42	14,286.48
Add: Freight Inward	150.65	170.09
Add: Packing Material Purchase	212.39	381.94
Less : Closing Stock	(702.75)	(1,515.03)
<b>COGS</b>	<b>15,630.74</b>	<b>15,624.28</b>

## NOTE 22

### PURCHASE OF TRADED GOODS

Purchase of traded goods	36,107.64	18,518.18
<b>Total</b>	<b>36,107.64</b>	<b>18,518.18</b>

	(in ₹ ) For the year ended 31-Mar-2021	(in ₹ ) For the year ended 31-Mar-2020
<b>NOTE 23</b>		
<b>INCREASE /(DECREASE ) &amp; FINISHED GOODS</b>		
Opening Stock of Finished Goods	17,759.65	27,360.93
Closing Stock of Finished Goods	23,728.50	17,759.65
Increase/(Decrease) in Finished Goods	(5,968.85)	9,601.28
<b>Total</b>	<b>(5,968.85)</b>	<b>9,601.28</b>
<b>NOTE 24</b>		
<b>EMPLOYEE BENEFIT EXPENSE</b>		
Salaries	325.02	362.04
Directors Remuneration	37.18	41.26
Staff Welfare	9.50	8.59
<b>Total</b>	<b>371.70</b>	<b>411.89</b>
<b>NOTE 25</b>		
<b>Financial costs</b>		
Bank Interest	1,221.23	1,902.22
Bank Charges	30.73	38.18
Interest on late payments of statutory dues	3.88	18.83
<b>Total</b>	<b>1,255.85</b>	<b>1,959.23</b>



	(in ₹ ) For the year ended 31-Mar-2021	(in ₹ ) For the year ended 31-Mar-2020
<b>NOTE 26</b>		
<b>Other expenses</b>		
<b>Manufacturing Expenses</b>		
Consumables	6.75	3.42
Electricity Charges	92.54	144.48
Fumigation expense	1.31	1.48
Inspection Charges	7.43	13.61
Job Work	12.24	-
Pest control service charges	14.25	24.04
Repair & Maintenance	56.80	47.00
Toll Tax	0.03	0.81
Wages & Labour Charges	454.84	579.27
<b>Business Development Expenses</b>		
Business Promotion	854.00	95.19
<b>Selling, Distribution &amp; Administration Expenses</b>		
Advertisement Expenses	3.50	2.17
Audit fee & Expenses	8.58	8.60
Bad Debts & Provisions	70.07	0.28
Brokerage & Commission	31.57	67.55
Business Promotion & Marketing	983.44	66.68
Clearing & Handling Charges	40.44	86.87
Communication Charges	11.64	15.01
Consultancy Expense	6.49	60.16
Conveyance & Travelling	43.03	95.52
CSR Expenses	0.52	6.40
Discounts Allowed	32.19	12.37
Foreign Exchange Loss	23.20	0.04
Freight & transportation on Sales	168.48	250.01
Insurance	53.48	53.35
Misc. Expenses	42.92	91.29
Printing & Stationery	7.46	10.44
Prior Period Expense	9.49	-
Professional Fees	75.17	109.16
Rent, Rates & Taxes	161.58	288.31
Repair & Maintenance	34.44	43.37
<b>Total</b>	<b>3,307.88</b>	<b>2,176.85</b>

#### NOTE 27

##### Earning Per Share

a) Profit for the year (in Rs )	5,22,48,144.33	5,70,86,509.28
No of Shares at beginning of the year	2,45,67,200.00	2,45,67,200.00
No of Shares at end of the year	2,45,67,200.00	2,45,67,200.00
b) Weighted average no. of equity shares outstanding	2,45,67,200.00	2,46,34,507.40
c) Earning per share		
Basic (in Rs)	2.13	2.32
Diluted (in Rs)	2.13	2.32

**SARVESHWAR FOODS LIMITED**

Notes to Accounts as on March 31' 2021

**28 Related party disclosures:****Nature and name of related parties****Key Management Person**

Rohit Gupta (Chairman)

**Relative of Key Management Person**

Suraj Prakash Gupta

Radha Rani

Pooja Gupta

**Enterprises Owned or controlled by Key Management Personnel or their relatives**

Sarveshwar Logistics

Radhika Overseas

Sarveshwar International

Himalayan Ancient Foods P Ltd

Radhika Pest Control

Shree Jee Trading

**Transactions with related parties during the year:****(in ₹ Lacs)**

Name of related party	Nature of transaction	Transaction during the year Dr./(Cr.)	
		2021	2020
Rohit Gupta	Rent	39.89	76.20
Anil Sharma	Salary	9.85	13.04
Surendar Jasrotia	Salary	17.65	14.88
Sunil Bakshi	Salary	2.35	-
Adarsh Gupta	Salary	0.50	-
Uttar Kumar Padha	Salary	0.33	-
Gayatri Tandon	Salary	7.31	9.03
Seema Rani	Salary	5.78	4.31
Sunil Bakshi	Salary	17.90	17.90
Sarveshwar Logistics	Freight	69.25	60.35
Radha Rani Gupta	Rent	-	26.10
Sarveshwar International	Sales	-	12.94
Sarveshwar International	Purchases	-	4.06
Radhika Overseas	Sales	0.51	52.11
Radhika Overseas	Purchases	81.02	648.16

**29 Expenditure and earnings in foreign currency (on accrual basis)****(in ₹ Lacs)**

Particulars	2021	2020
Expenditure		
Certification Fees	1.32	0.54
Consultancy Fee	6.35	59.85
Lab Testing	0.32	0.44
Advertisement Exp	1.06	
Subscription Charges	0.12	
Commission on Exports	19.65	
Travelling Expenses in foreign Currency	0.52	0.87
Earnings		
Sale of finished goods	1,868.76	3,484.84

30 Unhedged foreign currency exposures as at the balance sheet date

Particulars	2021				2020			
	in USD	in JPY	Exchange rate	in ₹ Lacs	in USD	in JPY	Exchange rate	in ₹
Trade Receivable	5,63,109	-	73.21	412.23	6,35,169	-	75	478.83

31 Statement Of Net Assets And Profit Or Loss Attributable To Owners And Minority Interest

Particulars	Sarveshwar Foods	Sarveshwar Overseas Limited	Himalayan Bio Organic Foods	Natural Global Food	Minority interest	Total
	Holding Company	Subsidiary	Subsidiary	Subsidiary		
Country of incorporation	India	India	India	Dubai		
Consolidated profit after tax - current year	307.22	38.37	192.06	(15.17)	0.39	522.87
% of consolidated profit after tax	58.76%	7.34%	36.73%	-2.90%	0.07%	
Consolidated profit after tax - previous year	175.39	43.69	218.12	133.67	0.44	571.31
% of consolidated profit after tax	30.70%	7.65%	38.18%	23.40%	0.08%	
Consolidated net assets - current year	11,928.68	4,342.55	2,349.94	-	(2,598.88)	16,022.28
% of Consolidated net assets	74.45%	27.10%	14.67%	0.00%	-16.22%	
Consolidated net assets - previous year	11,621.47	4,303.79	2,157.88	896.16	(3,056.91)	15,922.37
% of Consolidated net assets	72.99%	27.03%	13.55%	5.63%	-19.20%	

32 The balances of receivables, payables, security deposit given are subject to confirmation & reconciliation, if any.

33 **Disclosure under Accounting Standard (AS) 15 " Employee Benefits"**
**Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The gratuity plan of the Company is funded. The information in the note is for disclosure purpose.

**The defined benefit plans expose the Company to a number of actuarial risks as below:**

**Interest risk:** A decrease in the bond interest rate will increase the plan liability.

**Salary risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(in ₹ Lacs)

**(i) The key assumptions used in accounting for retiring gratuity is as below:**

Particular	2021	2020
Discount rate	7.25%	7.25%
Rate of escalation in salary	7.00%	7.00%

**(ii) Changes in present value of Obligation:**

Particular	2021	2020
Obligation at the beginning of the year	(17.55)	(13.31)
Interest costs	(1.24)	(1.00)
Current service costs	(5.93)	(3.86)
Benefits paid	0.90	0.73
Remeasurement (gains)/losses	4.41	(0.11)
Obligation at the end of the year	<b>(19.42)</b>	<b>(17.55)</b>

**(iii) Changes in the fair value of plan assets:**

Particular	2021	2020
Fair value of plan assets at beginning of year	22.96	19.00
Expected return on plan assets	0.61	1.37
Contributions	2.51	3.32
Benefits paid	(0.90)	(0.73)
Remeasurement (gains)/losses	-	-
Fair value of plan assets at the end of year	<b>25.19</b>	<b>22.96</b>

**(iv) Amounts to be recognised in the balance sheet**

Particular	2021	2020
Present value of obligation	(19.42)	(17.55)
Fair value of plan assets	25.19	22.96
Funded status	5.77	5.41
Net assets / (liability) recognized in balance sheet as provision	<b>5.77</b>	<b>5.41</b>

**(v) Expenses to be recognised in the statement of profit and loss**

Particular	2021	2020
Current service costs	(5.93)	(3.86)
Interest costs	(1.24)	(1.00)
	<b>(7.17)</b>	<b>(4.86)</b>
Expected return on plan assets	0.61	1.37
Net Actuarial (gain)/ loss	4.41	(0.11)
	<b>5.02</b>	<b>1.26</b>
Net Impact on Profit & Loss	<b>(2.15)</b>	<b>(3.60)</b>

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors on long term basis.



## Details of secured borrowings as on March 31, 2021

Name of the lenders	Facility Type	Interest rate	Loan Currency	Sanctioned Amount in Lacs	Tenure	Outstanding Loan as on 31.03.2021 in INR Lacs	Security as per the loan agreement
<b>Long Term</b>							
J&K Bank Loan WCTL (GECL) 0230260440000002	WCTL	1 Year MCLR + 150 bsp	INR	1,867.00	-	1,867.00	Various Immovable Properties and Stocks & Debtors
J&K Bank Loan WCTL (GECL) 0230260230000001	WCTL	1 Year MCLR + 150 bsp	INR	1,988.00	-	2,001.19	Various Immovable Properties and Stocks & Debtors
<b>Short Term</b>							
J&K Bank	CC	MCLR+ 0.5%	INR	10,500.00	Renewal Done Every Year	7,740.60	Various Immovable Properties and Stocks & Debtors
J&K Bank PCFC	SUB Limit CC	6M LIBOR/EURIBOR+ 400bps p.a	USD		Renewal Done Every Year	-	Various Immovable Properties and Stocks & Debtors
J&K Bank PSFC	SUB Limit CC	6M LIBOR/EURIBOR+ 200bps p.a	USD		Renewal Done Every Year	-	Various Immovable Properties and Stocks & Debtors
J&K Bank PSL 004	LC /NON LC BACKED	10% Less Subvention Benefit 5%	INR		Renewal Done Every Year	-	Various Immovable Properties and Stocks & Debtors
PCL Limit A/c No. 04	Pledge Limits	10% Less Subvention Benefit 5%	INR		Renewal Done Every Year	-	Various Immovable Properties and Stocks & Debtors
PCL Limit A/c No. 05	Pledge Limits	10% Less Subvention Benefit 5%	INR		Renewal Done Every Year	-	Various Immovable Properties and Stocks & Debtors
PCL Limit A/c No. 06	Pledge Limits	10% Less Subvention Benefit 5%	INR		Renewal Done Every Year	2,256.07	Various Immovable Properties and Stocks & Debtors
J&K Bank	CC	MCLR+ 0.5%	INR		Renewal Done Every Year	9,812.75	Various Immovable Properties and Stocks & Debtors
J&K Bank PCFC	SUB Limit CC	6M LIBOR/EURIBOR+ 400 bps p.a	USD	10,500.00	Renewal Done Every Year	-	Various Immovable Properties and Stocks & Debtors
J&K Bank PSFC	SUB Limit CC	6M LIBOR/EURIBOR+ 200 bps p.a	USD		Renewal Done Every Year	409.90	Various Immovable Properties and Stocks & Debtors
Allahabad Bank (Covid-19) Loan A/c (58001174806)	0	0	0	0	0	240.45	0
Allahabad Bank Stock Pledge-831	Pledge Limit	11.38%	INR	2,500.00	Renewal Done Every Year	2,059.38	Against pledged stock
				27,355.00		22,519.15	

35 The Company has reclassified previous year figures to conform to this year's classification.

As per our report of even date

**For K R A & Co**  
Firm Registration No: 020266N  
Chartered Accountants

**For and behalf of the Board of Directors**  
**SARVESHWAR FOODS LIMITED**

**Rajat Goyal**  
Partner  
Membership No. 503150  
UDIN: 21503150AAAAVK5451  
Place: Delhi  
Date: 20th July 2021

**Anil Kumar Sharma**  
Managing Director  
DIN:07417538  
Place: Jammu  
Date: 20th July 2021

**Sourabh Mehta**  
CFO  
PAN: ALDPM4604L  
Place: Jammu  
Date: 20th July 2021

**Surender Singh Jasrotia**  
Director  
DIN:8566350  
Place: Jammu  
Date: 20th July 2021

## SARVESHWAR FOODS LIMITED

## Consolidated Statement of Notes to Accounts for the year ended March 31, 2021

11 Tangible assets	(in ₹ Lacs)									
	Land	Building	Plant & Machinery	Office Equipments	Furniture & Fixture	Electrical Installation	Vehicles	Computer	Softwares	Total
Gross block										
At March 31, 2019	867.43	1,077.87	1,301.16	129.37	99.22	3.78	161.76	44.89	12.11	3,697.60
Additions	-	-	71.29	3.38	4.88	1.37	12.34	2.63	-	95.89
Disposals	-	-	20.60	-	-	-	-	-	-	20.60
At March 31, 2020	867.43	1,077.87	1,351.85	132.76	104.10	5.15	174.10	47.52	12.11	3,772.89
Additions	-	-	21.94	1.94	1.26	0.33	3.76	4.26	-	33.48
Disposals	-	-	-	0.08	-	-	-	0.68	-	0.77
At March 31, 2021	867.43	1,077.87	1,373.79	134.61	105.36	5.48	177.86	51.10	12.11	3,805.61
Depreciation										
At March 31, 2019	(44.91)	408.57	793.68	85.14	31.62	0.94	107.84	27.99	-	1,410.85
Charge for the year	-	63.60	97.28	11.71	18.06	0.93	15.93	11.43	4.04	222.97
Disposals	-	-	14.35	-	-	-	-	-	-	14.35
At March 31, 2020	(44.91)	472.17	876.60	96.85	49.68	1.87	123.77	39.41	4.04	1,619.47
Charge for the year	-	57.56	87.93	9.04	14.28	0.91	13.48	5.94	2.69	191.83
Disposals	-	-	-	0.01	-	-	-	0.22	-	0.23
At March 31, 2021	(44.91)	529.73	964.53	105.88	63.96	2.78	137.25	45.13	6.73	1,811.07
Net block										
At March 31, 2020	912.35	605.70	475.24	35.91	54.42	3.28	50.33	8.11	8.07	2,153.42
At March 31, 2021	912.35	548.14	409.26	28.72	41.40	2.70	40.61	5.97	5.38	1,994.53



# SARVESHWAR FOODS LIMITED

(Formerly Known as Sarveshwar Organic Foods Limited)

REGD. OFF: SARVESHWAR HOUSE, BELOW GUMMAT, JAMMU (J&K)-180001

CIN: L15312JK2004PLC002444

Ph: 0191-2481954; 01923-220962; Email: investorrelations@sarveshwarrice.com

## **ATTENDANCE SLIP**

Serial No: \_\_\_\_\_

Registered Folio/ DP ID & Client ID		
Name and Address of the Shareholder(s)		
Joint Holder 1 Joint Holder 2		
No. of Shares held		

I/We hereby record my/our presence at the **17<sup>th</sup> Annual General Meeting** of the Company being held on **Wednesday, 29<sup>th</sup> September, 2021 at 11:00 A.M. SFL Meeting Hall, Village Seora, Baba Fareed Nagar, Bisnah –Kunjwani Road, Jammu J&K -181132 India.**

Signature of the Shareholder/Proxy/Authorized Representative: \_\_\_\_\_

Please fill in the attendance slip and hand it over at the entrance of the meeting hall. Please bring your copy of the annual report for reference at the Meeting.

## **ELECTRONIC VOTING PARTICULARS**

The Company is providing facility for remote e-voting (i.e. voting from a place other than venue of Annual General Meeting) and the business as set out in the notice of Annual General Meeting (AGM) may be transacted by the members through such voting. The remote e-voting facility is provided through e-voting platform of National Securities Depositories Limited (NSDL).

EVEN (E-VOTING EVENT NUMBER)	User ID	Password
118017		



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## PROXY FORM- MGT-11

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

Name of the member(s)	
Registered address	
E-mail ID	
Folio No/Client ID	
DP ID	

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

1. Name	
E-mail ID	
Address	
Signature	

Or failing her/him

2. Name	
E-mail ID	
Address	
Signature	

Or failing her/him

3. Name	
E-mail ID	
Address	
Signature	



as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Annual General Meeting of the Company, to be held on **Wednesday ,29<sup>th</sup> September, 2021 at 11.00 A.M at SFL Meeting Hall, Village Seora, Baba Fareed Nagar, Bisnah –Kunjwani Road, Jammu, J & K -181132 India.** and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions	For	Against
1.	Adoption of the Audited Balance Sheet as at 31 <sup>st</sup> of March, 2021 and Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon and the audited consolidated financial statements of the company for the financial year ended 31 <sup>st</sup> March, 2021		
2.	Re-appointment of <b>Mr. Rohit Gupta DIN:02715232 ) and Mr. Surendar Singh Jasrotia (DIN:08566350) ,</b> who retires by rotation and being eligible to offer themselves for re appointment.		
3.	Ratification of appointment of <b>M/s. K R A &amp; Co, Chartered Accountants (FRN: 020266N)</b> as Statutory Auditors of the company.		
4.	Regularization of Mr. Ashu Gupta as Executive Director of the Company .		
5.	Regularization of Mr. Harbans Lal as Executive Director of the Company .		
6.	Regularization of Mr. Mahadeep Singh Jamwal as Executive Director of the Company .		
7.	Regularization of Mr. Ambedkar Gupta as Executive Director of the Company .		
8.	Regularization of Dr. Pradeep Kumar Sharma as Non-Executive Director of the Company .		
9.	Regularization of Mr. Shailesh Kumar Madan Lal Vora as Executive Director of the Company .		

Signed this .....Day of ..... 2021

Affix a  
Re.1/-  
Revenue  
Stamp

Signature of shareholder

Signature of Proxy holder(s)

**Note:**

- (1) This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- \* (4) This is only optional. Please put a "X" in the appropriate column against the resolutions indicated in the Box. If you leave the "FOR or "Against" column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.





# White Rice and <sup>02</sup> Raw <sup>02</sup> Brown Rice



Delightful experience in  
every bite.



[www.sarveshwarrice.com](http://www.sarveshwarrice.com)







# **SARVESHWAR FOODS LIMITED**

REGISTERED OFFICE: SARVESHWAR HOUSE, BELOW GUMMAT, JAMMU (J&K)-180001  
Website: [www.sarveshwarrice.com](http://www.sarveshwarrice.com) | Email Id: [investorrelations@sarveshwarrice.com](mailto:investorrelations@sarveshwarrice.com)