

ANNUAL REPORT 2014-15



◆ Seeds ◆ fertilizers ◆ Soil Health Products ◆ Research ◆ Solvent Extraction

Shiva Global Agro Industries Ltd.

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COMPANY INFORMATION

Registered Office & Works

Shri Hanuman Nagar,
Osman Nagar Road,
Village - Dhakni,
Nanded 431708,
Maharashtra.

Auditors

M/s. Jhavar Ladha & Associates
Chartered Accountants
Sanman Towers,
Vazirabad,
Nanded 431601,
Maharashtra.

Bankers

Union Bank of India,
Santkripa Market,
G. G. Road,
Nanded 431601,
Maharashtra.

Registrar & Share Transfer Agent

Aarthi Consultants Pvt. Ltd.
1-2-285, Domalguda,
Hyderabad 500 029,
Andhra Pradesh.



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 24th Annual General Meeting of the Members of Shiva Global Agro Industries Limited will be held on Thursday the 29th September, 2016 at 1.00 P.M. at "Shiva House", Near State Bank of India, New Mondha, Nanded - 431602, to transact the following business.

A) ORDINARY BUSINESS

1) To receive, consider and adopt:

a. the Audited Financial Statements of the Company for the financial year ended March 31, 2016, the Report of the Board of Directors and the Report of the Auditors thereon; and

b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2016 and the Report of the Auditors thereon.

2) To appoint a Director in place of Mr. Narayanlal P. Kalantri (DIN 00486333), who retires by rotation and, being eligible, offers himself for re-appointment and in this connection to consider and if deemed fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Narayanlal P. Kalantri, having DIN 00486333, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation".

3) To appoint M/s. Aditya Falor & Associates, Chartered Accountants, statutory auditors of the Company to hold office from the conclusion of 24th AGM until the conclusion of 29th AGM in place of retiring auditors M/s Jhavar Ladha & Associates, Chartered Accountants and to authorise the Board of Directors to fix their remuneration and for that purpose, to consider and, if thought fit, to pass, with or without modification(s), the following resolution

as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 140, 142 and other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, M/s. Aditya Falor & Associates, Chartered Accountants, Firm Registration No.127273W, be and are hereby appointed as statutory auditors of the Company in place of M/s Jhavar Ladha & Associates, Chartered Accountants, who do not offer themselves to be considered for re-appointment as the statutory auditors of the Company at the ensuing Annual General Meeting (AGM), to hold office of the statutory auditors from conclusion of this 24th AGM until the conclusion of 29th AGM (subject to ratification of the appointment by the members at every AGM held after this AGM) on such remuneration as may be mutually determined between the said Auditors and the Board of Directors of the Company."

(Company has also received notice from a shareholder signifying his intention to propose the above resolution.)

B) SPECIAL BUSINESS

4) To appoint Mr. Santosh Hanumandas Malpani, as an independent director of the Company to hold office for a period of 5 (five) years, not liable to retire by rotation and to consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT Mr. Santosh Hanumandas Malpani, having DIN 00547824, be and is hereby reappointed as an Independent Director of the Company to hold office for a period of 5 (five) years

from the date of this Annual General Meeting, not liable to retire by rotation.”

5) To appoint Mr. Divakar Nagappa Shetty as an independent director of the Company to hold office for a period of 5 (five) years, not liable to retire by rotation and to consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

“**RESOLVED THAT** Mr. Divakar Nagappa Shetty, having DIN 01822463, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) years from the date of this Annual General Meeting, not liable to retire by rotation.”

6) To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2017 and in this regard to consider and if thought fit, with or without modification(s), to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of

the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, Mr. Jayant B. Galande, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017, be paid the remuneration as recommended by the Audit Committee and approved by the Board of Directors, be and is hereby ratified.”

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

**By the order of the Board
For Shiva Global Agro Industries Ltd.**

**Place: Nanded
Dated: 30th May, 2016**

**Omprakash Gilda
Managing Director**

NOTES :

1. A member entitled to attend and vote at the Annual General Meeting ("the meeting") is entitled to appoint a proxy to attend and vote in the meeting and the proxy need not be a member of the company. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/ authority, as applicable.
2. Members/proxies should bring duly filled Attendance Slips enclosed with the Annual Report and handover the same at the entrance of the meeting hall, duly signed.
3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Meeting is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from September 24, 2016 to September 29, 2016 (both days inclusive)
5. Details of unpaid/unclaimed dividends lying with the Company as on the last Annual General Meeting of the Company is available on the website of the Company. Members are requested to address all correspondence, including unpaid or unclaimed dividend matters, to the Registrar and Share Transfer Agents, Aarthi Consultants Pvt. Ltd., 1-2-285, Domalguda, Hyderabad s:- 500 029.
6. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Aarthi Consultants Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the registrars and share transfer agents.
7. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or Aarthi Consultants Private Limited, for assistance in this regard.
8. Members desiring any information concerning accounts are requested to send their queries at least seven days before the date of meeting to the company so that information required may be made available at the meeting.
9. The Ministry of Corporate Affairs (MCA), Government of India, has announced "Green initiative in the Corporate Governance" by permitting the Companies to send the Balance Sheet, Profit & Loss Account, Directors' Report, Auditor's Report etc. to their members through email instead of mailing physical copies.

Members are requested to support the Green Initiative by the Government and get their email addresses registered with their Depository Participants in case of shares held in demat form or with Registrars in case of shares held in physical form.
10. Voting through electronic means:
 - A. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 24th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the 24th Annual General Meeting. The process and instructions for e-voting are as under:
 - i. The remote e-voting period begins on 26th September, 2016 at 9.00 A.M. and ends on 28th September, 2016 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 23rd, 2016, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

- ii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iii. Click on Shareholders.
- iv. Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. if you are a first time user follow the steps given below:

FOR MEMBERS HOLDING SHARES IN DEMAT FORM AND PHYSICAL FORM

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> · Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. · In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> · Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

viii. After entering these details appropriately, click on "SUBMIT" tab.

ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x. For Members holding shares in physical form, the details can be used only for remote evoting on the resolutions contained in this Notice.

xi. Click on the EVSN for the relevant <Company

Name> (SHIVA GLOBAL AGRO INDUSTRIES LIMITED) on which you choose to vote.

xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xviii. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

B. Mr. Vijay R. Kalani, Chartered Accountant in practice (Membership No.129912) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

C. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

D. The results shall be declared at or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall

be placed on the Company's website www.shivaagro.org and on the website of CDSL within two(2) days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the BSE Limited.

11. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the 24th Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item nos. 4 and 5

Mr. Santosh Hanumandas Malpani and Mr. Divakar Nagappa Shetty were appointed as Independent Directors, at the 22nd Annual General Meeting for a period of 2 years. Section 149 of the Act provides that the independent directors of a company shall be eligible for reappointment at the general meeting of the shareholders by passing a special resolution.

In terms of Sections 149, 152 read with Schedule IV of the Act, the Board of Directors have reviewed the declarations made by Mr. Santosh Hanumandas Malpani and Mr. Divakar Nagappa Shetty that they meet the criteria of independence as provided in Section 149(6) of the Act, and the Board has formed the opinion that they fulfill the conditions specified in the Act and the rules made there under and are independent of the management.

Accordingly, in compliance with the said provisions it is proposed to appoint Mr. Santosh Hanumandas Malpani and Mr. Divakar Nagappa Shetty as Independent Directors for the period mentioned in the respective resolutions. Notices, along with the deposit of the requisite amount required under Section 160 of the Act, have been received from a member proposing the appointment of Mr. Santosh Hanumandas Malpani and Mr. Divakar Nagappa Shetty.

Mr. Santosh Hanumandas Malpani and Mr. Divakar Nagappa Shetty are interested in the resolutions set out respectively at Item Nos. 4 and 5 of the Notice with regard to their respective appointments. The relatives of Mr. Santosh Hanumandas Malpani and Mr. Divakar Nagappa Shetty may also be deemed to be interested in the resolutions set out respectively at Item Nos. 4 and 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

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Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is in any way, financially or otherwise, concerned or interested, in these resolutions.

The Board commends the Special Resolutions set out at Item Nos. 4 and 5 for approval by the shareholders.

Item no.6

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017, in their meeting held on May 30, 2016. Pursuant to provisions of Section 148 of the Companies Act, 2013 and Rules made thereunder, it was proposed to re-appoint Mr. Jayant B. Galande, Cost Accountant, as Cost Auditor of the Company. Mr. Jayant B. Galande has submitted a letter regarding

their eligibility for appointment of Cost Auditors, which will be available for inspection at the Registered Office of the Company during 9.00 am to 5.00 pm on all working days except Saturday, upto and including the date of the 24th Annual General Meeting of the Company.

In accordance with the provisions of section 148 of the Act read with Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor has to be ratified by the shareholders of the Company. Hence this resolution is put for the consideration of the shareholders.

None of the Directors/Key Managerial Personnel of the Company / their relatives are in any way, financially or otherwise, concerned or interested, in the said resolution, except as shareholders of the company.

The Board commends the Resolutions for approval by the members.

ANNEXURE TO NOTICE

Details of Directors seeking appointment/re-appointment in the 24th Annual General Meeting:
(in pursuant to clause 49 of the Listing Agreement)

Name of the Director	Mr. Narayanlal P. Kalantri	Mr. Santosh H. Malpani	Mr. Divakar N. Shetty
Date of Birth	01 st August, 1945	10 th August, 1966	14 th October, 1944
Qualifications	Mechanical Engineer	MBBS, MD (GP)	Commerce Graduate.
Date of Appointment	Since incorporation	26 th December, 2005	29 th December, 2005
Expertise	39 years of Business Experience	Medical Practitioner since last 23 years	47 years of Business Experience
Chairman/ Member of the committees of Board of the Company	Yes	Nil	Nil
Chairman/ Member of the committees of Board of the other Company	Nil	Ghatprabha Fertilizers Private Limited	Kirtiman Agrogenetics Limited



DIRECTORS' REPORT

YOUR Directors are pleased to place before you the Twenty Fourth Annual Report and the Audited Accounts of the company for the year ended March 31, 2016.

PERFORMANCE OF THE COMPANY

Your company's financial results are summarized hereunder:

(Amount in Rs. Lacs)

Particulars	Consolidated		Standalone	
	2015-16	2014-15	2015-16	2014-15
Income				
From Operations	46409.80	51870.60	11028.50	11281.84
Other	93.52	105.83	64.88	53.76
Total	46503.32	51976.43	11093.38	11335.60
Profit				
Profit Before Interest, Depreciation and Taxation	2545.90	2934.43	801.75	885.40
Less: Interest	1424.81	1626.50	405.75	486.15
Depreciation	295.77	306.26	94.47	91.90
Profit Before Tax	825.32	1001.67	301.53	307.35
Less: Provision for Tax	309.46	318.61	108.33	97.18
(Including Deferred Tax and MAT Credit Entitlement)				
Profit After Tax	515.86	683.49	193.20	210.17
Add: Surplus brought forward	2397.78	1962.89	1472.78	1277.40
Less: Transfer to Minority Interest	171.25	228.26	-	-
Add: Adjustments on account of change in holding	-	13.06	-	-
Amount available for appropriations	2742.39	2430.75	1665.98	1487.57
Appropriations				
Transitional impact of change in useful life of assets (Net of deferred tax)	-	15.23	-	4.79
Transfer to General Reserve	19.47	18.18	10.00	10.00
Surplus retained in the Profit & Loss Account	2722.90	2397.78	1655.98	1472.78

TRANSFER TO RESERVES

The Company proposes to transfer Rs.10 Lacs to the General Reserve of the Company and retain Rs.1655.98 Lacs in the Statement of Profit and Loss.

REVIEW OF OPERATIONS

The year was again challenging for the agriculture industry where the deficit over normal rains affected the crop sowing and the likely output. Despite the continuing challenges in the industry, your company managed to achieve the planned results and managed to maintain the turnover and profit figures.

During the year under review, the Company achieved turnover of Rs. 11029 Lacs as against the previous year Rs. 11282 Lacs. The earnings before interest, depreciation and tax (EBIDTA) was Rs.802 Lacs against Rs. 885 Lacs of the previous year. Inspite of fall in turnover the profitability ratio has improved.

The difficult climatic conditions impacted the businesses of subsidiaries too. The company could achieve a consolidated turnover of Rs.46410 Lacs as compared to previous year's Rs. 51870 Lacs and Net Profit Before Tax of Rs.825 Lacs for the year under review as against the previous year's consolidated Net Profit Before Tax of Rs. 1002 Lacs.

MANAGEMENT DISCUSSION AND ANALYSIS

A report on Management Discussion and Analysis, which forms part of this Annual Report, inter-alia, deals with the operations as also current and future outlook of the company, is furnished separately.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 (3) (c) and 134(5) of the Companies Act 2013, the Board of Directors of Shiva Global Agro Industries Limited make the following statements, to the best of their knowledge and belief and according to the information and explanations obtained by them:

- a) That in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed and there have been no material departures therefrom;
- b) That the accounting policies mentioned in Notes forming part of the Financials Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the

Company as at March 31, 2016 and of the profits of the Company for the year ended on that date;

- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the annual financial statements have been prepared on a going concern basis;
- e) That proper internal financial controls have been laid down to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f) That proper systems are in place to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

CONSOLIDATED FINANCIAL RESULTS:

Consolidated Financial Statements incorporating the operations of the Company and its subsidiaries is appended.

As required under the provisions of the Act, a statement showing the salient features of the financial statements of the subsidiaries is enclosed as an Annexure A to this Report.

However, the Accounts of the Subsidiary Companies and the related

However, the Accounts of the Subsidiary Companies and the related information will be made available to the Members of Shiva Global Agro Industries Limited and its Subsidiary Companies on request and will also be kept for inspection at the Registered Office of the Company.

SUBSIDIARY COMPANIES:

i) Shiva Parvati Poultry Feed Private Limited:

The Company (a 51 % subsidiary) achieved a total turnover of Rs.11663.91 Lacs and earned Rs.92.78 Lacs of Profits After Tax.

ii) Ghatprabha Fertilizers Private Limited:

The Company (a 61.53% subsidiary) achieved a total turnover of Rs.6181.64 Lacs and earned Rs.64.84 Lacs of Profits After Tax.

iii) Shrinivasa Agro Foods Private Limited:

The Company (a 51.01 % subsidiary) achieved a total turnover of Rs.16032.99 Lacs and earned