



Basant Agro Tech (India) Ltd.

29th Annual Report 2018-2019

We feed the land which feeds the people

Basant Agro Tech (India) Ltd.



Late Shri. Chimanlal Bhartiya Founder & Our Inspiration

"you live on in team Basant Agro,
we are only torch bearers of your mission, your vision"

Registered Office & Npk Fertilizer Unit I
Plot No. 13/2, Kaulkhed, Near S. T. Workshop,
Akola - 444 001 (Maharashtra).

NPK Fertilizer Unit II
Gat No. 76, Bhilwadi Station, Nr. Chitale Dairy,
Tal. Palus, Sangli (Maharashtra).

NPK Fertilizer Unit III
Sy No. 66-A/4, Hanumanhalli Village,
Danapur Panchayat,
Tal. Hospet, Dist. Bellary (Karnataka).

SSP Fertilizer Unit I
Survey No. 62, Kanheri Aranda Road,
Kanheri-Sarap, Taluka-Barshi Takli,
Akola - 444 001 (Maharashtra).

SSP Fertilizer Unit II
Mhow Nasirabad Rd., Nayagaon,
Neemuch - 458 468 (Madhya Pradesh).

SSP Fertilizer Unit III
Khedi Kadoli Road, Gut No. 314,
Tq. Erandol, Dist. Jalgaon (Maharashtra).

Seed and R & D Unit
Plot No. 13/2, Kaulkhed, Near S. T. Workshop,
Akola - 444 001 (Maharashtra).

**REGISTRARS & SHARE
TRANSFER AGENTS**
Sharex Dynamic (India) Pvt. Ltd.

C 101, 247 Park, L B S Marg,
Vikhroli west, Mumbai-400083
Tel.: 2851 5644 / 2851 5606 Fax.: 228512885
Email :support@sharexindia.com

DIRECTOR

Chairman & Managing Director : **Shri. S. C. Bhartiya**
Managing Director : **Shri. D. C. Bhartiya**
Executive Director : **Shri. A. N. Bhartiya**
Director : **Shri. S. W. Sawant**
Director : **Shri. R. S. Tayade**
Director : **Smt. M. M. Khandelwal**
Director : **Shri. Rameshwar Kabra**

COMPANY SECRETARY

Shri. P. G. Todankar

CHIEF FINANCIAL OFFICER

Shri. N. R. Pathak

AUDITORS

M/s. Amar Bafna & Associates
201 Appolo Chamber Premises Co-op Soc Ltd,
Mogra Village, Old Ngardas road, Andheri (E),
Mumbai - 400069.

M/s. Gautam R. Agarwal & Associates
C/o Garg Associates, Shop No. 9, 2nd Floor,
Sadguru Tower, Alsi Plot, Akola

LEGAL ADVISOR

Shri. R. B. Agrawal,
Akot, Dist. Akola

BANKERS

State Bank Of India,
Old City SME Branch, Akola - 444 001.

CORPORATE OFFICE

**95/96-C, Mittal Court, Nariman Point,
Mumbai - 400 021.**

BASANT AGRO TECH (INDIA) LIMITED

NOTICE

NOTICE is hereby given that Twenty Ninth Annual General Meeting of members of BASANT AGRO TECH (INDIA) LIMITED, will be held at Shri C.R.B. Cultural Center, Plot No. 50 Sneh Nagar, Near Tale Bichayat Center, Behind Geeta Nagar, Akoli BK, Akola - 444 001, Maharashtra on Monday, 30th September, 2019, at 4:00 P.M. to transact the following business :

Ordinary business:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31st 2019 and the Reports of Board of Directors and Auditors thereon.
2. To declare dividend on equity shares of the Company.
3. To appoint a Director in place of Shri. D.C. Bhartia (DIN.: 00151521) who retires by rotation and being eligible, offers himself for reappointment.
4. To Appoint Statutory Auditors of the Company.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) the company hereby ratifies the appointment of M/s Amar Bafna & Associates, Chartered Accountants, Mumbai (Firm Registration No. 114854W) and M/s S Shah G Agrawal & Co., Chartered Accountants, Akola (Firm Registration No. 149068W) formerly known as M/s Gautam R. Agrawal & Associates, Chartered Accountants, Akola (Firm Registration No. 139859W) as joint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 30th Annual General Meeting of the Company, on such remuneration as shall be fixed by the Board of Directors of the Company for the financial year ending 31st March, 2020.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such necessary acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Special business:

5. **To consider and if thought fit to pass with or without modification(s) following resolution as special resolution:**
"RESOLVED THAT, pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Rules, 14 of Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) approval of the Company be and is hereby accorded to the payment of remuneration of Rs. 60,000/- plus taxes, as applicable and reimbursement of actual travel and out-of-pocket expenses, if any, to Mr. T.M. Rath, Cost Accountant for the cost audit of the cost records of the Company for the Financial Year 2019-20.
"RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to do all acts and take all such step as may be necessary, proper or expedient to give effect to this resolution."

Place : Mumbai
Dated : 30th May, 2019

By Order of the Board of Directors
Basant Agro Tech (I) Ltd.

Registered Office : Plot No. 13 / 2, Kaulkhed,
Nr. S.T. Workshop, Akola - 444001. Maharashtra.

Prasad Todankar
Company Secretary

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "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 AS PER THE FORMAT INCLUDED IN THE ANNUAL REPORT SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

Proxies on behalf of limited companies, societies, etc. must be submitted along with appropriate resolutions / authority as applicable. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

- Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
- Corporate members intending to send their authorized representative to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- The Register of Members and the Share Transfer Books of the Company will remain closed from Friday 27th September, 2019 to Monday 30th September, 2019 (both days inclusive).
- The dividend if declared will be paid to those shareholders, whose names appears in the Register of Members of the Company as on book closure dates.
- Members are requested to note that pursuant to the provisions of Section 124 of the Companies Act, 2013 (Section 205A of the erstwhile Companies Act, 1956), the amount of Dividend unclaimed or unpaid for a period of 7 years from the date of transfer to Unpaid Dividend Account, shall be transferred to the Investor Education & Protection Fund set up by Government of India and no

claim shall lie against the Fund or the Company after the transfer of Unpaid or Unclaimed dividend amount to the Government. The amount lying in the Unpaid Dividend Account for the financial year 2010-11 has been transferred to the Investor Education & Protection Fund on 11.11.2018. The Unpaid Dividend Amount for the financial year 2011-12 is due for transfer to the Investor Education & Protection Fund in the month of November, 2019. Members who have not encashed their Dividend for the financial year 2011-12 and onwards are therefore, requested to make their claims to the Company immediately

- (g) **To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with DPs. The registered e-mail address will be used for sending future communications.**
- (h) **Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or our share transfer agent for assistance in this regard.**
- (i) The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to our share transfer agent
- (j) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Sharex, for consolidation into a single folio.
- (k) The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address is registered with the Company or the Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled Attendance Slip at a Registration Counter at the AGM.
- (l) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with Depository Participant(s). Members who have not registered their email address with the Company can now register the same by sending request to M/s Sharex Dynamic (India) Pvt. Ltd. Members holding shares in demat form are requested to register their email address with their Depository Participant(s) only.
- (m) Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations and Secretarial Standard on General Meetings (SS-2), the Company is pleased to provide its Members the facility to exercise their right to vote on the resolution proposed to be considered at the Annual General Meeting by electronic means and business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from one place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- (n) The members who have not casted their vote by remote e-voting can exercise their voting right at the AGM. The Company will make arrangements of ballot papers in this regards at the AGM venue.

Instruction for e-voting

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participant(s)] :
 - (i) Open email and open PDF file viz; "basantagro.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) "Password change" menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take care to keep your password confidential.
 - (vi) Home page of "remote e-voting" opens. Click on "remote e-voting":- Active Voting Cycles.
 - (vii) Select "EVEN" of "Basant Agro Tech (I) Limited".
 - (viii) Now you are ready for remote e-voting as "Cast Vote" page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPGFormat) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to rkscrutinizer1@gmail.com with a copy marked to evoting@nsdl.co.in

BASANT AGRO TECH (INDIA) LIMITED

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below at the bottom of the Attendance Slip for the AGM :

EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN.

(ii) Please follow all steps from Sl. No. (i) to Sl. No. (xii) Above, to cast vote.

General Instructions

- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222- 990.
- II. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IV. The remote e-voting period commences on 27th September, 2019 (9:00 am) and ends on 29th September, 2019 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2019.
- VI. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222- 990.
- VII. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- VIII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- IX. Mr. Raghav Khatod, Chartered Accountant (Membership No. 137327) and Partner of M/s. Mehta Khatod Somani and Associates., Chartered Accountants has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- X. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.basantagro.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

Explanatory statement under section 102(1) of the companies Act, 2013:

Item No. 5

The board, on the recommendation of the audit committee, has approved the re-appointment and remuneration of Shri. T.M. Rathi as the cost auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditors has to be ratified by the shareholders of the Company. The remuneration payable to the cost auditor for the financial year 2019-20 shall be ₹ 60,000/- plus taxes, as applicable and reimbursement of actual travel and out-of-pocket expenses, if any. Accordingly, consent of the members has been sought for passing the resolution as set out at Item No.5 of the Notice for ratification of the remuneration payable to the cost auditors for the financial year ending March 31, 2020.

The Board recommends the said resolutions set out in Item No. 5 of the accompanying notice for approval of the members.

None of the directors / key managerial personnel is concerned or interested in the said resolutions.

Place : Mumbai

Dated : 30th May, 2019

By Order of the Board of Directors

Basant Agro Tech (I) Ltd.

Registered Office : Plot No. 13 / 2, Kaulkhed,
Nr. S.T. Workshop, Akola - 444001. Maharashtra.

Prasad Todankar
Company Secretary

BASANT AGRO TECH (INDIA) LIMITED

DIRECTOR'S REPORT

Dear members,

Your Directors have pleasure in presenting the 29th Annual Report of the Company together with the audited statements of account for the financial year ended March 31, 2019.

| | (₹ In lakhs) | |
|---|-----------------|----------------|
| 1. FINANCIAL RESULTS : | 2018-19 | 2017-18 |
| Sales | 27918.18 | 26022.68 |
| Other Income | 57.58 | 52.56 |
| Total Income | 27975.76 | 26075.24 |
| Profit before interest & depreciation, exceptional items and Tax | 2060.20 | 2225.47 |
| Less: Financial Expenses | 842.39 | 1072.92 |
| Less:- Depreciation | 485.27 | 475.34 |
| Profit before tax | 732.54 | 677.21 |
| Tax expense (net) | (10.75) | (69.36) |
| Profit after tax | 721.79 | 607.85 |
| Other Comprehensive Income | 0.02 | 0.03 |
| Total Comprehensive Income for the period | 721.81 | 607.88 |
| Earning Per Share (face value of Rs. 1/- each) | 0.80 | 0.67 |

2. Corporate Overview and the state of Company's affairs

The year 2018-19 fared well for the Company. The revenue from operation of the Company has increase from ₹ 260.23 Crores (Previous Year) to ₹ 279.18 Crores. During the year turnover of the fertilizers division has increase from ₹ 136.40 Crores (Previous Year) to ₹ 165.06 Crores. During the year the sale of seed division decline as company has shifted its focus from low-margin open-pollination (OP) variety of seeds towards high margin own (research based) variety of seeds. Apart from the above erratic rainfall also had an impact on seed sales.

The year 2018-19 continued to be a challenging period with low purchases by the farmers due to low income. Also country faced consecutive drought (in some of the regions especially western Madhya Pradesh, parts of Maharashtra). These are main states where the Company sells its fertiliser product.

The Government of India could successfully implement the Direct Benefit Transfer system for the Fertilizer Industry, however some error remain. We are hopeful that they would also be rectified soon. The Government of India also agreed to keep the subsidy for the SSP sector separately earmarked within the overall 'Phosphates and Potassium segment. This shall further improve the liquidity in the sector once implemented.

During the financial year 2018-19 the Company has kept more focus on cost cutting measures and as result of this company able to increase its profitability from ₹ 607.88 lakhs (Previous Year) to ₹ 721.81 lakhs.

In the coming year 2019-20, the long range forecast of monsoons is about normal. This coupled with the rising trend in the commodity prices, which will give better marketability to SSP vis a vis other NPK products, we expect to perform better in this year.

There has not been any material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year of the company to which Financial Statements relate and the date of this report. There have not been any changes in the Nature of Business of the Company during the year.

There have not been any changes in the Share capital of the Company during the year.

3. DIVIDEND :

The Board of Directors are pleased to recommend the dividend of ₹ 0.05 per share (5%) for the year 2018-19 on equity share capital, subject to the approval of the shareholders at the Annual General Meeting (Previous Year 5%) which shall absorb ₹ 45.31 lakhs (Previous Year ₹ 45.31 lakhs).

4. CAPITAL EXPENDITURE INCURRED :

The Company had incurred ₹ 147.65 lakhs as the capital expenditure during the year under review (Previous Year ₹ 282.73 lakhs).

5. DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP) DETAILS:

Pursuant to the provisions of sub section (6) of section 152 the Companies Act, 2013 Shri. Deepak Bhartia is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The brief resume of Shri. Deepak Bhartia has been provided in the corporate Governance Report forming part of this report. There have not been any changes in the Directors and KMP during the year.

Pursuant to provisions of Section 203 of the Act, and the Rules made thereunder, following are the Key Managerial Personnel (KMP) of the Company

Shri. Shashikant C. Bhartia- Chairman & Managing Director

Shri. Deepak C. Bhartia- Managing Director

Shri. Ashwin N. Bhartia- Executive Director

Shri. Narendra Pathak- Chief Financial Officer

Shri. Prasad Todankar- Company Secretary

Independent Directors' Declaration

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16(1)(b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

6. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by regulators/ courts that would impact the going concern status of the Company and its future operations.

7. SHARE CAPITAL:

There have not been any changes in the share capital of the Company during the year.

DEMATERIALISATION OF SHARES

The shares of your Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, Members are requested to avail the facility of dematerialization of shares with either of the Depositories as aforesaid and update their bank A/c and Email ID with the respective depository Participant.

8. INVESTORS EDUCATION & PROTECTION FUND

Dividend which was declared by the Company for the year ended March 31, 2012 at the Annual General Meeting held on August 3, 2012 and remained unclaimed will be transferred to the Investor Education and Protection Fund of the Central Government on November 20, 2019 pursuant to the provisions of Companies Act, 2013. Thereafter no claim shall lie on dividend for the year ended March 31, 2012 from the shareholders.

9. STATUTORY AUDITORS:

The Board of Directors on the recommendation of the Audit Committee has proposed to ratify the appointment of M/s Amar Bafna & Associates, Chartered Accountants, Mumbai and M/s Gautam R. Agrawal & Associates, Chartered Accountants, Akola as Joint Statutory Auditors of the Company from conclusion of this Annual General Meeting till the conclusion of the 30th Annual General Meeting of the Company. They have furnished the confirmation regarding their eligibility to the effect that their appointment if made would be within the prescribed limit under the Act and they are not disqualified for appointment.

10. Cost Auditors

Pursuant to section 148 of the Act, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its fertilizers business are required to be audited. Shri. T.M. Rathie the Cost Accountants carried out the cost audit of fertilizers business during the year. The Board of Directors has also been appointed Shri. T.M. Rathie, Cost Accountant as Cost Auditors for the financial year 2019-20 and he have confirmed that his appointment is within the prescribed limits. As require by the provisions of the Act, a resolution seeking Members approval for the remuneration payable to Shri. T.M. Rathie, Cost Auditors is included in the Notice convening the AGM.

11. INTERNAL FINANCIAL CONTROLS:

The company has in place adequate internal financial control system commensurate with the size and scale of its operations. During the year, such controls were tested and the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2019 and are operating effectively. Statutory and internal Auditors evaluate the efficiency and adequacy of internal control system, accounting procedures and policies adopted by the Company for efficient conduct of its business, adherence to Company's policies, safeguarding of Company's assets, prevention and detection of frauds and errors and timely preparation of reliable financial information etc and internal financial control system is being upgraded as per their recommendation.

12. COMPANY'S POLICY ON SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE AND REMUNERATION :

The Company has a Nomination and Remuneration Committee (NRC) and the Composition of Committee and the Scope of the Committee are set out in the Corporate Governance Report forming part of this Annual Report.

The Company's Policy for selection and appointment of Directors and their remuneration is based on its NRC policy

which, inter alia, deals with the manner of selection of the Board of Directors and such other matters as provided under section 178(3) of the Act and SEBI Listing Regulations.

The shareholders may refer the Company's website for the detailed Nomination & Remuneration Policy of the Company on the appointment and remuneration of Directors including criteria for determining qualifications, independence of Director and other matters provided under sub-section (3) of section 178.

13. AUDITORS' REPORT:

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force).

The Auditors' Report for the financial year ended 31st March, 2019, does not contain any qualification, reservation or adverse remark.

14. SECRETARIAL AUDIT :

M/s. Ferrao MSR & Associates, Practicing Company Secretary carried out Secretarial Audit for the Financial Year 2018-19 and their report is annexed herewith as Annexure – C to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

In terms of Section 204 of the Companies Act, 2013, the Board of Directors of the Company has re-appointed M/s. Ferrao MSR & Associates, Practicing Company Secretary as Secretarial Auditors to conduct the secretarial audit for the financial year 2019-20.

15. EXTRACT OF ANNUAL RETURN :

Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in Form MGT-9, is annexed herewith as Annexure 'D'

16. PUBLIC DEPOSIT :

During the year the Company has not accepted any deposit within the meaning of Section 73 and 74 of Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 (including any statutory modification (s) or re-enactment(s) for the time being in force).

17. CORPORATE SOCIAL RESPONSIBILITY (CSR) :

The CSR expenditure incurred by the company during the financial year 2018-19 was ₹14.59 lakhs (Previous Year 18.21 lakhs) which was higher than the statutory requirement of 2% of the average profit for the last three years. In accordance to provision of Section 135 of the Company Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 the details of the CSR expenditure is annexed to this report as Annexure- A.

The CSR policy of the company mainly focuses on the welfare & sustainable growth and development of the weaker section of the Society which is in line with the company's age old policy of providing necessary financial support for the upliftment of the poor people as well as welfare of the physically handicapped and deaf and blind citizens. The CSR policy of the Company has emphasis on undertaking the various activities in rural area like Rural development, Promoting education, Providing healthcare and Building the community centers, the details of which are available on the Company's website.

18. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to section 134 of the Companies Act, 2013 with respect to Directors' Responsibility Statement it is hereby confirmed that:

- i. in the preparation of the annual accounts for the financial year ended 31st March, 2019, the applicable accounting standards had been followed and there is no material departures from the same;
- ii. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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, i.e 31st March, 2019 and of the profit and loss of the company for that period;
- iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
- iv. the directors have prepared the annual accounts on a going concern basis;
- v. the directors have implemented internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. MEETING OF BOARD:

Ten meetings of the Board of Directors were held during the year under review. For further details, please refer report on Corporate Governance published in this Annual Report.

20. RELATED PARTY TRANSACTIONS:

The Company has formulated a Policy on Related Party Transaction (RPT) which is available on Company's website. All contracts / transactions as specified in Section 188 of the Act entered by the Company with related parties during the financial year were in the ordinary course of business and on an arm's length basis with necessary prior approval of members & audit committee. The Note No. 33 to Financial Statements sets out related party disclosures.

Since all related party transactions entered into by the Company were in the ordinary course of business and were on arms' length basis, Form AOC-2 is not applicable to the Company.

21. DISCLOSURE REGARDING PREVENTION OF SEXUAL HARASSMENT:

The Company is committed to maintain a productive environment for all its employees at various levels in the organisation, free of sexual harassment and discrimination on the basis of gender. The Company has framed a policy on Prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act"). The details of which are available on the Company's website.

22. VIGIL MECHANISM / WHISTLE BLOWER POLICY

As per the requirement of Section 177 (9) of the Companies Act, 2013, and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism called the 'Whistle Blower Policy' for Directors and Employees to report concern of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and the details of the Whistle Blower Policy has been uploaded on the Company's website.

23. CORPORATE GOVERNANCE:

Pursuant to clause 34 of the listing agreement with the BSE Ltd a separate section titled "Report on Corporate Governance" is being published as a part of this Annual Report along with the certificate of the auditors confirming the compliance of conditions of the corporate governance.

Various disclosure as required under section 134 and 135 of the Companies Act, 2013 are annexed to this report or covered in the Corporate Governance Report, such as related party transaction, extract of Annual return, constitution of various Board level committees, CSR policy and initiative taken during the year, remuneration of the managerial personnel, secretarial audit report etc.

24. MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

The Management Discussion and Analysis forms an integral part of this report has been separately furnished in Annual Report. The Management Discussion and Analysis gives details of organization, overall industrial economic overview, current and future outlook, strength and weakness, cautionary statement.

25. RISK MANAGEMENT POLICY :

The Company has got the risk management policy which is in line with applicable laws and which aims at identifying, assessing and mitigating the various risks which are inherent in the business of the Company. The risk management policy helps in enhancing the business values of the Company with code of conduct, adequate quality checks and internal controls. The risk management policy has been developed and implemented by operative teams at various levels of management.

26. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED :

During the year company has not made any investment, not given loans and not provided guarantees in pursuant to provision of section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

27. PARTICULARS OF EMPLOYEES UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 :

There were no employees whose remuneration was in excess of the limits prescribed under Section 197 (12) of the Companies Act, 2013 read with Rules 5 (2) of Companies (Appointment and remuneration of Managerial personnel) Rules 2014.

The ratio of remuneration of each director to the median employee's remuneration and other details in accordance with sub-section 12 of the Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, form part of this report as Annexure - E.

28. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Account) Rules, 2014, is set out herewith as Annexure - B.

29. ACKNOWLEDGEMENTS :

Your Directors would like to express their appreciation for the support and co-operation received from financial institutions, company's bankers, government authorities and shareholders during the year under review. The Company wishes to place on record their sincere appreciation to all employees for their commitment and continued contribution to the Company.

For and on behalf of the Board
Shashikant C.Bhartia

Place : Mumbai
Date : 30th May, 2019

Chairman & Managing Director
DIN :00151358

Annexure 'A'**Annual report on corporate social responsibility (CSR) activities**

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs : CSR Policy of the company is available on Weblink: [http://www.basantagro.com/company/ Financial & filings/policies/CSR policy](http://www.basantagro.com/company/Financial%20&%20filings/policies/CSR%20policy)
2. Composition of the CSR Committee : **Reconstitute as on 01.04.2018**

| | | | |
|-------|--------------------|---|-----------------------------------|
| Mrs | M.M.Khandelwal | - | (Chairman) / Independent Director |
| Shri. | S.W Sawant | - | Independent Director |
| Shri. | R.S. Tayade | - | Independent Director |
| Shri. | Rameshwar R. Kabra | | Independent Director |

3. Average net profit of the Company for last three financial years : ₹ 637.02 lakhs
4. Prescribed CSR Expenditure (2% of the amount as in item 3 above) : The Company is required to spend ₹ 12.75 lakhs towards CSR activities.
5. Details of CSR spend for the financial year :
 - a. Total amount spent for the financial year : ₹ 14.59 lakhs
 - b. Amount unspent, if any : Nil
 - c. Manner in which the amount spent during the financial year is detailed below :

| CSR Activities undertaken by Company | Amount (₹ in lakhs) |
|--|------------------------|
| - Eradication hunger and poverty & malnutrition (Providing free tea and lunch at Hospitals at Akola) | 12.89 |
| - Promoting preventing health care & Sanitation | 1.70 |
| Total CSR expenditures | 14.59 |

For and on behalf of the Board
Shashikant C.Bhartia

Place : Mumbai
Date : 30th May, 2019

Chairman & Managing Director
DIN :00151358