



**Outlast.
Outlive.
Overcome.**



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OUTLAST. OUTLIVE. OVERCOME.

The year 2020 is witnessing an unprecedented crisis of historic proportion. As we all work on a 'new dynamic' and reduce the risk of future crises, we are equipping ourselves to show the world that we can rebuild better.

Nonetheless, there are several reasons for us to take comfort in. Our robust financial position provides us with a buffer for the uncertainties ahead. We strengthened our product portfolio, opened new revenue streams, forayed into new markets and increased our customer base.

Our growing ancillary businesses – Farm Care and Hatcheries – will facilitate us to bounce back in the post-COVID business cycle. Further, we are enhancing our visibility, gaining market share in new territories and augmenting presence in core markets. As the global economic environment improves and as several countries begin easing restrictions we are optimistic of a 'V' shaped recovery in the demand for seafood.

With the wherewithal to Outlast, Outlive and Overcome turbulent times, we are gaining the firepower to weather the storm and get on the path towards a truly transformative recovery.



ABOUT US

Promoted by the Karam Chand Thapar Group (KCT Group), The Waterbase Limited (TWL) is one of the leading players in India's high-growth aquaculture industry. We have pioneered the aqua feed industry through our integrated solutions of hatcheries, shrimp feed and farm care products, and are well supported by shrimp processing capacities.

Over the years, we have increased our customer base by expanding our product portfolio and entering new markets in India. Our feed mills and processing facility have various accreditations and certifications and follow all the global compliance and quality standards like USFDA, HACCP, FSSAI and BAP Global.



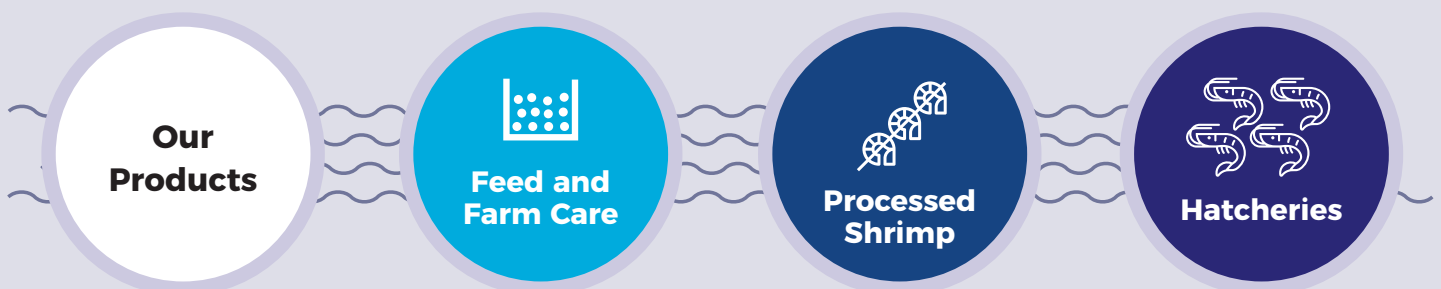
OUR MISSION

The Company's mission is to supply products of the highest quality and deliver a superior service to its customers – farmers, shrimp feed dealers, as well as domestic and overseas buyers of processed shrimp.



OUR VISION

- To leverage the Company's pioneering efforts in innovation and create sustainable solutions in the entire value chain of 'Farm to Fork' to attain market leadership
- To maximise stakeholder value by consistently exceeding customers' expectations and achieving operational excellence in whatever we do
- To develop new technologies and impart best practices for the growth of the sector and its contribution to Indian economy





KEY NUMBERS DEFINING TWL

27

Years of Industry Experience



₹ 325 Crores

Total Revenue



1,10,000 MT

Installed Manufacturing Capacity of Shrimp Feed



260

Number of Employees

OUR MANUFACTURING CAPABILITIES

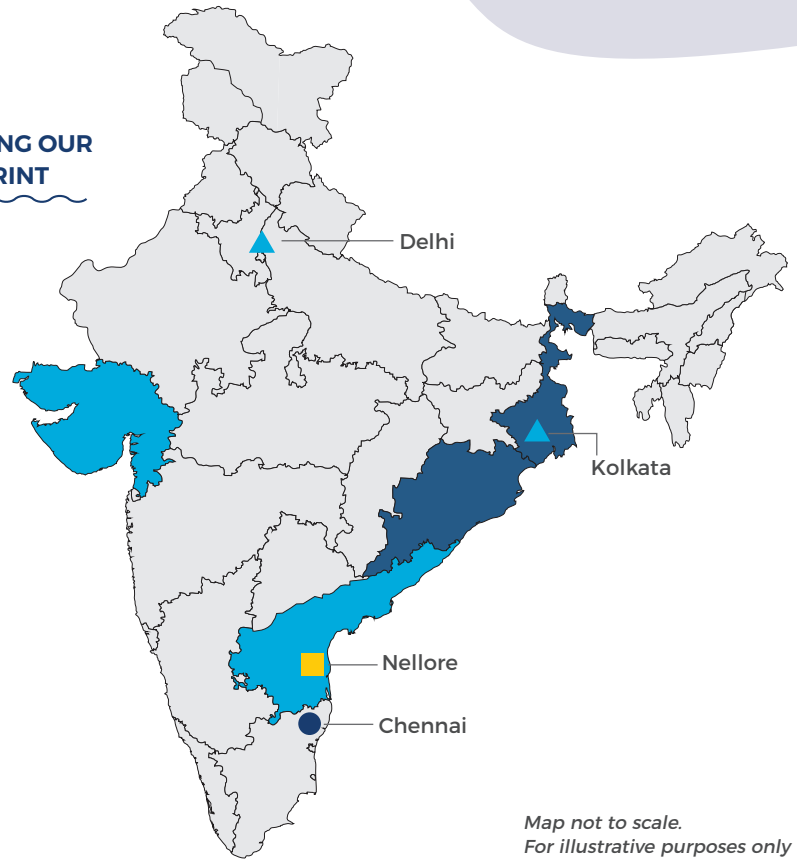
We operate an ISO 9001:2015 certified shrimp feed mill, a partially integrated aquaculture entity located at Nellore, Andhra Pradesh. Spread over 50 acres, the facility has an aggregate capacity, as given here:

Feed plant
1,10,000 MTPA

Shrimp hatchery
250 million post larvae

Shrimp processing plant
4,000 MTPA

GROWING OUR FOOTPRINT



● Corporate Office

▲ Group Offices

■ Factories and Hatchery

Key markets



New markets



OUR KEY STRENGTHS



STRONG BRANDS

- Several popular brands favoured by shrimp farmers
- Enjoys high recall; synonymous with quality and value



RICH LEGACY

- 27 years of expertise in business; strong connect with suppliers and farmers
- Inculcated ethical business practices with long-term vision



QUALITY CONTROL

- Robust manufacturing processes and step by step quality control system
- Global best practices implemented



FINANCIAL POSITION

- Comfortable debt level with debt-equity ratio of 0.1x
- Demonstrated financial discipline through good and bad years

- Unparalleled technical expertise, being an industry pioneer
- Well-qualified personnel with rich industry experience
- Products, processes, practices viewed as the gold standard by industry

- Working with renowned companies and research institutions in India and abroad
- R&D initiatives meaningfully converted into new products
- Driven improvements in feed manufacturing, farm practices, waste management



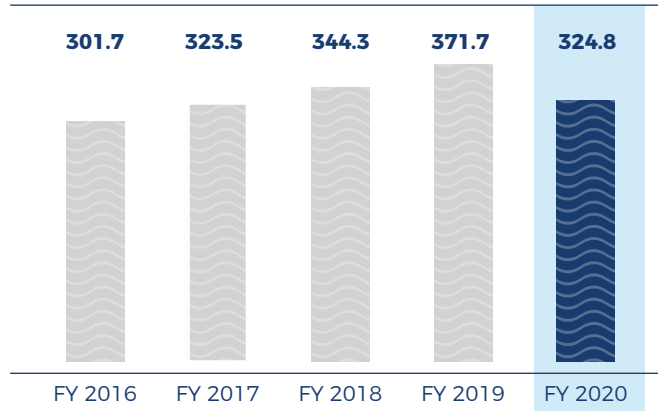
TECHNICAL EXPERTISE



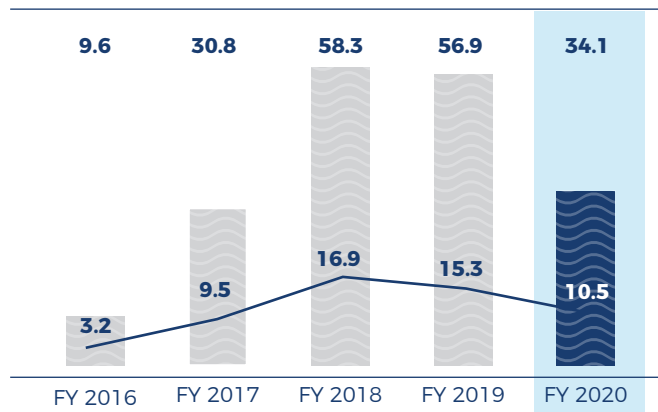
IN-HOUSE R&D

OUR PERFORMANCE TRAJECTORY

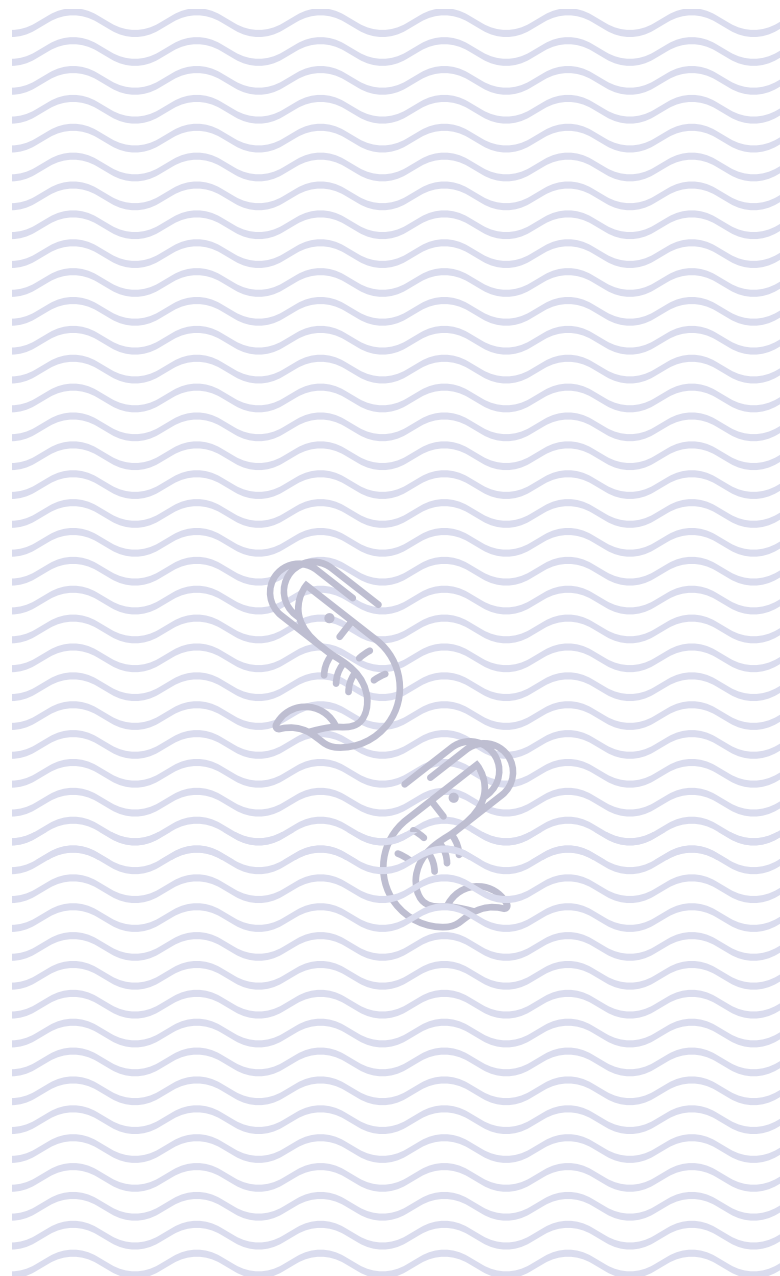
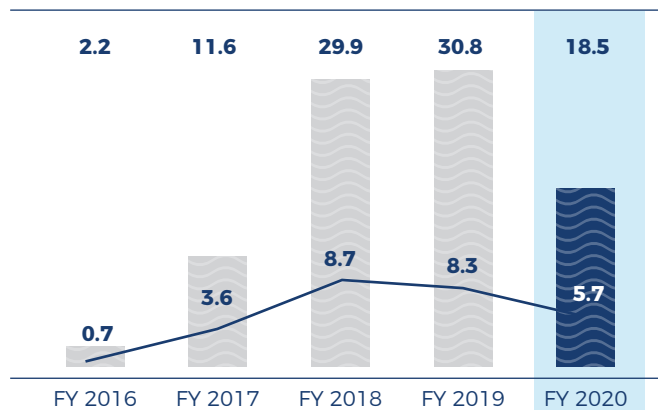
REVENUE (In ₹ Crores)



EBITDA (In ₹ Crores) & EBITDA MARGIN (In %)



PAT (In ₹ Crores) & PAT MARGIN (In %)



CHAIRMAN'S LETTER TO SHAREHOLDERS



“

Dear Shareholders,
It is my privilege to present before you the Annual Report of your Company for the year ended March 31, 2020. Over the past twenty-seven years, we have played a key role in spreading scientific shrimp farming in India.

We remain focussed on developing, manufacturing and selling of shrimp feed through our state-of-the-art manufacturing facilities located at Nellore in Andhra Pradesh. This is strongly supported by the emerging business lines of Farm Care and Hatchery, which has elevated our offering to our customers.

A Disciplined Performance

Revenue stood at ₹ 324.8 Crores, EBITDA was ₹ 34.1 Crores and Profit After Tax stood at ₹ 18.5 Crores. Despite a challenging macro-environment and testing times your Company has delivered a disciplined performance in FY 2019-20. Your Company maintained a comfortable debt level with a debt-equity ratio of 0.1x thus demonstrating financial discipline through peaks and troughs of business cycles.

A Growing Aquaculture Industry

The demand for seafood has been increasing year on year, largely driven by the growing population, rise in per capita income, depletion of marine catch, increase in the awareness of consuming healthy & nutritious food.

Shrimp production has grown exponentially in the past decade. While Asia is the primary supplier of shrimp across the world, India is a dominant force. India exported 12,89,651 MT of seafood in FY 2019-20 valued at US\$ 6.68 billion. Shrimp maintained its position as the key contributor to the seafood export basket. Export of shrimp during FY 2019-20 stood at 6,52,253 MT, valued at US\$ 4.8 billion. India's large coastline and vast salt ingressed land banks offer a huge untapped potential for shrimp farming. There is a rising demand from consuming countries/regions like US, EU, China and other Asian countries, particularly for value-added products.

Expanding Our Business Offering

Our Farm Care products continue to be well accepted in the market and are complementing the feed business. We continue to expand our feed business by adding more dealers and increasing penetration into newer markets to reduce the concentration risk.



Our R&D efforts are focussed on enhancing the quality and efficiency of feeds to meet differing farming requirements of aqua farmers.

Through our Farm Care range, we deliver on yield enhancement and disease management. We continue to expanding our product line and our distribution network. With our foray into Hatcheries in the previous year, we strive to strengthen the product value chain and customers' needs in all facets of the aquaculture business. With this, we now offer farmers the best quality seed for shrimp farming.

We own several popular brands of shrimp feed that are of high quality, fresh, appropriate calorific value, and rich in nutrients. Our shrimp feed enjoys strong acceptance in India's shrimp farming community.

Growing Capabilities

Our R&D efforts are focussed on enhancing the quality and efficiency of feeds to meet differing farming requirements of aqua farmers. Our 27-year experience in R&D has helped us strengthen our product portfolio and expand our revenue streams. Our R&D set-up is the best locally, with a successful track record of introducing innovative shrimp feeds. We have a proven competence in research and an unparalleled technical expertise in the industry.

Our large repository of data on nutrition, diseases, soil and marine conditions helps in breakthrough initiatives. Our continuous interaction with international experts on shrimp feed nutrition, farm management practices and water quality management helps us in development of specialised farm care products. We conduct farmer training and testing of R&D initiatives under live conditions. We also work closely with reputed institutes in the areas of aqua-feed nutrition research.

Impact of COVID-19

The sudden outbreak of COVID-19 affected the demand for seafood due to lockdown restrictions and supply chain disruption. Feed sales were impacted due to reduced stocking and exercising strict credit control in all our markets. Further, production costs were affected owing to labour shortages, transportation challenges and social distancing.

Moving Ahead

As the seafood industry shifts further towards aquaculture and reduces reliance on capture fishing, the long-term prospects of shrimp production in India continues to be positive. India has gained a leadership position in shrimp exports with its long coastline, R&D capabilities, adoption of best farming practices, availability of skilled manpower and government support.

At TWL, we are poised to benefit from these long-term industry opportunities. We are working relentlessly to deliver the highest quality of products and services to our customers. Through our persistent R&D efforts, our single-minded aim is to improve the quality and nutritional parameters of our feed and farm care products.

Today, we do not just sell feed in the market. We work with farmers right from the day they stock the shrimp till the day they harvest and provide them with the right guidance. With this, we continue providing value-added services to our customers.

I take this opportunity to recognise the efforts of our esteemed Board Members who have been guiding us exceptionally. Let us continue this journey together.

On behalf of the Board, I would like to sincerely thank our shareholders, Dealers, consumers, and vendors for their persistent support and confidence in us.

I wish to express my sincere gratitude and appreciation for the contribution of every employee in this journey towards achieving our goals with the highest ethical standards.

Regards,

Vikramaditya Mohan Thapar

Chairman

CEO'S MESSAGE TO SHAREHOLDERS



Dear Shareholders,
It gives me pleasure to connect with you through the Annual Report for the year FY 2019-20. During the year, your Company has made significant progress, with the advancement in our capabilities, product suite, distribution, and our customer base. We are proud of our legacy, furthering our objective of customer-centricity and continuing to maintain our uniqueness.

The Company has paved the way on how to approach aquaculture in a very organised manner, and we have carved for ourselves a place as one of India's leading shrimp feed manufacturers.

Talking about the year under review, FY 2019-20 had been a mixed year as we were able to make advancement in the ancillary business of farm products and hatchery. Lower revenues and elevated raw material prices for most part of the year led to compressed profitability. Our feed business remained under pressure owing to weak demand and lower farm gate prices in our key markets. The outbreak of COVID-19 towards the fag-end of the year disrupted demand and supply.

Performance in FY 2019-20

Increase in the input raw material prices and decline in revenues impacted our performance. To improve our receivables, we implemented a stringent credit policy which impacted feed sales. Though this will have an impact in the short term, we are confident that these measures will help in improving our liquidity and cash flow position in the coming years.

Business Review

Our ancillary business of Farm Care performed well as growth remained robust, gaining good traction in the existing and new high-growth markets. We are now focussing on expanding the portfolio to fill in the need gaps. This will strengthen our market position and also help us to capture a larger wallet share of our customers.

The new business of Hatcheries got off to a buoyant start in the previous year and garnered an over-whelming response. It registered a high proportion of repeat orders on the back of solid performance and synergies with the Feed and Farm Care products. A good response to this business clearly indicates the need to scale this up appropriately and achieve strategic imperatives of enhancing yields and profitability.



Our robust financial position, with zero net debt, provides us with a buffer to overcome the uncertainties ahead.

The COVID-19 pandemic had a significant impact on the first crop of the 2020 farming season. Farmers opted for early harvesting in an attempt to de-risk themselves amidst demand and realisation uncertainties, which in turn impacted feed volumes in our key markets.

Moving forward

The business environment is undoubtedly challenging. We are convinced that we will overcome these challenges with our deep sense of responsibility, commitment, discipline and perseverance. Our robust financial position, with zero net debt, provides us with a buffer to overcome the uncertainties ahead.

With a loyal farmer base, wide distribution network and growing ancillary revenue streams, our business is better positioned than earlier. We have been constantly working towards improving efficiencies and optimising costs to increase our margins. We are enhancing our visibility and market share in new territories by increasing our farmer base and adding new dealers. We have increased customer connect through workshops, training camps and farmer meets by leveraging our after-sales service.

Further, we are also augmenting presence in the core markets by premiumising our offerings in the feed business, extending after-sales service, and introducing new farming techniques for disease management and increasing yield. We are also expanding our distribution network and addressing orders of all sizes. We are leveraging our increased capacities and focussing on their higher utilisation, with increased sales volumes. We look forward to the business returning to normalcy post containment of COVID-19.

I would like to take this opportunity to express my sincere thanks to all my colleagues and their families for their unstinted support. I also would like to express my sincere gratitude to them for braving all the odds and ensuring business continuity, during this pandemic.

I thank all our valued shareholders for your encouragement and unflinching faith on our strengths and capabilities. With your continued support, we have embarked on our journey to emerge as one of India's top aquaculture companies delivering responsible growth and value creation.

Regards,

Ramakanth V. Akula
Chief Executive Officer

DRIVING INCLUSIVENESS AND PROGRESS FOR ALL

Through our localised approach to community development, our aim is to contribute to inclusivity and the holistic well-being of the society. We aim to progressively enhance our support to those who are under-served, by committing financial and volunteer support, and improve their lives.

Creating Value - The Sustainable Way Kashvi Learning Centre

The Kashvi Learning Centre offers a two-year programme with a 10th grade school certificate from the NIOS Board. On completion of the programme, the girls have the option to pursue higher studies, start a business or undergo a vocational training course. We have entered into partnership with companies to ensure the students get placed into jobs upon programme completion. The classes are conducted at the Green Acres School, offering a high-quality learning environment with suitable infrastructure, a holistic curriculum and high-quality teachers.



Inder Mohan Thapar Scholarship and Research Awards

This aims to create opportunities for deserving students. It offers scholarship at the Thapar Institute of Engineering and Technology. The Research Awards were established in 2016 with the Indian Institute of Technology-Indian School of Mines. Six awards have been given to students for conducting cutting-edge research in their fields.



KCT Group Art Awards

Implemented with The Sculpture Park at Madhavendra Palace, these awards in the field of art and design are aimed at encouraging the emerging young talent to follow their passion. Of the 200 entries received during the year, three works were selected in each category, which were exhibited at the Jawahar Kala Kendra, Jaipur.



Indian Track Foundation

This grassroot athletics project trains children aged 10-17 years from rural areas into professional athletes. Under the supervision of coach Karan Singh, the students are made to follow a rigorous training schedule at ITF Home in Ooty, and provided nutritious food and medical treatment. The athletes have bagged several medals at the State, district and national level, and aim to represent India in 2028 Olympics.

Managing Human Wildlife Interface

This project, in conjunction with India's largest and most effective conservation energy, Wildlife Conservation Trust, studies human wildlife conflict and activity patterns of select species to provide evidence-based solutions and manage human-animal interactions. The project offers an inter-disciplinary approach to tackle the problem through behavioural change, improving livelihoods and technology as well as through community education and outreach programmes.



Organised first Caddie tournament to give caddies and their children an opportunity to improve their game and encourage them to play the sport professionally.



Ultimate Golf Foundation, New Delhi



India Pariavaran Sanstha Foundation, Punjab

Organises capacity building workshops creating awareness and helping farmers adopt non-burning residue management practices.

Works with NGOs and organisations and entrepreneurs to improve sanitation in urban and rural areas.



India Sanitation Coalition (ISC) and Federation of Indian Chambers of Commerce & Industry (FICCI), Pan-India



The Pickle Factory Foundation, Kolkata

A workshop was conducted by dancer Debashree Bhattacharya with the West Bengal Deaf Women's Forum and All Bengal Women's Union that focussed on ways of experiencing rhythm.

CORPORATE INFORMATION

CIN: L05005AP1987PLC018436

Registered Office

Ananthapuram Village, Nellore
Andhra Pradesh - 524344

Corporate Office

Thapar House, No. 37, Montieth Road
Egmore, Chennai - 600 008.
Phone: +91 44 4566 1700, Fax: +91 44 4566 1799

Board Of Directors

Mr. Vikramaditya Mohan Thapar
Non-Executive Chairman

Mrs. Jyoti Thapar
Non-Executive Director (till February 5, 2020)

Mr. Varun Aditya Thapar
Non-Executive Director

Mr. Rahul Kapur
Independent Director

Mr. Ranjit Mehta
Independent Director

Mr. Anil Kumar Bhandari
Independent Director

Mrs. Shashikala Venkatraman
Independent Director (From November 14, 2019)

Chief Executive Officer
Mr. Ramakanth V. Akula

Chief Financial Officer
Mr. R. Sureshkumar

Company Secretary
Mr. R. Achuthan

Stock Exchange

BSE Limited
Phiroze Jeejebhoy Towers
Dalal Street, Mumbai - 400001.

Bankers

State Bank of India
Axis Bank
YES Bank
ICICI Bank

Auditors

Statutory Auditor
M/s. Deloitte Haskins & Sells LLP, Chartered Accountants
13th & 14th Floor, Building Omega
Bengaluru Intelligent Park
Block - EP & GP, Sector-V
Salt Lake Electronics Complex
Kolkata - 700091.

Internal Auditor

M/s. PricewaterhouseCoopers LLP, Bangalore

Secretarial Auditor

M/s. ARUB & Associates, Practicing Company Secretaries,
Chennai

Registrars & Share Transfer Agent

M/s. Cameo Corporate Services Limited
Subramaniam Building, No. 1
Club House Road, Chennai - 600 002.
Phone: 044-28460390
Email: investor@cameoindia.com

MANAGEMENT DISCUSSION AND ANALYSIS

Economic Overview

Global Economy

Global economic growth was subdued due to the ongoing trade disputes between the US and China, falling commodity prices, and economic uncertainties in Europe over the impact of Brexit. The outbreak of novel coronavirus (COVID-19) in early 2020 has disrupted the global supply chains in an unprecedented manner. Global trade halted with inflation softening in most emerging markets (EMs). As a result of the pandemic, the world economy is projected to contract sharply by 4.9% in 2020. Both advanced and emerging market economies are expected to face a recession in 2020.

World Economic output growth in %				
	2018	2019	2020P	2021P
World Output	3.6	2.9	-4.9	5.4
Advanced Economies	2.2	1.7	-8.0	4.8
Emerging Market and Developing Economies	4.5	3.7	-3.0	5.9
Emerging and Developed Asia	6.3	5.5	-0.8	7.4
China	6.7	6.1	1.0	8.2
India	6.1	4.2	-4.5	6.0
ASEAN-5 (Indonesia, Malaysia, Philippines, Thailand, Vietnam)	5.3	4.9	-2.0	6.2

Source: IMF, June 2020, P=Projected

Governments across the world are rolling out fiscal stimulus measures to combat the pandemic and minimise the impact of a severe economic downturn. A partial recovery is projected in 2021 with growth in Emerging Asia seen improving significantly by 7.4% in 2021. However, the pace of rebound depends on many factors, including the cumulative impact of the pandemic, duration of shutdowns, changes in spending patterns and effects of the implementation of fiscal and monetary policy support.

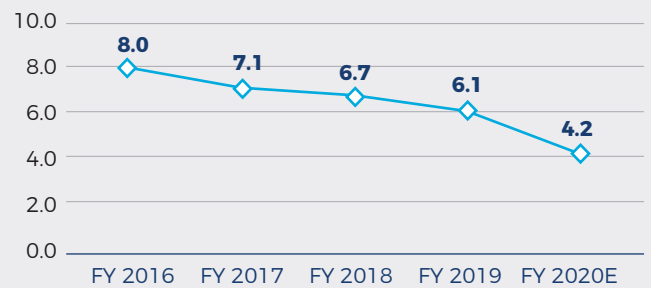
Indian Economy

The Indian economy was witnessing slowing growth over the past year. Investment and consumption demand had been weakening and a number of stimulus measures have been undertaken to revive the economy. The outbreak of the COVID-19 pandemic and the ensuing lockdown have presented unprecedented challenges for the Indian economy, disrupting demand and supply.

India's growth for FY 2020 stood at 4.2% compared with 6.9% in FY 2019; the lowest in the past eleven years. The current scenario raises uncertainty about the trajectory of the ongoing shock

and recovery timelines across various sectors. Given the large share of informal sector in India, the slowdown will have severe consequences on employment, which in turn will adversely impact consumption and investment in the economy.

GDP Growth Trend (%)



Source: Central Statistics Organisation, Provisional estimates dated May 29, 2020, E=Estimated

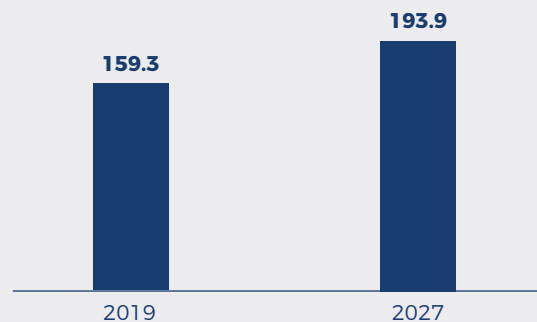
The coordinated action undertaken by the Government and the Reserve Bank of India towards addressing the monetary and non-monetary challenges is expected to help the economy stabilise and resume its growth trajectory. However, in a rapidly evolving environment, the shape of economic recovery could differ depending on the intensity and duration of the pandemic, the extent of global slump and further domestic policy support.

Industry Overview

Global Seafood Industry

The global seafood market size valued at US\$ 159.3 billion in 2019 is expected to reach US\$ 193.9 billion by 2027, registering a CAGR of 2.5% from 2019 to 2027. The fish segment was the highest contributor to the market with 64% share in 2019 and is estimated to increase at a CAGR of 2.7% from US\$ 101.5 billion in 2019 to US\$ 125.9 billion by 2027.

Global Seafood Market (US\$ billion)



The growth of the seafood market can be attributed to rising awareness of the health benefits from seafood consumption and change in lifestyle of the consumers. This is further aided by improving infrastructure of supply channels, consumers' preference for healthy diet along with increasing affordability of seafood. By region, Asia-Pacific was the most prominent regional market in 2019 and is expected to grow with a CAGR of 2.7% during the forecast period 2019 to 2027.

Continued developments in aquaculture and the ensuing availability of wider product choices is expected to sustain the growth momentum. The fishermen and the fish farmers are collaborating with processors, distributors, retailers, restaurants, and foodservice providers to resolve the environmental issues and further help in making the market environmentally, economically as well as socially sustainable.

As the international food and agricultural value chain got disrupted, the seafood industry has been severely impacted by the COVID-19 pandemic. The seafood value chain is currently witnessing major challenges ranging from shutdown of operations, changing consumer demands, logistical problems, transportation and border restrictions. With the easing of the lockdown restrictions, the market is expected to gradually regain its growth momentum. Seafood will remain a healthy food option and an indulgent treat in luxury dinners and food parties.

Source: <https://www.alliedmarketresearch.com/seafood-market>

Global Shrimp Production

Shrimp is the most popular among the traditional seafood across the globe. It is rich in high quality proteins and minerals and is low in fat content. Additionally, the lipids of shrimp demonstrate chemo-preventive and chemo-protective features according to the NCBI.

As per the GOAL survey 2019, the global shrimp industry over the past three years grew at an annual rate of 1%, 6% and 11% in 2016, 2017 and 2018 respectively. In the global farmed shrimp export market, the top five exporters are India, Vietnam, Ecuador, Indonesia and Thailand. Governments in many countries are encouraging shrimp production by offering incentives and fiscal relief to farmers.

As per ICRA rating agency, the global demand for shrimp is estimated to contract by 20% in 2020 due to the COVID-19 pandemic around the world followed by localised demand disruptions. The shrimp industry, which was already poised on a very delicate supply-demand balance has now witnessed sharp price declines in most key producing regions around the globe. The shrimp industry generates a substantial chunk of its annual earnings from food services. Closure of food services globally has led to increase in home cooking and this has sharply altered buying patterns. There is increasing demand from retail stores for buying of frozen and value-added shrimp as compared to food services earlier.



Source: <https://www.financialexpress.com/economy/covid-fallout-indian-shrimp-exports-likely-to-decline-in-2020-as-global-demand-falls-report/2032324/>

Indian Seafood and Shrimp Industry

Indian Seafood sector is an important source of food, nutrition, employment and income in India. The Seafood sector provides employment to about 14.5 million people in the country. India has an extensive coastline of 8,118 km across nine states, four union territories and includes 1,76,000 hectares dedicated for shrimp farming area.

India is the fourth-biggest seafood exporter in the world. Of the total seafood export, about 70% comprises of shrimps. India's seafood exports have been steadily growing over the past decade, recording a CAGR of 10% over FY 09-18. As per MPEDA, during FY 2020, India's export of seafood products stood at 12,89,651 MT while in value terms it amounted to ₹ 46,662.85 Crores. USA and China are the major export markets for Indian seafood with a share of 38.37% and 20.58% respectively in terms of dollar value.

Marine Products Export Development Authority (MPEDA)'s aspires to raise India's seafood exports to ₹ 1 lakh Crores by 2030.

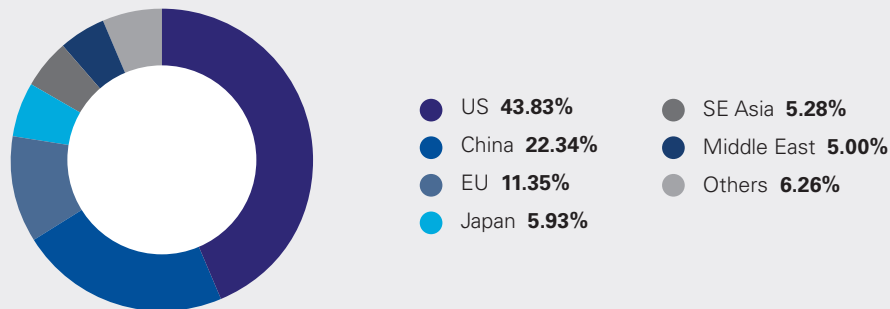
To achieve the target, MPEDA has envisaged increasing the aquaculture production by adopting species diversification, use of technology to improve the productivity and new marketing strategies with extensive digital campaigns and buyer-seller meets. During the last decade, India has emerged as the leading exporter in the frozen shrimp market. The shrimp aquaculture industry is an important source of foreign exchange for the country.

Andhra Pradesh is the largest producer of shrimp in the country with a 71% share, followed by West Bengal, Odisha, Gujarat and Tamil Nadu with 10%, 9%, 6% and 3%, respectively.

The overall export of frozen shrimps during FY 2019-20 was 6,52,253 MT. India exported 2,85,904 MT of frozen shrimp to USA, its largest market, followed by China at 1,45,710 MT.

Exports are expected to grow with the easing down of lockdowns globally and with the increased sale of value added products in retail chains.

India's Shrimp Exports by Volume - Country-wise contributed (FY 2019-20)



Source: The Marine Products Export Development Authority (MPEDA)

Sector Challenges

- Significant proportion of Industry is represented by unorganised or informal sector comprising small farmers and mid-sized farms, who are constrained for resources and hence may not follow global best practices and farming methods
- While there is commendable effort by regulators, there are industry participants who do not always adhere to recommended norms for import of broodstock, reproduction practices, and operational protocols for hatcheries
- India seen to be more competent in basic processing whereas higher end value-added processing is better captured by competing nations
- Others such as Government regulation on pricing, global duty structures, etc.

Global Aqua Feed Sector

The global aquafeed market is estimated at US\$ 50.6 billion in 2020 and is projected to reach US\$ 71.6 billion by 2025, representing a CAGR of 7.2% during the forecast period. The market is primarily driven by the increasing seafood trade and growth in aquaculture production, growing awareness regarding health benefits associated with seafood.

The Asia Pacific is projected to be the fastest-growing region in the aquafeed market. China is the leading producer, consumer, and processor of aquaculture products, contributing about one-third to the global supply. Moreover, the processed seafood market in the region is also currently undergoing a significant transformation in response to rapid urbanisation and changes in dietary habits.

Social distancing and other measures taken by regional governments are limiting the number of people that can work together in a single area. Gradually, as restrictions relax, the market for aquafeed is expected to return to normalcy and resume its growth trajectory.

The COVID-19 pandemic has severely affected shrimp demand in the international and domestic trade since the beginning of 2020. Although there have been significant increases in retail sales and takeout delivery, overall consumption in the markets has declined because of the shut down of restaurant and catering trade worldwide. Shrimp producing countries with domestic sales opportunities would be able to cushion the impacts of their shrinking export trade to some extent.

Source: <https://www.marketsandmarkets.com/Market-Reports/aquafeeds-market-1151.html>

<https://www.globaltimes.cn/content/1191455.shtml>

Indian Aqua Feed Sector

India is the second largest producer of seafood which provides an immense opportunity for aquafeed manufacturers to tap the growing demand for commercial aquafeed. Due to an increase in aqua farming, the demand for production and consumption of aquafeed is expected to increase. Moreover, the Indian commercial aquafeed market is accelerating as farmers are shifting from traditional ways of feeding aquatic species to commercial feeding.

According to the National Fisheries Development Board, India ranked second after China, accounting for 6.3% share of the global aquaculture production. The biodiversity of seafood in the Indian subcontinent and high demand for Indian shrimp in the global market has increased the aquaculture production in the country.

Shrimp farming in India is largely dependent on formulated feeds. With the rise in demand for Indian shrimp, the demand for shrimp feed in the country is expected to steadily increase. The Indian shrimp feed market reached a production volume of 1.15 million tonnes in 2019 as compared to around 1 million tonnes in 2018. The Indian shrimp feed market is projected to reach 1.8 million tonnes by 2024, registering a CAGR of 10% during 2019-2024.

Company Overview

The Waterbase Limited (TWL or The Company) is a pioneer in the Indian Aquaculture Industry with integrated offerings of hatcheries, shrimp feed and farm care products supported by shrimp processing capacities. TWL's integrated aquaculture entity, consists of a feed plant with an installed capacity of 1,10,000 MTPA, a L. Vannamei shrimp hatchery unit of 250 million post larvae and a shrimp processing plant with an aggregate capacity of 4,000 MTPA, all located at Nellore, Andhra Pradesh. TWL's feed mills and processing facility have various accreditations and certifications.

Operational Highlights

- The Company has increased its integration and presence in the value chain and diversified its revenue streams by widening the width and breadth of the product portfolio.
- During the year under review, the seed produced from the hatchery continued to receive a good response from the farmers
- The Company is discovering new markets and leveraging the growing opportunities in these market. After establishing our presence in Gujarat, we are now in the process of making inroads into the state of Odisha and West Bengal

COVID Impact

The COVID-19 pandemic has disrupted both the demand and supply side of the industry. It has also had a significant impact on the first crop of 2020 farming season as well, in turn affecting the feed volumes. Given the current scenario, the impact is unquantifiable, however, wider distribution reach coupled with growing ancillary revenue streams should partially mitigate the near-term impact of the COVID-19 pandemic.

Risk & Mitigation

The Company is exposed to large number of external factors like export demand, international pricing, volatile prices of raw materials, disease outbreaks, etc., which forms part of the inherent risk for the aqua industry. It has built and implements robust risk mitigation measures which is monitored on continuous basis.

Business Risk: The Company's business growth is largely dependent on the growth of shrimp industry. Feed segment

contributes around 93% of total revenue of the Company. Any slowdown in growth of shrimp industry or its inability to win incremental market share will adversely affect the Company's revenue growth.

Mitigation: The growth in shrimp industry would increase the demand for shrimp feed. The Company's shrimp feed and farmcare brands enjoy strong premiumisation in the shrimp farming community in India. Furthermore, the hatchery unit, which started operations in the previous financial year, continues to show steady progress as it reports increased volumes. Besides the newly set-up unit, the rapid acceptance of farm care products is also projected to register an improvement in volume and contribute towards healthy business growth.

Input Risk: An increase in costs, especially of inputs could impact business profitability. Inadequate supply and high prices of major ingredients of shrimp feed such as soya, fish meal and fish oil is a significant risk factor for the Company.

Mitigation: TWL's superior feed has earned enduring farmer trust which will continue to drive volumes and help in absorbing costs. Further, the Company has diversified its revenue stream by introducing new capabilities such as farmcare, hatchery etc. resulting in comprehensive offerings to customers enabling a differentiated market position.

Regulatory Risk: Disciplined alignment with the stringent regulatory norms is necessary for sustaining business operations.

Mitigation: TWL's team is consistently monitoring and aligning with regulatory policies and guidelines.

Peer Risk: The Company might face competition from its peers which can affect its business.

Mitigation: TWL has embarked on geographical expansion and strengthening of its dealer network in all the markets. With its proven competence in research and with its unparalleled expertise in the industry, the Company has a track record of introducing innovative shrimp feeds.

Internal Control & Measures

The Company has an effective and reliable internal control system. In line with the business operations, TWL has a well-planned internal control framework which covers various aspects of governance, compliance, audit, control and reporting. It has ensured adherence to local statutory requirements for orderly and efficient conduct of business, safeguarding of assets, the detection and prevention of frauds and errors, adequacy and completeness of accounting records and timely preparation of reliable financial information. The efficacy of the internal checks and control systems is periodically reviewed and updated by the management and validated by the Internal Auditors.

Human Resources

Human resources are viewed as the most valuable asset of the Company. TWL follows a policy of building strong teams of talented professionals, promotes professionalism, motivates its people to maintain high performance standards and strives to enable a competitive working environment for continuous personal growth of its associates. The Company continues to build on its capabilities in getting the right talent to support different products and is taking effective steps to retain them. It has built an open, transparent and progressive culture to nurture its people. As on March 31, 2020, TWL has 260 employees.

Cautionary Statement

Statements in this document/discussion relating to future status, events, or circumstances, including but not limited to statements describing the Company's objectives, projections, estimates and expectations maybe 'forward-looking statements' within the meaning of applicable laws and regulations. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those either expressed or implied in the statements. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the market in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

DIRECTORS' REPORT

Dear Shareholders,

The Directors have pleasure in presenting the 33rd Annual Report together with the audited financial statements for the year ended 31st March 2020.

Financial Highlights

(₹ in Cr)

Particulars	Standalone		Consolidated
	FY 2019-20	FY 2018-19	FY 2019-20
Total Revenue	324.81	371.66	324.81
Total Expenses	299.92	324.33	299.97
Profit Before Tax (PBT)	24.89	47.33	24.84
Income Tax	6.35	16.48	6.35
Profit After Tax (PAT)	18.54	30.85	18.49
Total Comprehensive Income	18.35	30.92	18.30
Basic & Diluted EPS (in ₹)	4.48	7.45	4.46

Financial Statements

The Standalone and Consolidated financial statements for the year ended 31st March 2020 have been prepared under Ind AS (Indian Accounting Standards) by the Company. Further the Board at the Meeting held on 27th May 2020 approved both the audited for the year ended 31st March 2020.

Performance Overview & Strategic Initiatives Standalone

The Company reported revenues of ₹ 324.81 Crores in FY 2020 compared to ₹ 371.66 Crores last year, registering a de-growth of 12.6%. Total expenditure for the year stood at ₹ 299.92 Crores lower by 7.5% when compared with last year. During the year, the Company provided ₹ 6.35 Crores for taxation as against ₹ 16.48 Crores in the same period last year.

Consolidated:

The Company reported revenues of ₹ 324.81 Crores. Total expenditure for the year stood at ₹ 299.97 Crores and had provided ₹ 6.35 Crores for taxation.

The Company had, on 25th March 2020, purchased 100% shares of M/s. Saatya Vistaar Oorja Bengaluru Private Limited [CIN U74900KA2015PTC080716] (SVOBPL) to make it a wholly owned subsidiary of the Company. This has been done by purchase of 55,000 equity shares of SVOBPL at the face value of ₹ 10/- each. Prior to acquisition, SVOBPL was a wholly owned subsidiary of KCT Management Services Private Limited.

SVOBPL has been acquired for exploring certain opportunities in the Feed and Farmcare business.

The wholly owned subsidiary was acquired only on 25th March 2020 and no significant or material transactions have been undertaken in the reporting period.

Share Capital

The authorized share capital of the company as on 31st March 2020 is ₹ 65,00,00,000/- divided into 6,00,00,000 equity shares of ₹ 10/- each and 5,00,000 preference shares of ₹ 100/- each.

The paid-up share capital of the company as on 31st March 2020 is ₹ 41,42,67,790 comprising of 4,14,26,779 equity shares of ₹ 10 each. During the year under review the company has not issued any shares.

Directors and Key Managerial Personnel

The term of the independent directors came to end on 31st Mar 2019 as per the terms of their appointment. During FY20, Mr. Anil Kumar Bhandari and Mr. Ranjit Mehta were re-appointed as independent Directors with effect from 15th May 2019. Mr. Rahul Kapur, who satisfies the criteria for an Independent Director, was re-designated as an Independent Director with effect from 15th May 2019. Ms. Shashikala Venkatraman was appointed as an additional non-executive director (Independent) with effect from 14th Nov 2019. Ms. Jyothi Thapar, non-executive Director, resigned with effect from 5th Feb 2020.

Board Evaluation and Familiarization

The Company's Board has established a formal annual evaluation framework for measuring the performance of itself, the individual Directors and the Board level Committees. The evaluation framework envisages a three-stage evaluation process wherein the Independent Directors, Nomination and Remuneration Committee and the Board are involved.

The evaluation criteria for the Directors include parameters such as strategic and functional contribution, ethics, values etc. Similarly, for the Board as a whole, parameters such as Strategic decision making, Risk Management, Governance etc. are considered. The Committees of the Board are evaluated on the basis of their performance as against their terms of reference.

Further details on the said evaluation have been enumerated in the Corporate Governance Report, which is annexed to and forms part of this Report.

The Company takes all steps necessary to keep the Directors apprised of key developments in the business and Industry

and to familiarize them for enabling their contribution and good governance. Since the Independent Directors are the critical link in any successful Corporate Governance program, a detailed Appointment Letter incorporating the roles, duties and expectations, remuneration, insurance cover, code of conduct, etc., is issued for the acceptance of the Independent Directors. Further, as part of the Board/ Committee Meetings, the Independent Directors are briefed about the developments

impacting the Industry, various strategic initiatives of the Company, update on operations etc. etc., product information brochures and Annual Reports are given for their reference. Senior Executives regularly make presentations by audio visual means to the Board. The broad overview of the Company's approach to familiarization of Directors is available at the link http://www.waterbaseindia.com/pdf/Independent_Directors_Familiarisation_Programme.pdf.

A matrix setting out the skills / expertise / competence of the Board of Directors is as under

S. No.	Name of Director	Skills/ Expertise / Competence			
		Management	Finance	Feed Tech	Marketing/ Brand mgmt
1	Vikramaditya Mohan Thapar	Y	Y		
2	Anil Kumar Bhandari	Y	Y		
3	Varun Aditya Thapar	Y	Y		
4	Ranjit Mehta	Y	Y		
5	Rahul Kapur	Y		Y	
6	Shashikala Venkatraman	Y			Y

Meetings of the Board

The meetings of the Board are scheduled at regular intervals to decide and discuss on business performance, policies, strategies and other matters of significance. The Board of Directors of the Company met five times during the financial year on 15th May 2019, 09th August 2019, 14th November 2019, 05th February 2020 and 25th March 2020. Further details of Board and Committee Meetings and attendance thereon are provided in the Corporate Governance Report, which is annexed to and forms part of this Report.

Policy on Directors' Appointment and Remuneration

As on 31st March 2020, the Board consists of 6 (six) members, of which 4 (four) are Independent directors and 2 (two) are non-executive directors. The policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, independence and other matters as provided under subsection (3) of Section 178 of the Companies Act, 2013 (the Act) and the details of employees as per Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to and forms part of this Report.

Corporate Social Responsibility

The Company believes that its ultimate objective is to benefit communities through initiatives, which contribute to nation-building. The Company's leadership takes active responsibility in various community engagement initiatives. The Company follows a system of Triple Bottom Line accountability to measure its performance and its impact on inclusive and equitable growth of the marginalized sections of society.

During FY20, the CSR initiatives of the Company was carried out through the registered Trust established by the KCT Group under the name and style of 'KCT Group Trust', which has carried on projects on its own as well as lent support to identified projects carried on by other like minded agencies which have far reaching societal implications.

The CSR Committee of the Board had approved the list of CSR Projects/ Programmes to be undertaken by KCT Group Trust from out of the funds provided by the Company and also monitored the implementation of those CSR projects and programmes.

Further, the Board has also adopted a policy on CSR which lays down the parameters to deepen the societal impact significantly. The CSR policy of the Company can be accessed at http://www.waterbaseindia.com/pdf/code_of_conduct/Corporate_Social_Responsibility_Policy.pdf. A detailed report regarding Corporate Social Responsibility is annexed to and forms part of this report.

Energy, Technology Absorption and Foreign Exchange

Information required under Section 134(3) (m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo is annexed to and forms part of this report.

Extract of Annual Return

In accordance with section 134(3) (a) of the Act, the extract of the Annual Return in Form MGT-9 is annexed to and forms part of this report.

Related Party Transactions

The Company has formulated a Policy on Related Party Transaction (RPT) which is available on Company's website http://www.waterbaseindia.com/pdf/code_of_conduct/Related_Party_Transaction_Policy.pdf

All RPTs are done on an arm's length basis and in the ordinary course of business. The Company presents a detailed summary of all RPTs to the Audit Committee, specifying the nature, value and terms and conditions of the transaction. The Audit Committee also grants omnibus approval for certain contracts and arrangements with Related Parties as per the provisions contained in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of all Related Party Transactions were placed before the Audit Committee for consideration on a quarterly basis.

Corporate Governance

The Company strives to maintain high standards of Corporate Governance in all interactions with stakeholders. The Company has conformed to the Corporate Governance code as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate section is provided on Corporate Governance containing the details as required to be provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with a certificate from the Secretarial Auditor of the Company annexed thereto and forms part of this report.

Loans, Guarantees or Investments

The details of changes in the Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements which are annexed hereto and form part of this report.

Directors Responsibility Statement

Pursuant to Section 134 of the Act, the Directors affirm the following:

- a) The Standalone and Consolidated financial statements have been prepared in conformity with the applicable accounting standards and requirements of the Companies Act, 2013 to the extent applicable to the Company; on a going concern basis. There are no material departures in the adoption of the Applicable Accounting Standard;
- b) The Board of Directors have 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;
- c) The Board of 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;
- d) The Board of Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- e) The Board of Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Management's Discussion and Analysis

Management's Discussion and Analysis report as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed separately in the Annual Report.

Prevention of Sexual Harassment Policy

The Company's policy on prevention of sexual harassment of women provides for the protection of women employees at the workplace and for prevention and redressal of such complaints. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. There were no complaints pending for redressal at the beginning and at the end of FY 2019- 2020.

Whistle Blower Policy / Vigil Mechanism

In accordance with section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015, the Company has implemented a Whistle Blower Policy, whereby employees can report matters such as abuse of authority, misconduct, fraud, misappropriation of assets, non-compliance to code of conduct etc to the Audit Committee. The Audit Committee reviews on quarterly basis the functioning of the Whistle Blower and Vigil Mechanism. In order to ensure that the Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company has committed itself to the following:

1. Ensure that the Whistle Blower and/or the person processing the Disclosure is not victimized for doing so;
2. Treat victimization as a serious matter including initiating disciplinary action on such person(s);
3. Ensure complete confidentiality and no attempt to conceal evidence of the Disclosure;
4. Take disciplinary action, if any one destroys or conceals evidence of the Disclosure made/to be made;
5. Provide an opportunity of being heard to the persons involved, especially to the person against or in relation to whom a Disclosure is made or evidence gathered during the course of an investigation

The policy lays down the detailed mechanism for reviewing the Complaints, spells out the remedial mechanism, assures the confidentiality and protection of whistle-blowers from victimization. The policy provides for confidential and

anonymous reporting to the Chairman of Audit Committee wherever required. The policy also discourages frivolous and vexatious complaints by suitably incorporating penal provisions for such complaints.

The details of the Whistle Blower Policy are available on the website of the Company at http://www.waterbaseindia.com/pdf/code_of_conduct/Whistle_Blower_Policy.pdf

Deposits

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

Auditors

Statutory Audit

The current Statutory Auditor, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W100018) were appointed at the Annual General Meeting held on 30th December 2017 for a period of 5 (Five) consecutive years, to hold office till the conclusion of the Thirty Fifth Annual General Meeting.

Further, the reports of the Statutory Auditors for FY20 are given along with the standalone and consolidated financial statements which is annexed to and forms part of this report.

Secretarial Audit

As required under Section 204 of the Companies Act, 2013 and Rules thereunder, the Board had appointed M/s. ARUB & Associates, Practicing Company Secretaries, as secretarial auditor of the Company for FY20. The report of the said Secretarial Auditor for FY20 is annexed to and forms part of this report.

Risk Management

The Company carries out a detailed Risk assessment exercise and has implemented the Enterprise Risk Management (ERM) policy and framework. This policy is applicable for all strategic, high level operational, financial reporting, compliance and enterprise wide risks that have a high impact on the Company. The ERM framework is a continuous cycle beginning with risk identification and followed sequentially by risk assessment, risk evaluation and risk response. The framework also lays down the process for risk monitoring, review, reporting, control and managing materialized risks to support the entire ERM process across the Company. The ERM framework aims to realize the following benefits:

1. **Link growth, risk and returns** - Risk management enhances the capacity to identify events and assess risks and set risk tolerances consistent with growth and return objectives;
2. **Rationalize resources** - Deploy resources more effectively, thereby reducing overall capital requirements and improving capital allocations;

3. **Exploit opportunities** - Identify and take advantage of opportunities and events quickly and efficiently;
4. **Reduce operational surprises and losses** - Recognize potential adverse events, assess risks and establish responses, thereby reducing surprises and related costs or losses;
5. **Report with greater confidence** - Prepare internal and external information that is reliable, timely and relevant; and
6. **Satisfy legal and regulatory requirements** - Ensure compliance with legal and regulatory requirements and identify risks of noncompliance.

Under this framework, the Company has segregated the risks into two levels:

1. **Enterprise-wide Risks** - These are risks that have a mid to long term impact on us and would include any form of Risk that would have high impact on the Company. An example of such a risk is 'Reputational Risk'. The ERM framework lays down the procedures for addressing such risks.
2. **Process level Risks** - These are risks that have a current to short term impact on the Company. These risks are faced by the operational teams on a periodic basis due to the ongoing operations of the company. An example of such a risk is 'duplicate invoices from vendors'. These risks can also arise from change of business offerings, processes, activities etc. In order to mitigate such risks, the process owner shall update the Standard Operating Procedures (SOPs) to include mitigating checks and controls.

A strong and independent Internal Audit function carries out risk focused audits across the Company and enables identification of areas where the processes may need to be improved to mitigate the risks.

Internal Financial Control Framework

The Company's Internal Financial Controls encompass policies and procedures adopted by the Board for ensuring the orderly and efficient conduct of business, including adherence to its policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial information. Appropriate review and control mechanisms are built in place to ensure that such control systems are adequate and are operating effectively.

The systems/frameworks include proper delegation of authority, operating philosophies, policies and procedures, effective IT systems aligned to business requirements, an Internal Audit framework, a comprehensive Code of Conduct & Business Ethics framework, a Risk Management framework and adequate segregation of duties to ensure an acceptable level of risk. Documented Standard Operating Procedures are in place

for all business processes. Key controls are tested to assure that these are operating effectively. Besides, the Company has also implemented SAP ERP for all its processes to strengthen the internal control and segregation of duties/access.

Significant and Material Orders passed by the Regulators

There are no significant material orders passed by the regulators or courts or tribunals which would impact the going concern status of the company and its future operations.

Acknowledgement

The Board greatly appreciates the commitment and dedication of its employees across all levels, the collaborative spirit, unrelenting dedication and expert thinking which has led to the growth and success of the Company over the years. We would like to thank all our dealers, investors, bankers, vendors

and other business associates for their continued support and encouragement during the year.

We also thank the Government of India, Government of Andhra Pradesh, Ministry of Commerce and Industry, Ministry of Finance, Department of Fisheries, Indirect taxes and Customs departments, Income Tax Department, and all other government agencies for their support during the year and look forward to the same in the future.

For and on behalf of the Board of Directors

Vikramaditya Mohan Thapar
Director

Date: 27th May 2020
Place: New Delhi

Anil Kumar Bhandari
Director

Date: 27th May 2020
Place: Bangalore

ANNEXURES TO DIRECTORS' REPORT

ANNEXURE - A

Nomination and Remuneration Policy and Remuneration Details

A. Nomination and Remuneration Policy

The Nomination and Remuneration Policy has been formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of the SEBI (Listing Obligation and Disclosure Requirement), 2015, as amended from time to time. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel has been formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors.

The following are the salient features of the Policy:

Objective:

The objective of the policy is to ensure that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and other employees of the quality required to run the company successfully;
- There is a transparent and consistent system of determining the appropriate level of remuneration across all levels of the Company;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Appointment and removal of Director, Key Managerial Personnel and Senior Management Personnel:

- a) The NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and Key Managerial Personnel and recommend his / her appointment, as per the Company's Policy. Similarly, for appointments to Senior Management, the person to be recruited shall have the qualification requisite for the role and should be one of integrity and expertise.
- b) The NRC has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

- c) The NRC shall ensure that the person to be appointed as Director/ Managing Director/ Whole-Time Director does not suffer from any disqualification stipulated and also possesses all the qualifications stipulated under the Companies Act, 2013. Wherever required, any such appointment shall be made with the requisite approval of the Central Government.
- d) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that, the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.
- e) Each Executive Director will enter into a contract with the Company clearly setting out the terms and conditions and the remuneration package for that person. The contract will set out the expectations for the performance of the role and criteria for assessment. The NRC and the Board must approve all such contracts.
- f) Independent Directors shall be issued a letter of appointment containing the terms and conditions of appointment, expectations from them and the benefits available for such Independent Directors. The appointment letter shall be approved by the NRC and the Board before it is issued to Independent Directors.
- g) Key Managerial and Senior Management Personnel (both contractual & permanent) will be issued a Letter of Appointment clearly setting out the terms and conditions and the remuneration package. This appointment will be accompanied with a detailed Job Description stating the Key Responsibility Areas (KRAs) of that respective person. The Executive Director or Chief Executive Officer must approve such appointment letter and the same will be governed by the HR policy.

Term / Tenure:

- a) Managing Director / Whole-time Director:
The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) Independent Director:
 - i. An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on

passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- ii. No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.
 - iii. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
 - iv. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.
 - v. The continuation of the term of an Independent Director is subject to the outcome of the annual evaluation process of the Director.
- c) Key Managerial and Senior Management Personnel:
Appointment as Key Managerial Personnel shall be without any time limit and as per the terms mentioned in the appointment letter. However, the maximum age for retirement of Key Managerial Personnel shall be as per the policy applicable for all the other employees of the Company. The continuation of Key Managerial Personnel shall also be dependent upon satisfactory performance evaluation. The Committee shall have the full freedom to recommend the removal of any Key Managerial Personnel if performance evaluation is found unsatisfactory.

Evaluation:

- i. The NRC shall carry out evaluation of performance of Directors at yearly intervals or at such intervals as may be considered necessary. This shall include evaluation of Independent Directors.
- ii. The NRC shall recommend the performance evaluation criteria for Board approval. The evaluation criteria shall comprise the framework of evaluation applicable for Directors (including the Chairman and Independent Directors), the Board as a whole and various Committees of Directors.
- iii. The NRC shall also lay down the evaluation parameters (KRA's) of Key Managerial and Senior Management Personnel. These parameters shall be suitably incorporated in the Performance evaluation framework applicable to Key Managerial and Senior Management Personnel who shall be subject to annual evaluation process based on these parameters.

- iv. A report on annual performance evaluation of the Key Managerial and Senior Management Personnel shall be placed before the NRC for suitable recommendations to the Board, if needed.

Policy for Remuneration to Directors/KMP/Senior Management Personnel/Other Employees:

- 1) Remuneration to Managing Director /Whole - Time Directors:
 - a) The Remuneration / Commission etc. to be paid to Managing Director / Whole Time Directors etc. shall be governed as per the provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
 - b) The NRC shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole Time Directors.
 - c) The Board in consultation with the NRC will from time to time determine the fixed remuneration level for Managing / Whole-time Directors. Such remuneration levels will be determined according to industry standards, market conditions and scale of the Company's business relating to the position.
 - d) The Board in consultation with the NRC may determine incentive designed to create a strong relationship between performance and remuneration. However, such remuneration shall be within the limits specified by the Act and approval of shareholders.
 - e) Termination benefits shall be as per the terms specified in the Contract.
- 2) Remuneration to Non- Executive / Independent Directors:
 - a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the NRC and approved by the Board of Directors.
 - b) The remuneration of the Non - Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the NRC and approved by the Board of Directors or shareholders, as the case may be.

- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non - Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above, if the following conditions are satisfied:
- The services are rendered by such Director in his capacity as the professional; and
 - In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- e) The Board in consultation with the NRC will from time to time determine the Commission payable to Non-Executive Directors. Such Commission shall be within the limits specified by the Act/ approved by Shareholders. The actual commission will be determined according to industry standards, relevant laws and regulations, labour market conditions and scale of the Company's business relating to the position.
- 3) Remuneration to Key Managerial and Senior Management Personnel:
- The remuneration to Key Managerial and Senior Management Personnel shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
 - The fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time. The Board in consultation with the NRC will, from time to time determine the fixed remuneration level. Such remuneration levels will be determined according to industry standards, market conditions and other factors.
 - The incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial and Senior Management Personnel, to be decided annually or at such intervals as may be considered appropriate by the Board in consultation with the NRC.
- 4) Remuneration to Other Employees:
The Chief Executive Officer will approve the form of remuneration which may include fixed remuneration, termination payments and employee entitlement for other employees of the Company.

B. Details of Remuneration

The Directors have decided to forego their commission for the financial year ended 31st March 2020, in consideration of the Covid 19 Pandemic and its impact on the Business. Details of sitting fee paid to Directors during the year ended 31st March 2020:

Information in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as given below:

		(₹ in Lakhs)
Particulars	Title	Sitting Fee
Mr. Vikramaditya Mohan Thapar	Non - Executive Chairman	0.65
Mr. Anil Kumar Bhandari	Independent Director (till 31 st Mar 2019 and re-appointed w.e.f. 15 th May 2019)	2.00
Mrs. Jyoti Thapar (upto 5 th Feb 2020)	Non-Executive Director	0.25
Mr. Ranjit Mehta	Independent Director (till 31 st Mar 2019 and re-appointed w.e.f. 15 th May 2019)	1.60
Mr. Rahul Kapur	Independent Director	1.60
Mr. Varun Aditya Thapar	Non-Executive Director	2.00
Mrs. Shashikala Venkatraman (from 14 th Nov 2019)	Non-Executive Director (Independent)	0.75

Note:

- Remuneration for FY 20 for KMPs is given as a part of MGT-9 (Extract of Annual Return)

Other details as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sl. No.	Requirements	Details	Ratio X times / %
1	Ratio of remuneration of each Director to the median remuneration of employees	Ratio of Commission paid to the Directors in relation to median remuneration of employees	NA
2	Percentage increase in remuneration of Director and KMP during the financial year	Commission to Directors Chief Executive Officer Chief Financial Officer Company Secretary	NA 6.42% 10.39% 11.06%
3	Percentage increase / (decrease) in median remuneration of employees in the financial year		11.89%
4	Number of permanent employees on the rolls of the Company		260
5	Average percentile increases in salaries of employees other than managerial personnel and its comparison with the percentile increase in managerial remuneration and justification thereof		Average increase in employees' remuneration other than KMP - 9.88% & for KMP - 9.29%

Notes:

- Sitting fee was not considered as part of remuneration.
 - We hereby affirm that the remuneration paid to Directors and Key Managerial Personnel are in line with the Nomination and Remuneration Policy of the Company.
- Information in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sl. No.	Employee Name	Designation in the Company	Qualification	Age (in Years)	Previous Employer	Total Experience (in years)	Designation at Previous Employment	Date of Joining	Remuneration for year ended 31 st March 2020 (₹ In Lakhs)
1	Ramakanth V. Akula	CEO	MBA, PGCBM	53	Nippon Paint India Pvt Ltd	30	President	1 st August 2014	219.20

For and on behalf of the Board of Directors

Vikramaditya Mohan Thapar
Director

Anil Kumar Bhandari
Director

Date: 27th May 2020
Place: New Delhi

Date: 27th May 2020
Place: Bangalore

ANNEXURE – B

Report on Corporate Social Responsibility as required by Section 135 read with Rule 8(1) of the Companies (Corporate Social Responsibilities Policy) Rules, 2014

The Corporate Social Responsibility (CSR) activities of the company have already been textured into the company's value system through KCT Group Trust. The CSR activities of the company are routed through the KCT Group Trust specifically formed for the purpose of carrying out the CSR activities as mandated under section 135 of the Companies Act, 2013.

The KCT Group Trust was formed along with other Companies in the KCT Group to undertake the CSR activities as per the provisions of Section 135 of the Companies Act, 2013. The KCT Group Trust was formed to carryout programmes or activities in the following areas:

- i. Eradicating hunger, poverty and malnutrition, promoting health care (including preventive healthcare) and sanitation, including contribution to the Swachh Bharat Kosh set up by Central Government for the promotion of sanitation and making available safe drinking water;
- ii. Promoting education including special education and employment, enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- iii. Promoting gender equality, empowerment of women, set up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintain or assist in maintenance of quality of soil, air and water including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga;
- v. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents;
- vii. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- viii. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for

socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

- ix. Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- x. Rural development projects; and
- xi. Slum area development

A. Outline of the CSR Policy of the Company:

1. The Company is committed to the following principles with regard to CSR :-
 - a) Synergizing the long-term value creation for the shareholders with creation of societal capital for seamless integration of the enterprise with the society at large.
 - b) To integrate CSR programmes with the Company's business and endeavour to implement the Social Investments/CSR programmes.
 - c) Integrating economic progress, social responsibility and environmental concerns (Triple Bottom Line accountability) with the objective of improving quality of life.
 - d) Ensuring inclusive and sustainable socio-economic development of the underprivileged/ needy/deserving communities through the means of primary and higher education, eradication of poverty, elimination of hunger, supporting research & development work in the field of cancer, eye care, building of medical-care capacity, rural development projects and such other initiatives.
 - e) Supporting and promoting the cause of all kind of sports and physical health education.
 - f) Promoting the cause of environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, agro-forestry, conservation of forest & natural resources, maintaining quality of soil, air and water.
 - g) Promoting gender equality empowering of women economically and such other initiatives.

- h) Encouraging the development of human capital through skills development, vocational training etc. and contributing to the happiness index of the community by promoting livelihood enhancement projects.
- i) Contribution for the promotion and accomplishment of the afore stated causes through collaborative partnership with the Government, the District Authorities, the village panchayats, NGOs etc. including contributions to Prime Minister Relief Fund or any other fund setup by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women.

2. Focus areas of the Policy:

The Company plans to focus on the following areas that aim to contribute value to the society:

- Education
- Health care and Family Welfare
- Sports & Culture
- Social Causes
- Infrastructure development
- Sustainable livelihood
- Environment
- Women Empowerment

3. Partners: Trust, NGO, Govt. Agencies, Employees

B. Composition of the CSR Committee:

The CSR Committee comprises of the following Directors:

- Mr. Vikramaditya Mohan Thapar - Non-Executive Director (Chairman)
- Mr. Varun Aditya Thapar - Non-Executive Director
- Mr. Ranjit Mehta - Independent Director

C. CSR Computation:

The following table indicates the contribution the Company is required to make under Section 135 of the Act read with the Companies (CSR) Rules, 2014:

(₹ in Lakhs)

Net profits as per Section 198 of the Companies Act, 2013	Amount
Financial Year 2018-19	5332.66
Financial Year 2017-18	5218.60
Financial Year 2016-17	1867.60
Total	1248.87
Average Net profit	4139.62
2% of the Average Net Profit (Amount to be contributed towards CSR Activities in the current year)	82.79
Amount spent during financial year 2019-20	82.79
Amount unspent, if any	-

D. Details of contribution towards CSR Activities:

Contributions made for the year 2019-20

(₹ in Actuals)

Sl. No.	CSR project or program name	Sector in which the project was covered	Amount spent directly or through external agency	Location of project or program	Amount spent on the Project/ Program	Cumulative expenditure up to reporting period
1	IMT Scholarship Award	Awarded to students to complete their higher technical education. Two students from BE Computers are awarded this Scholarship they are from Thapar University of Technical Education	Through KCT Group Trust	Patiala- Punjab	3,00,000	
2	IMT Scholarship Award	6 research award to students from IIT ISM Dhanbad	Through KCT Group Trust	Dhanbad- Jharkand	3,00,000	
3	Kashvi Learning Centre- Mumbai	Education opportunity for girls to complete their school education and acquire skill for 21 st century livelihood	Through KCT Group Trust	Mumbai- Maharashtra	11,24,973	

(₹ in Actuals)

Sl. No.	CSR project or program name	Sector in which the project was covered	Amount spent directly or through external agency	Location of project or program	Amount spent on the Project/ Program	Cumulative expenditure up to reporting period
4	Kashvi Learning Centre- Kolkata	Education opportunity for girls to complete their school education and acquire skill for 21 st century livelihood	Through KCT Group Trust	Kolkata- WB	2,18,571	
5	Wildlife Conservation Trust	Conservation and preservation of forest land and protection of wildlife through community mitigation and training, thus reducing human & animal conflict	Through KCT Group Trust	Tadoba- Maharashtra	19,94,100	
6	Sath Sath Arts	Awarded to students who excel in Fine Arts, held in collaboration with Rajasthan University	Through KCT Group Trust	Jaipur- Rajasthan	5,00,000	
7	India Track Foundation	Training of athletes who are preparing for Olympic Games	Through KCT Group Trust	Ooty- TN	20,00,000	
8	India Paryavaran Sahayak Foundation	Promotion of clean and green environment by training farmers against stubble burning	Through KCT Group Trust	Ropar- Punjab	10,00,000	
9	FICCI- Sanitation Project	Capacity building program supported by FICCI to NGOs working on Hygiene and Sanitation	Through KCT Group Trust	Pan India	2,00,000	
10	Pickle Factory- Performing Art	Training of women group (homeless) and providing them therapeutic support through performing art.	Through KCT Group Trust	Kolkata- WB India Paryavaran Sahayak Foundation	50,000	
11	PGM Sports	Training of Caddies in Golf (Olympic Sports)	Through KCT Group Trust	New Delhi	1,00,000	
12	CIBA-ICAR	CIBA-ICAR	Through KCT Group Trust	Surat- Gujarat	50,000	
13	Westwind Association	Education scholarship for students who cannot afford school education	Through KCT Group Trust	Mumbai- Maharashtra	1,00,000	
Total Expenses for 2019-20					82,79,244	82,79,244

The CSR Committee hereby confirms that the implementation and monitoring of CSR policy is in line with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Ramakanth V Akula
Chief Executive Officer

Vikramaditya Mohan Thapar
Director

Anil Kumar Bhandari
Director

Date: 27th May 2020
Place: Chennai

Date: 27th May 2020
Place: New Delhi

Date: 27th May 2020
Place: Bangalore

ANNEXURE – C

Energy, Technology Absorption and Foreign Exchange

Conservation of energy, technology absorption and foreign exchange earnings/outgo

Particulars required by Section 134(3)(m) of the Companies Act, 2013 ("the Act") read with rule 8(3) of the Companies (Accounts) Rules, 2014 are as given below:

A Conservation of Energy

- a) The Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
- b) The Company has taken actions leading to energy conservation on fuel & power and has also taken efforts on reduction of average cost of fuel & power per ton of production. However, no specific investment has been made in reduction in energy consumption.
- c) Further, to enhance conservation & reduction towards carbon emission, company is working on sourcing of renewable energy from reliable sources. As the impact of measures taken for conservation and optimum utilization are not quantitative, its impact on cost cannot be quantified.

B. Technology Absorption

- a) The Company continuously interacts with international experts on Shrimp feed nutrition, water quality management and development of specialized feed ingredients. The company also works closely with reputed institutes who are involved in Aqua Feed Nutrition Research. All the Research & Development (R&D) activities are carried out in-house in collaboration with such experts/ institutes. The Company has entered into a strategic alliance with Central Institute of Brackishwater Aquaculture (CIBA), the nodal agency for the development of brackishwater aquaculture in the country for testing growth performance and refinement of ecofriendly shrimp feed with the Company .
- b) The Company has done extensive Research on replacements for ingredients that are being depleted

year on year, the important being fishmeal and fish oil. The Company has put in efforts to find alternate ingredients to replace them in association with internationally reputed research firms and the results have been so far encouraging.

- c) The Company constantly works on its feed formulation and improves it so that the feeds travel beyond meeting nutritional requirements. The benefits arising out of the R&D are as below:
 - o Improving Feed Conversion Ratio (FCR)
 - o Reducing visceral waste & improving yield
 - o Reducing environmental output (pond conditions)
 - o Optimizing digestible nutrient levels (maintaining performance)
 - o Reducing impact of infections on productivity
 - o Reducing the probability of Bacterial/ Viral infections and Parasitic infestations
- d) The expenditure incurred during the year under review towards Research & Development is as follows:
 - o Revenue expenses – ₹ 155.27 Lakhs
 - o Capital expenses – ₹ 45.46 Lakhs

C. Foreign Exchange Earnings and Outgo

(₹ in Lakhs)

Particulars	2019-20	2018-19
Earnings in Foreign Exchange	1239.78	1023.25
Foreign Exchange Outgo	1105.62	1330.66

For and on behalf of the Board of Directors

Vikramaditya Mohan Thapar
Director

Anil Kumar Bhandari
Director

Date: 27th May 2020
Place: New Delhi

Date: 27th May 2020
Place: Bangalore

ANNEXURE - D

Extract of Annual Return

Form No. MGT-9

As on financial year ended on 31-03-2020

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014

I. Registration & Other Details:

1	CIN	L05005AP1987PLC018436
2	Registration Date	23 rd November 1987
3	Name of the Company	The Waterbase Limited
4	Category/Sub-category of the Company	Company Limited by Shares/ Indian Non-Government Company
5	Address of the Registered office & contact details	Ananthapuram Village, Nellore, Andhra Pradesh - 524344; Registered Office Contact: 91000 18037; Corporate Office Contact: 044 - 4566 1700, Fax: 044 - 4566 1799
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Cameo Corporate Services Limited Subramaniam Building No. 1, Club House Road, Chennai - 600 002 Phone: 044-28460390 / 391 / 392 / 393 / 394, Fax: 044-28460129 Email: investor@cameoindia.com

II. Principal Business Activities of the Company (All the business activities contributing 10% or more of the total turnover of the company shall be stated):

S. No.	Name and Description of Main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1	Manufacture of prepared animal feeds (Manufacture of/ Trading in Shrimp feed)	10809	92%

III. Particulars of Holding, Subsidiary and Associate Companies

S. No.	Name of the Company	Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1	Navsrijit Shakti Telangana Private Limited	3 rd Floor Plot No. 715A Jubilee Hills Hyderabad Telangana - 500033	U74900TG2015PTC100196	Holding	52.95	2(46)
2	Saatatya Vistaar Oorja Bengaluru Private Limited (from 25 th March 2020)	"Thapar Niketan" Ground Floor 7/4, Brunton Road, Bangalore, Karnataka - 560025	U74900KA2015PTC080716	Subsidiary	100%	2(87)

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

S. No.	Category of Shareholder	No. of shares held at the beginning of the year (01-04-2019)				No. of shares held at the end of the year (31-03-2020)				% Change during the year
		Demat	Physical	Total	% of shares	Demat	Physical	Total	% of shares	
A	Shareholding of Promoter and Promoter Group									
1	Indian									
a	Individuals / Hindu Undivided Family	400,800	0	400,800	0.97	400,800	0	400,800	0.97	-
b	Central Government / State Government(s)	0	0	0	0	0	0	0	0	
c	Bodies Corporate	2,72,84,524	0	2,72,84,524	65.87	2,74,05,294	0	2,74,05,294	66.15	0.44
d	Financial Institutions / Banks	0	0	0	0	0	0	0	0	
e	Any other	0	0	0	0	0	0	0	0	0
	Sub - Total (A)(1)	2,76,85,324	0	2,76,85,324	66.83	2,78,06,094	0	2,78,06,094	67.12	0.44
2	Foreign									
a	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0	0	0	0	0	
b	Bodies Corporate	0	0	0	0	0	0	0	0	
c	Institutions	0	0	0	0	0	0	0	0	
d	Qualified Foreign Investor	0	0	0	0	0	0	0	0	
e	Any other	0	0	0	0	0	0	0	0	
	Sub - Total (A)(2)	0	0	0	0	0	0	0	0	
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	2,76,85,324	0	2,76,85,324	66.83	2,78,06,094	0	2,78,06,094	67.12	0.44
B	Public Shareholding									
1	Institutions									
a	Mutual Funds / UTI	0	7,000	7,000	0.02	0	7,000	7,000	0.02	0
b	Financial Institutions/Banks	800	434	1,234	-	17735	434	18169	0.04	1372.37
c	Central Government / State Government(s)	0	0	0	0	0	0	0	0	0
d	Venture Capital Funds	0	0	0	0	0	0	0	0	0
e	Insurance Companies	0	0	0	0	0	0	0	0	0
f	Foreign Institutional Investors	0	1,600	1,600	0	0	1,600	1,600	0	0
g	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
h	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
i	Any other	0	0	0	0	0	0	0	0	0
	Sub - Total (B)(1)	800	9,034	9,834	0.02	17,735	9,034	26,769	0.06	172.21
2	Non - Institutions									
a	Bodies Corporate	769,707	98,200	867,907	2.1	1132286	94000	1226286	2.96	41.29
b	Individuals -									
	i. Individual Shareholders Holding Nominal Share Capital upto ₹ 2 Lakhs	86,12,299	15,68,688	1,01,80,987	24.58	8531323	1509405	10040728	24.24	-1.38

S. No.	Category of Shareholder	No. of shares held at the beginning of the year (01-04-2019)				No. of shares held at the end of the year (31-03-2020)				% Change during the year
		Demat	Physical	Total	% of shares	Demat	Physical	Total	% of shares	
	II. Individual Shareholders Holding Nominal Share Capital in excess of ₹ 2 Lakhs	10,32,719	50,000	10,82,719	2.61	1,03,74,13	0	1,03,74,13	2.5	-4.22
c	Qualified Foreign Investors	0	0	0	0	0	0	0	0	
d	Any Other									
	Clearing Members	51,153	0	51,153	0.12	11,44,41	0	11,44,41	0.28	123.72
	Directors and their Relatives	0	0	0	0	0	0	0	0	
	Hindu Undivided Families	5,08,536	500	5,09,036	1.23	4,64,419	2,300	4,66,719	1.13	-8.31
	Non Resident Indians	5,17,008	8,000	5,25,008	1.27	4,33,560	8,100	4,41,660	1.07	-33.21
	Overseas Corporate Bodies	4,97,000	2,800	4,99,800	1.21	2,64,228	2,800	2,67,028	0.64	-46.57
	Trusts	15,011	0	15,011	0.04	0	11	11	-	-99.93
	Any Other (Total)	23,58,415	1,09,500	24,67,915	5.97	1,07,200	2,40,894	2,51,614	6.08	-23.01
	Sub - Total (B)(2)	1,20,03,433	17,28,188	1,37,31,621	33.15	16,16,605	1,19,77,311	1,35,93,916	32.81	-1.00
	Total Public Shareholding (B) = (B)(1) + (B)(2)	1,20,03,433	17,37,222	1,37,41,455	33.17	16,25,639	1,19,95,046	1,36,20,685	32.88	-0.88
	Total (A)+(B)	3,96,89,557	17,37,222	4,14,26,779	100.00	16,25,639	3,98,01,140	4,14,26,779	100.00	0
C	Shares held by custodians and Against Which Depository Receipts have been issued									
	Promoter and Promoter Group	0	0	0	0	0	0	0	0	
	Public	0	0	0	0	0	0	0	0	
	Total Custodian (C)	0	0	0	0	0	0	0	0	
	Grand Total (A)+(B)+(C)	3,92,64,057	21,62,722	4,14,26,779	100.00	16,25,639	3,98,01,140	4,14,26,779	100.00	0

B. Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
Promoter & Promoter Group								
1	Mr. Vikramaditya Mohan Thapar	53,750	0.13	0	53,750	0.13	0	0
2	Karam Chand Thapar & Bros (Coal Sales Ltd)	32,41,719	7.83	0	32,41,719	7.83	0	0
3	Nav Srijit Shakti Telangana Private Limited	2,19,34,545	52.95	0	2,19,34,545	52.95	0	0
4	Mrs. Jyoti Thapar	73,500	0.18	0	73,500	0.18	0	0
5	Ms. Ayesha Thapar	51,875	0.13	0	51,875	0.13	0	0
6	Ms. Nitasha Thapar	51,875	0.13	0	51,875	0.13	0	0
7	Mr. Varun Aditya Thapar	1,69,800	0.41	0	1,69,800	0.41	0	0
8	KCT Management Services Private Limited	21,08,260	5.09	0	22,29,030	5.38	0	5.73

C. Change in Promoters' Shareholding
KCT Management Services Private Limited

S. No.	Particulars	No. of Shares	% of total shares of the Company
1	At the beginning of the year	2108260	5.09
2	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	No of shares acquired Dates of acquisition Reason	1,20,770 Provided as separate Table below Creeping Acquisition of shares by the Promoter
3	At the end of the year	2229030	5.38

Details of Acquisition for Point 2 above

Date of acquisition of shares	Number of Shares
16-Aug-19	26400
28-Jun-19	17270
19-Jun-19	40700
20-May-19	36400

D. Shareholding Pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

S. No.	Name of the Share holder	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Lincoln P Coelho Jt with Kiran S Coelho	3,01,000	0.73	3,01,000	0.73
2	Flash Rise Limited	2,47,000	0.60	1,87,000	0.45
3	Neha Deal Trade Private Limited	-	-	1,87,000	0.45
4	Subhash Chand Mantri HUF	2,57,090	0.62	1,59,023	0.38
5	FE Securities P Ltd	Nil	Nil	1,55,000	0.37
6	Mehak Finpro India P Ltd	Nil	Nil	1,47,812	0.36
7	Manoj Kumar Dawar Jt with Kusum Dawar	1,07,022	0.25	1,07,036	0.25
8	Yadav DP	50,000	0.12	87,000	0.21
9	Rajpad Traders P Ltd	Nil	Nil	80,500	0.19
10	Nead Trading & Investments Limited	2,47,000	0.60	77,228	0.18

E. Shareholding of Directors and Key Managerial Personnel

S. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Ramakanth V. Akula	5	0.00	5	0.00
2	R. Sureshkumar	0	0.00	0	0.00
3	R Achuthan	0	0.00	0	0.00

Note 1: The Shareholding of Directors is given separately in the Corporate Governance section of the report.

V. Indebtedness - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ In Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2761.74	-	-	2761.74
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2761.74			2761.74
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	1519.51	-	-	1519.51
Net Change	(1519.51)	-	-	(1519.51)
Indebtedness at the end of the financial year				
i) Principal Amount	1242.23	-	-	1242.23
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	6.88	-	-	6.88
Total (i+ii+iii)	1249.11	-	-	1249.11

VI. Remuneration of Directors and Key Managerial Personnel

- Remuneration of Managing Director, Whole-Time Directors and/or Manager:
The Company does not have a Managing Director/ Whole-time Directors or Manager. Hence this section is not applicable.
- Remuneration to other Directors for the year 2019-20:

(₹ In Lakhs)

S. No.	Particulars of Remuneration	Name of Directors						
		Vikramaditya Mohan Thapar	Jyoti Thapar	Varun Aditya Thapar	Anil Kumar Bhandari	Ranjit Mehta	Rahul Kapur	Shashikala Venkatraman
1	Independent Directors							
	Fee for attending Board / Committee Meeting	-	-	-	2.00	1.60	1.60	0.75
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	-	-	-	2.00	1.60	1.60	0.75
2	Other Non Executive Directors							
	Fee for attending board committee meetings	0.65	0.25	2.00	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	0.65	0.25	2.00				
	Total Managerial Remuneration = (1+2)	0.65	0.25	2.00	2.00	1.60	1.60	0.75

- Remuneration to Key Managerial Personnel Other than MD/Manager/WTD for the year 2019-20:

(₹ In Lakhs)

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Ramakanth V Akula (CEO)	Mr. R. Sureshkumar (CFO)	Mr. R.Achuthan (CS)	
1	Gross salary				
	(a) Salary as per the provisions contained in section 17(1) of the Income Tax Act, 1961	210.20	72.54	20.93	312.67
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	As % of profit	-	-	-	-
	Others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	219.20	72.54	20.93	312.67

VII. Penalties / Punishment / Compounding of Offences:

There were no penalties or punishments levied on the company during the year. Also, there was no necessity for the Company to compound any offence.

For and on behalf of the Board of Directors

Vikramaditya Mohan Thapar
Director

Anil Kumar Bhandari
Director

Date: 27th May 2020
Place: New Delhi

Date: 27th May 2020
Place: Bangalore

ANNEXURE - E

Particulars of contracts / arrangements with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014]

A. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered in to during the year ended 31st March 2020 which were not at arm's length basis.

B. Details of material contracts or arrangement or transactions at arm's length basis

Since no other material Related Party contract/ transaction exists, disclosure under this section is not applicable.

Name of the Related Party	Nature of Relationship	Duration of Contract/ Arrangement/ Transaction	Salient Terms of Contracts or arrangements or transaction including the value, If Any	Date of approval by the Shareholders	Amount
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Not Applicable

For and on behalf of the Board of Directors

Vikramaditya Mohan Thapar
Director

Anil Kumar Bhandari
Director

Date: 27th May 2020
Place: New Delhi

Date: 27th May 2020
Place: Bangalore

ANNEXURE – F

Corporate Governance Report

Company's Philosophy on Corporate Governance

The Company is committed to maintaining highest standards of Corporate Governance in all its activities and processes aimed at enhancing its brand and reputation. The Company believes that Good Corporate Governance has the following principles at its core:

- a) Emphasis on meeting long term goals and objectives rather than solely relying on short-term performance
- b) Strong and diversified Board which plays active role in monitoring corporate performance, driving strategic initiatives and setting the appropriate 'tone at the top'
- c) Robust and comprehensive flow of information between the Company's executive management and the Board/ its Committees to enable informed decision making
- d) Strong mechanism of Director Evaluation and feedback
- e) Transparency in disclosure of material events and their impact
- f) Robust Risk Management practices and Internal Controls framework overseen by the Board / Audit Committee

Good Governance responsibilities encompasses the activities of the Board of Directors, who execute their Corporate Governance role by focusing on the Company's strategic and operational excellence in the best interests of all stakeholders and, in particular, Shareholders, Employees and Customers in a balanced fashion with long term benefits to all. The Company ensures that transparency, which is the cornerstone of Corporate Governance, is maintained in all its interaction with Stakeholders. The Company's Corporate Governance framework ensures that timely disclosures are made and accurate information is shared regarding the financials, performance and other key Corporate events. The Company firmly believes that sound Corporate Governance practices are crucial to the smooth and efficient operation of a Company and its ability to attract investment, protect the rights of its Stakeholders and provide Shareholder value.

All the business policies are based on ethical conduct, health, safety and a commitment to build long term sustainable relationships with the Stakeholders rather than relying solely on short term performance.

The overarching Corporate Governance philosophy of the Company is that Corporate Governance standards should satisfy the letter as well as spirit of the law and the Management is the trustee of Shareholders' capital and not the owner.

Board of Directors

A. Composition and Category of Directors

As on 31st March 2020, the Board constitutes of six members comprising of two Non-Executive Directors and four Independent Directors (including one Women Director). The composition of the Board is in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also the provisions of the Companies Act, 2013. Mr. Vikramaditya Mohan Thapar is the Chairman of the Company. The Independent Directors on the Board are competent and highly respected persons from their respective fields.

B. Scheduling of Board Meetings and Agenda

Minimum four board meetings are held each year. These meetings are held for considering the performance of the Company for the previous quarter. Apart from these meetings, additional board meetings are convened by giving appropriate notice to address specific needs of the company.

The minimum information placed before the board is as per schedule II (Part – A) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, and include:

- a) Business plan/ budget and any updates thereon.
- b) Capital Expenditure proposals/ budget and any updates thereon.
- c) Quarterly Results.
- d) Minutes of the meetings of Audit Committee and other committees of the Board.
- e) The information on recruitment and remuneration of senior personnel just below the Board level, including the appointment of Chief Financial Officer and the company secretary.
- f) Non – Compliance of any regulatory, statutory nature or listing requirements and shareholder's services such as delay in the share transfer etc.
- g) Show cause, demand prosecution notices and penalty notices which are materially important.
- h) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- i) Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.

- j) Significant labor problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- k) Risk assessment and minimization procedures and periodical review of the Risk Management framework.
- l) Confirmation on adherence to the Company's Code of Conduct & Business Ethics.
- m) General notice of interest of Directors.
- n) Terms of reference of Board Committees.
- o) Any material events that would impact the performance of the company.

During FY20, the Board of Directors of the Company met five times during the financial year on 15th May 2019, 09th August 2019, 14th November 2019, 5th February 2020 and 25th March 2020. The composition of the Board of Directors and their attendance at the Board meetings during the year and at the last Annual General Meeting together with the number of other directorships are given below:

S. No.	Name of the Director	No. of Board Meetings Attended	Attendance at the Last AGM	Director Identification Number	Directorships in Other Companies*
Non-Executive Directors					
1.	Mr. Vikramaditya Mohan Thapar	2	No	00030967	3
2.	Mrs. Jyoti Thapar (upto 5 Feb 2020)	1	No	00031035	NIL
3.	Mr. Varun Aditya Thapar	5	Yes	02322660	5
Independent Directors					
4.	Mr. Anil Kumar Bhandari	5	No	00031194	6
5.	Mr. Ranjit Mehta	4	No	03172264	NIL
6.	Mr. Rahul Kapur	4	No	00020624	8
7.	Ms. Shashikala Venkatraman (From 14 Nov 2019)	3	NA	02125617	2

*Include Private Limited Companies

C. Directorships in other Companies

The details of Directorships of the Company's Directors in other companies as on **31st March 2020** is given below:

Name of Director	Directorship in other Companies
Vikramaditya Mohan Thapar	Karam Chand Thapar & Bros (Coal Sales) Limited
	Indian City Properties Limited
	Barbus Fiduciary Services Private Limited.
Varun Aditya Thapar	Karam Chand Thapar & Bros. (Coal Sales) Limited
	Vasudha Sampada Private Limited
	Nav Srijit Shakti Telangana Private Limited
	Piano Fiduciary Services Private Limited
Anil Kumar Bhandari	ICP Developments Private Ltd
	Kirloskar Electric Company Limited
	Bhoruka Park Private Limited
	Karnataka Coffee Brokers Private Limited
	Luxquisite Parkland Private Limited
	Swaki Habitat Private Limited
SLPKG Estate Holdings Private Limited	

Name of Director	Directorship in other Companies
Rahul Kapur	Avitech Nutrition Private Limited
	Keggfarms Private Limited
	Avitech Trading Private Limited
	JMK Mercantile Limited
	Indovax Private Limited
	Immunic Lifesciences Private Limited
	PML Mercantile Limited
Ranjit Mehta	VSK-Keggfarms Corporate Holdings Private Limited
	NIL
Shashikala Venkatraman	Ironman Media And Advisory Services Private Limited
	Sq.ft. Consulting private limited

D. Committee Memberships in other Companies

Following is the list of Memberships / Chairmanships of Directors in the committees of the Indian public limited companies in which they are holding directorships:

Director	Name of Company	Name of Committee	Chairperson / Member
Vikramaditya Mohan Thapar	Karam Chand Thapar & Bros (Coal Sales) Limited	Share Transfer & Investor Grievance Committee	Member
	Karam Chand Thapar & Bros (Coal Sales) Limited	Corporate Social Responsibility Committee	Member
	Karam Chand Thapar & Bros (Coal Sales) Limited	Nomination And Remuneration Committee	Member
	Indian City Properties Limited	Corporate Social Responsibility Committee	Member
	Indian City Properties Limited	Nomination And Remuneration Committee	Member
Varun Aditya Thapar	Karam Chand Thapar & Bros. (Coal Sales) Limited	Share Transfer & Investor Grievance Committee	Member
	Karam Chand Thapar & Bros. (Coal Sales) Limited	Committee	Member
	Karam Chand Thapar & Bros. (Coal Sales) Limited	Audit Committee	Member
Anil Kumar Bhandari	Kirloskar Electric Company Limited	Audit Committee	Member
	Kirloskar Electric Company Limited	Remuneration Committee	Member
Rahul Kapur	NIL	NIL	NIL
Ranjit Mehta	NIL	NIL	NIL
Shashikala Venkatraman	NIL	NIL	NIL

E. Shareholding of Directors

Name of the Director	Nature of Directorship	No. of Shares held as at 31 st March 2020
Mr. Vikramaditya Mohan Thapar	Non-Executive Chairman	53750
Mr. Varun Aditya Thapar	Non-Executive Director	169800
Mr. Rahul Kapur	Independent Director	NIL
Mr. Anil Kumar Bhandari	Independent Director	NIL
Mr. Ranjit Mehta	Independent Director	NIL
Ms. Shashikala Venkatraman	Non-Executive Director (Independent)	NIL

F. Appointment/ Re-appointment of Directors

Varun Aditya Thapar (DIN: 02322660), Director retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. Details required for re-appointment of Mr. Varun Aditya Thapar is included in the notice convening the Annual General Meeting.

G. Board Evaluation Mechanism

The Board, based on recommendation of the Nomination and Remuneration Committee, had adopted an evaluation framework for evaluating the performance of the Board as a whole, individual Director and the Board Committees. The evaluation framework envisages a three-stage evaluation process wherein the Independent Directors, Nomination and Remuneration Committee and the Board are involved.

H. Familiarization Programme

The Company takes all steps necessary to keep the Directors apprised of key developments in the business and Industry and to familiarize them for enabling their contribution and good governance. Since the Independent Directors are the critical link in any successful Corporate Governance program, a detailed appointment letter incorporating the role, duties and expectations, remuneration, insurance cover, code of conduct, etc., is issued for the acceptance of the Independent Directors. Further, as part of the Board/Committee Meetings, the Independent Directors are briefed about the developments impacting the Industry, various strategic initiatives of the Company, update on operations etc., product information brochures and annual report are given for their reference. Senior Executives regularly make presentations by audio visual means to the Board.

The overview of Company's familiarization programme is available on the website of the Company at http://www.waterbaseindia.com/pdf/Independent_Directors_Familiarisation_Programme.pdf

I. Disclosure of relationship between Directors Inter se

Mrs. Jyothi Thapar, Director (upto 5 Feb 2020) is the Spouse of Mr. Vikramaditya Mohan Thapar, Chairman and Mother of Mr. Varun Aditya Thapar, Director. None of the other directors are related to each other in the Board.

J. Remuneration of Directors

Based on performance evaluation, the Directors are paid a commission of up to 1% of net profits as approved by the Shareholders apart from Sitting fee for attending Board and Audit Committee meetings.

Service contracts, notice period, severance fees to Directors are not applicable as the Company does not have any Executive/ Whole-Time Director.

Board Committees

The Board has constituted various Committees to focus on specific areas and to make informed decisions within their authority. The Board, at the time of constitution of each committee fixes the terms of reference and also delegates powers from time to time. Various recommendations of the committees are submitted to the board for approval. The minutes of the meetings of the committees are circulated to the board for its information.

The various Board level Committees are as under:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

Audit Committee**A. Terms of Reference**

The committee acts as a bridge between the board, the statutory auditors and the internal auditors. The Committee functions as per the provisions of regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the provisions of Companies Act.

The responsibilities of the Committee, inter-alia, include:

- Overseeing the Financial Reporting process and disclosure of financial information
- Review of Financial Statements
- Review of Risk management systems
- Review of the findings of Internal Auditors
- Review of the functioning of Vigil mechanism
- Monitoring the usage of funds from issue proceeds
- Granting approvals for related party transactions as per the provisions of the Act, Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Policy on dealing with Related Party Transactions framed by the Company.
- Scrutiny of inter-corporate loans and investments
- Recommending the appointment / removal of the statutory auditors, the internal auditors and fixing their remuneration and review of the effectiveness of audit process.
- Valuation of undertakings or assets of the Company, wherever it is necessary
- Evaluation of Internal Financial Controls

The Company Secretary serves as the Secretary to the Committee.

B. Composition & Meetings

The committee comprises four non-executive directors with three of them being independent directors. As on 31st March 2020, composition of the committee is as follows:

- Mr. Anil Kumar Bhandari - Independent Director (Chairman)
- Mr. Varun Thapar - Non-Executive Director
- Mr. Ranjit Mehta - Independent Director
- Mr. Rahul Kapur - Independent Director

During the year, the committee met 5 (five) times. All members of audit committee have knowledge of financial management, audit and accounts. The statutory auditors, the internal auditors and senior management were invited to attend all the meetings of the committee.

C. Attendance of Directors:

Name	No of Meeting Held	No of Meetings Attended
Mr. Anil Kumar Bhandari	5	5
Mr. Varun Thapar	5	5
Mr. Ranjit Mehta	5	4
Mr. Rahul Kapur	5	4

Nomination and Remuneration Committee

A. Terms of Reference

The Committee was constituted in terms of the requirements of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 and Section 178 of the Companies Act, 2013. The responsibilities of the Committee, inter-alia, include:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To identify persons who are qualified to become Directors and Key Managerial Personnel in accordance with the criteria laid down in this policy and recommend their appointment to Board.
- To formulate criteria for evaluation of Directors, the Board and various Committees of the Board.
- To carry out evaluation of Director's performance.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial and Senior Management Personnel.
- Succession planning for replacing Key Executives and overseeing the Implementation of the same.

The Company Secretary serves as the Secretary to the Committee.

The Nomination and Remuneration policy formulated by the committee and the details of remuneration of Directors and Key Managerial Personnel are given as annexure to the Directors' Report.

B. Composition & Meetings

The committee comprises of four non-executive directors with three of them being Independent Directors. The committee met twice on 15th May 2019 and 14th Nov 2019.

- Mr. Anil Kumar Bhandari - Independent Director (Chairman)
- Mr. Ranjit Mehta - Independent Director
- Mr. Rahul Kapur - Independent Director
- Mr. Varun Aditya Thapar- Director

C. Attendance of Directors

Name	No of Meetings Held	No of Meetings Attended
Mr. Anil Kumar Bhandari	2	2
Mr. Ranjit Mehta	2	2
Mr. Rahul Kapur	2	2
Mr. Varun Aditya Thapar	2	2

Stakeholders Relationship Committee

A. Terms of Reference

The Committee was constituted in terms of the requirement of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013. The responsibilities of the committee, inter-alia, include:

- Formulation of Shareholders' servicing plans and policies
- Consideration of valid share transfer requests with folios, share transmissions, issue of duplicate share certificates, issue of share certificates for split, rematerialisation, consolidation of shares, etc.
- Monitoring and reviewing the mechanism of share transfers, dematerialization of shares and payment of dividends.
- Redressal of Investors grievances like non-receipt of balance sheet, non-receipt of declared dividends and determining, monitoring and reviewing the standards for resolution of shareholders' grievances.

The Company Secretary serves as the Secretary to the Committee. Further, the Committee had designated the Company Secretary to be the Compliance Officer for the purpose of attending to the Share Transfer/ Transmission related formalities.

During the year, the company had received seven complaints from the Shareholders which have been

resolved to their satisfaction. No complaints are pending as on 31st Mar 2020

B. Composition & Meetings

The committee comprises of three Directors as on 31st March 2020. The composition of the committee is as follows:

- Mr. Vikramaditya Mohan Thapar - Non-Executive Director (Chairman)
- Mr. Varun Aditya Thapar - Non-Executive Director
- Mr. Ranjit Mehta - Independent Director

During the year, the committee held Seven meetings.

Corporate Social Responsibility Committee

A. Terms of Reference

The Committee was constituted in terms of the requirement of Clause 49 of the Erstwhile Listing Agreement and as per Section 135 of the Companies Act, 2013. The Committee had formulated the CSR policy covering the areas specified under Schedule VII to the Companies Act, 2013 which was approved by the Board. The purpose of the Committee is to oversee the CSR activities of the Company and to ensure that the CSR policy is implemented in letter and spirit. The responsibilities of the committee, inter-alia, include:

- Formulating and recommending to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII, including any revision/amendment/alteration thereof from time to time, as and when required.
- Making recommendations on the following to the Board:-
 - a. To identify the Projects/Programmes to be undertaken by the Company from time to time.
 - b. To recommend the amount of expenditure to be incurred on such Projects/Programmes/activities.
 - c. To recommend to build CSR capacity of the Company's personnel as well as those of the implanting agencies, if any.
- Identifying and appointing/engaging agencies/organizations, if required, to implement the CSR Projects/Programmes/activities of the Company, to carry on base line studies for implementation of such activities and also to carry on impact assessment studies of such Projects/Programmes/activities on the target area/group/population.
- Ensuring that the Company spends, in every financial year, at least two percent of the average net

profits of the company made during the three immediately preceding financial years, in pursuance of the CSR Policy.

- Reviewing the annual report of the CSR activities and ensure that it forms part of the Company's Annual Report and displayed on the Company's website.

The CSR policy permits the Company to collaborate with other companies, including Group Companies, Subsidiaries, Associates, affiliates etc., for undertaking CSR Projects/ programmes in such a manner that the CSR Committees of respective Companies are in a position to report separately on such projects or programmes. CSR provisions under the Companies Act, 2013 is applicable for three other Companies belonging to KCT Group vis-à-vis KCT, Towerbase Services Private Limited (name changed to KCT Management Services Private Limited) and Indian City Properties Limited. In line with the approval granted by the CSR Committee the Company, along with the said Group Companies, had established the KCT Group Trust for implementing all CSR programmes/ projects. The Committee will oversee the implementation of CSR programmes/ projects by the Trust.

The Company Secretary serves as the Secretary to the Committee.

B. Composition & Meetings

As of 31st March 2020, The committee comprises of three Directors. Composition of the committee is as follows:

- Mr. Varun Aditya Thapar - Non-Executive Director
- Mr. Ranjit Mehta - Independent Director
- Ms. Shashikala Venkatrama- Non-Executive Director (Independent)

The Committee met twice during the year. The outline of the CSR policy, the amount spent during the year on CSR and other details are given as Annexure B to the Directors' Report.

Compliance Report

The Company has formulated a Compliance Policy and a comprehensive Compliance manual covering all the laws applicable as detailed elsewhere in the report. Based on them, the Company Secretary submits a Compliance Certificate to the Board on a quarterly basis. The Board reviews the compliance of all applicable laws every quarter and gives appropriate directions, wherever necessary.

Compliance with Insider Trading Code

To curb Insider Trading, the Company ensures Compliance with the disclosure requirements of the Directors, the Key Managerial and Senior Management Personnel under the Company's Code of Conduct for Prevention of Insider Trading. The Code inter alia requires Designated Persons to pre-clear trades in the securities of the Company beyond a set threshold limit and prohibits trading in the securities of the company while in possession of

unpublished price sensitive information and during the period when the trading window is closed. The Company follows a policy of sharing Unpublished Price Sensitive Information (UPSI) strictly on "need to know" basis, i.e., such Information will be disclosed only to those who need the information to discharge their duty. The Compliance Officer specifies, for each category of UPSI, the list of Designated Persons who shall normally expected to have access to such information (Chinese Wall). Further, the Code also lays down detailed reporting mechanism for trades done by Designated Persons. The Code of Conduct for Prevention of Insider Trading is available at the following link: http://www.waterbaseindia.com/pdf/code_of_conduct/Revised-Code-of-Conduct-for-Prevention-of-Insider-Trading-and-Corporate.pdf.

Shareholders Meetings

The Annual General Meetings of the Company are convened within the Statutory timelines. The details of location and time of the previous three Annual General Meetings are as below:

Year	Date and Time	Venue	Special Resolution Passed
2016-17	Date: 30 th December 2017 Time: 12:15 PM	Registered office- Ananthapuram Village, Nellore, Andhra Pradesh- 524344	Item No. 5 Modification of Borrowing powers of the Board to ₹ 200 Crores Creation of Charges on the assets of the Company
2017-18	Date: 27 th September 2018 Time: 12:15 PM	Hotel Minerva Grand, Grand Trunk Road, Saraswathi nagar, Dargamitta, Nellore, Andhra Pradesh- 524344	Item No. 5 Employee Stock Option Plan Item No. 6 Grant of Option equal to or exceeding one per cent of the issued capital under Employee Stock Option Plan to identified employees, during any one year
2018-19	Date: 20 th September 2019 Time: 12:00 Noon	Hotel Minerva Grand, Grand Trunk Road, Saraswathi nagar, Dargamitta, Nellore, Andhra Pradesh- 524344	Item No. 4 Continuation of Independent Director, Mr. Anil Bhandari (DIN: 00031194) as a Director of the Company after attaining 75 years

CEO/CFO Certification

Mr. Ramakanth V Akula, Chief Executive Officer and Mr. R. Sureshkumar, Chief Financial Officer have given a certificate to the Board with regard to Financial Statements, Compliance and Internal Control Systems as contemplated under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same is given as part of this report.

Secretarial Audit

The company annually conducts secretarial audit by independent Practising Company Secretary. For the year ended 31st March 2020, M/s. ARUB & Associates, Practising Company Secretaries, Chennai have conducted the secretarial audit and the certificate was placed before the board and annexed to this report.

Disclosures

a. Related Party Transactions

No other material related party contract/ transaction exists, disclosure in form AOC - 2 is not applicable.

The policy on dealing with Related Party Transactions has been posted on the Website of the Company the link of which has been given as part of the Director's Report.

b. Details of Non-Compliance

There were no penalties or strictures imposed on the Company by the Stock Exchange, SEBI or any statutory

authority in any matter related to capital markets during the last 3 years.

c. Whistle Blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with the requirements under the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015. The policy provides for access to the Audit Committee in case of following:

- Abuse of authority, breach of contract or negligence causing substantial and specific danger to public health and safety.
- Manipulation of Company data/ records or pilferation of confidential/ proprietary information
- Financial irregularities, including fraud, or suspected fraud or criminal offence.
- Deliberate violation of law/ regulation.
- Wastage/ misappropriation of Company's funds/ assets, breach of employee Code of Conduct or Rules.
- Any other unethical, biased, favored, imprudent event.

The Whistle Blower policy has been posted on the Website of the Company the link of which has been given as part of the Director's Report.

d. Compliance with mandatory requirements

The Company complies with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The same is disclosed to the Stock Exchange as part of the Quarterly report on Compliance with Corporate Governance requirements of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

e. Other Disclosures

- i. Pecuniary Relationships: There were no pecuniary relationships or transactions between the Company and the Independent Directors during the year under review, except payment of sitting fees.
- ii. Conflict of Interest: During the year, there were no materially significant transaction with related parties that have potential conflict with the interest of the company at large.
- iii. Commodity Price & Foreign Exchange Risk: Shrimp feed manufacturing depends mainly on Fish Meal, Soya DOC and Wheat Flour (Maida). Fish Meal faces demand-supply skew globally and is becoming scarcer. To address this issue, the Company follows a two pronged strategy- Short Term and Long Term. In the Short Term, the Company plans in advance the procurement of Fish Meal and has committed sources of Fish Meal supply. In the long term, the Company plans to reduce its dependency on Fish Meal by using replacements. Other Raw Materials like Soya DOC and Wheat Flour (Maida) are seasonal in nature and hence the Company takes steps to purchase them based on Materials Requirement Planning. The Company also makes Strategic buys in case suitable buying opportunities arise. During the year, the Company did not face any significant foreign exchange risk.

Code of Conduct

The Board has laid down a "Code of Conduct" for all the Board members and the Senior Management personnel of the company. The objective of the Code is to conduct the business with responsibility, integrity, fairness, transparency and honesty and also to meet the obligations towards the shareholders and all other stakeholders of the Company. The Code also envisages to provide guidance and help in recognizing and dealing with ethical issues and to help foster a culture of honesty and accountability. The Code envisages parameters for the conduct for the Directors, Officers and Employees (Permanent

Officer, Contract, Fixed Term Contract, Retainer, Staff, Workers, Trainee, Management Trainee, Permanent Field Staff) under the following heads:

1. Conflict of Interest
2. Compliance
3. Prevention of Fraud
4. Bribery and Kickbacks
5. Confidentiality
6. Use of Company Property
7. Corporate Opportunity
8. Gifts and Hospitality
9. Fair Competition
10. Environment and Community
11. Health & Safety
12. Workplace & Human Rights
13. Delegation and Assignments

The Code of Conduct has been posted on the website of the company at the following link: http://www.waterbaseindia.com/investor_relations.php

Annual declaration confirming compliance of the Code is obtained from every person covered by the Code of Conduct. A declaration to this effect signed by Mr Ramakanth V Akula, Chief Executive Officer is annexed to and forms part of this report.

Means of Communication

- a. The Quarterly / Half Yearly and Annual Financial results of the Company were forwarded to BSE Limited and were published in Financial Express/Business Standard and Andhra Bhoomi.
- b. The Company's results were disseminated on the website of BSE Limited.
- c. The Company's results were also disseminated in the Investors Page of the Company's website: www.waterbaseindia.com.
- d. The Management Discussion and Analysis Report is included elsewhere as part of this Annual Report.
- e. The Company has made presentations to Institutional Investors during the year on various dates and the presentations are hosted in the links given below: http://waterbaseindia.com/investor_relations.php

General Shareholders' Information**a. Annual General Meeting:**

Date	Time	Venue
29 th September 2020	12.00 Noon	Through AVAC

b. Financial Year & Financial Calendar:

Sl No	Item	Details
1	Financial Year	Financial Year of the Company is from 1 st April of every calendar year to 31 st March of the subsequent calendar year
2	Financial Calendar	<ul style="list-style-type: none"> • First Quarter Results - By 15th August • Second Quarter / Half Year Results - By 15th November • Third Quarter / Nine Months Results - By 15th February • Fourth Quarter / Year end Results - By 30th May
3	Date of Book Closure/Record Date/ Cut-Off Date	The Record Date/Cut-Off Date for the purpose of Annual General Meeting is 22 nd September 2020
4	Listing on Stock Exchange	The Company's Shares are listed on BSE Limited. The address of the exchange is as follows: BSE Limited - Floor 25, Phiroze Jhejeebhoy Towers Dalal Street, Mumbai - 400 001. The Annual Listing fees for the Financial Year 2020-21 of ₹ 3,54,000/- was paid on 16 th Apr 2020.
5	Stock Code	523660
6	ISIN	INE054C01015

c. Share Price Data:

The Company's monthly high and low quotations for the Financial Year 2019-20 at the BSE are given herein:

Month	BSE	
	High (in INR)	Low (In INR)
April 2019	169.65	140
May 2019	152	126.1
June 2019	139.4	116.5
July 2019	139.9	81
August 2019	114	82
September 2019	132.35	97
October 2019	114	93
November 2019	153.9	106.45
December 2019	148.9	100.2
January 2020	164.5	135.2
February 2020	152.45	105.6
March 2020	115.9	65.0

d. Share price performance in comparison to BSE SENSEX:

Date	Open Price	High Price	Low Price	Close Price
Apr-19	145.1	145.1	140	140.8
May-19	139.85	141.45	135.25	135.9
Jun-19	125.6	127.85	122.6	127.2
Jul-19	84.95	88.8	81	85.15
Aug-19	98.55	102.4	98.05	101.75
Sep-19	117.7	117.7	105	106.1
Oct-19	109.05	109.6	107	107.3
Nov-19	116.3	118.5	114.3	115.3
Dec-19	135.9	137	132.5	134.8
Jan-20	138.35	143	136.4	137.95
Feb-20	113	113	105.6	106.35
Mar-20	87.1	94	85.05	88.4

e. Registrar and Share Transfer Agent:

All work related to Share Registry, both in physical form and electronic form, is handled by the Company's Registrar and Share Transfer Agent and the communication address of the Registrar and Share Transfer Agent is given hereunder:

M/s. Cameo Corporate Services Limited
Subramanyam Building,
No. 1, Club House Road, Chennai - 600 002
Phone: 044-28460390 / 391 / 392 / 393 / 394
Fax: 044-28460129
Email: investor@cameoindia.com

f. Share Transfer System

The Company has a Stakeholders' Relationship Committee to examine and redress Investors' complaints and to handle the process of share transfer/ transmission etc. The Stakeholders' Relationship Committee had designated the Company Secretary to be the Compliance Officer for the purpose of attending to the Share Transfer/ Transmission related formalities. The Company Secretary attends to share transfer/ transmission work regularly and reports to the Stakeholders Committee on quarterly basis regarding the share transfer/ transmission.

The share transfer system with respect to physical shares is being carried out by Cameo Corporate Services Limited Confirmations in respect of the requests for dematerialization of shares is being sent to the respective depositories i.e. NSDL & CDSL expeditiously.

g. Reconciliation of share capital and Dematerialization of shares and liquidity

Quarterly audit was conducted by M/s. BP & Associates, Practising Company Secretaries, Chennai reconciling the issued and listed capital of the company with the aggregate number of shares held by the shareholders in physical and demat form. The share capital of the company in physical form were about 1625639 shares constituting 3.9% of the paid up share capital of the Company as at 31st March 2020. Trading in the equity shares of the company is compulsory in dematerialized form for all investors.

h. Distribution of shareholding

Share holding	Share holders		Share holdings		
	Shares	Number	% of total	Shares	% of total
1 - 100		29874	67.04	1934100	4.67
101 - 500		10868	24.39	2835699	6.85
501 - 1000		2102	4.72	1677702	4.05
1001 - 2000		939	2.11	1419502	3.43
2001 - 3000		308	0.69	787131	1.90
3001 - 4000		132	0.29	473666	1.14
4001 - 5000		97	0.22	460349	1.11
5001 - 10000		157	0.35	1165694	2.81
10001 and above		88	0.19	30672936	74.04
Total		44565	100	41426779	100

i. There are no outstanding GDRs/ ADRs/ Warrants and convertible instruments.**j. Plant Location:**

- (i) Ananthapuram Village, Nellore, Andhra Pradesh - 524344
- (ii) Bogole Village & Mandal SPSR, Nellore, Andhra Pradesh - 524142
- (iii) Ramachandrapuram Village, Vidavalur, Varini, Nellore, Andhra Pradesh - 524318

k. Contact Information:

Correspondence Address

Corporate Office

Thapar House, No. 37 Montieth Road, Chennai - 600 008.

Phone: +91 44 4566 1700

Fax: +91 44 4566 1799

Email: info@waterbaseindia.com

For queries related to shares / dividend / compliance/
Investor Grievance

Mr. R. Achuthan

Company Secretary & Compliance Officer

Phone: +91 44 4566 1700

Fax: +91 44 4566 1799

Email: investor@waterbaseindia.com

l. Discretionary Requirements as per Part E of schedule II under Listing Regulations.

a. Modified opinion(s) in audit report

There was no qualification by the auditors on the financial statements of the Company.

b. Separate posts of Chairperson and Chief Executive Officer

The office of Chairman and Chief Executive officer of the Company are held by different individuals.

c. Reporting of Internal Auditor

As per the requirements, the internal auditor may report directly to the Audit Committee. The same is reported by briefing the Audit Committee through discussion and presentation of the observations, review, comments and recommendations, among others in the Internal Audit presentation by the Company's Internal Auditor.

m. Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (B) to (I) of Sub-Regulation (2) of Regulation 46 of Listing Regulations

Sl No	Particulars	Regulation	Compliance Status (Yes/No/NA)	Details of Compliance along with applicable Regulations
1	Board of Directors	17	Yes	<ul style="list-style-type: none"> • Composition (17(1)) • Frequency of Meetings (17(2)) • Review of Compliance Report (17(3)) • Plans for orderly succession for appointments (17(4)) • Code of Conduct (17(5)) • Fees / compensation to Non-Executive Directors(17(6)) • Minimum information to be placed before the Board (17(7)) • Compliance Certificate (17(8)) • Risk assessment and management (17(9)) • Performance evaluation of Independent Directors (17(10))
2	Audit Committee	18	Yes	<ul style="list-style-type: none"> • Composition (18(1)) • Meetings (18(2)(a) and (b)) • Powers of the Committee (18(2)(c)) • Role of the Committee and review of information by the Committee (18(3))

SI No	Particulars	Regulation	Compliance Status (Yes/No/NA)	Details of Compliance along with applicable Regulations
3	Nomination and Remuneration Committee	19	Yes	<ul style="list-style-type: none"> Composition (19(1)) Chairperson (19(2) and (3)) Role of the Committee (19(4))
4	Stakeholder Relationship Committee	20	Yes	<ul style="list-style-type: none"> Composition (20(1)) Chairperson (20(2)) Other Members (20(3)) Role of the Committee (20(4))
5	Risk Management Committee	21	NA	<ul style="list-style-type: none"> The Company had adopted the Enterprise Risk Management framework and had constituted an Executive Committee on Risk Management
6	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> Formulation of Vigil Mechanism for Directors and employees (22(1)) Direct access to Chairperson of Audit Committee (22(2))
7	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions (23(1)) Approval including omnibus approval of Audit Committee (23(2) and (3)) Review of Related Party Transactions (23(3)(d))
8	Subsidiaries of the Entity	24	NA	NA
9	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> Memberships / Chairmanships in Committees (26(1) and (2)) Affirmation on compliance of Code of Conduct by Directors and Senior Management (26(3)) Disclosure of shareholding by Non-Executive Directors (26(4)) Disclosures by Senior Management about potential conflicts of interest (26(5))
10	Other Corporate Governance Requirements	27	Yes	<ul style="list-style-type: none"> Compliance with discretionary requirements (27(1)) Filing of quarterly compliance report on Corporate Governance (27(2))
11	Website	46	Yes	<ul style="list-style-type: none"> Maintaining Functional Website (46(1)) Details disseminated on website (46(2)) Contents on website and updating the website (46(3))

List of Policies of the Company

SI No	Policy
1.	Nomination and Remuneration Policy
2.	Risk Management Policy
3.	Compliance Policy
4.	Code of Conduct and Business Ethics
5.	Corporate Social Responsibility Policy
6.	Code of Conduct for Prevention of Insider Trading and Code of Fair Disclosure Practices
7.	Independent Directors Familiarisation Programme
8.	Policy for Determination of Materiality of Events
9.	Related Party Transaction Policy
10.	Whistle Blower Policy
11.	Policy on Preservation and Archival of Documents

Vikramaditya Mohan Thapar
Director

Date: 27th May 2020
Place: New Delhi

Anil Kumar Bhandari
Director

Date: 27th May 2020
Place: Bangalore

Declaration of Adherence to Code of Conduct and Business Ethics

To
The Board of Directors
The Waterbase Limited

This is to confirm that the Board has laid down a Code of Conduct and Business Ethics for all Board members and Senior Management personnel of the company. The Code of Conduct and Business Ethics has also been posted on the website of the Company. It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct and Business Ethics of the Company for the year ended 31st March 2020, as envisaged as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Date: 27th May 2020
Place: Chennai

Ramakanth V Akula
Chief Executive Officer

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

To
The Board of Directors
The Waterbase Limited

We, Ramakanth V. Akula, Chief Executive Officer and R Sureshkumar, Chief Financial Officer, do hereby affirm the following, pursuant to provisions the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in relation to Financial Reporting during the year ended 31st March 2020;

1. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contains statements that might be misleading;
 - b. These statements together, present a true and fair value of the Company's Affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to such financial reporting and we have disclosed to the Auditors' and the Audit Committee, deficiencies in the design or operation of the internal controls, if any, of which we are aware and we have taken steps to rectify these deficiencies.
4. Wherever applicable, we have indicated to the Auditors' and the Audit Committee of the Company about the following:
 - a. Significant changes, if any, in the internal control over the financial reporting during the year;
 - b. Significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statement;
 - c. 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.

Ramakanth V. Akula
Chief Executive Officer

R. Sureshkumar
Chief Financial Officer

Date: 27th May 2020
Place: Chennai

Form No. MR-3

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED: 31.03.2020

To,
The Members,
The Waterbase Limited
Ananthapuram Village,
T.P. Gudur Mandal
Nellore 524 344, Andhra Pradesh

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **The Waterbase Limited** (CIN: L05005AP1987PLC018436) (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company (due to the lockdown situation we are unable to verify the original minutes books and registers and other statutory records and that the verification of the aforesaid records were done based on certified true copy received online from the Company) and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on 31st March 2020 (the audit period) generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of (due to the lockdown situation we are unable to verify the original minutes books and registers and other statutory records and that the verification of the aforesaid records were done based on certified true copy received online from the Company):

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. 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;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - a. 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 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client (Not Applicable to the Company during the Audit Period);
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
 - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit Period);

The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
As per Regulation 27 (2) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 The listed entity shall submit a quarterly compliance report on corporate governance in the format as specified by the Board from time to time to the recognised stock exchange(s) within fifteen days from close of the quarter.	The Corporate Governance Report for the quarter ended 30 th June 2019 was filed on 16 th July 2019 with a delay of one day	The company has paid a fine of Rs 2000/- for the delay of one day, as required by BSE letter LIST/COMP/Reg27(2) & Reg 17 to 21/Jun-19/523660/ 135/ 2019-20
As per Regulation 18(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 The listed entity shall constitute an Audit Committee which shall comprise of Two-thirds of the members as independent directors	As per Regulation 18(1)(b) of SEBI (LODR), 2015 Two-thirds of the members of audit committee shall be independent directors. The Company had constituted an Audit Committee comprising of 5 Director out of with only 3 are independent Director instead of 4.	Reg 18(1)(b) require that Two-thirds of the members of audit committee shall be independent directors. However the regulation does not provide any clarification with regard to rounding off of fractions. As per the reply given by the Company to BSE's notice, since the particular regulation is silent on the means of rounding off of fractions, the Company has construed two-third using the mathematical concept, of rounding off to the next higher number only when the fraction is greater than 0.5, and to round off to the lower number when the fraction is lesser than 0.5, and reconstituted the Audit Committee with three Independent Directors, and two non-executive non-independent directors. Subsequently, in the interest of best Corporate Governance practices, the Company has immediately, in the next meeting of its Board of Directors held on 09th Aug 2019, has reconstituted the Audit Committee with 3 Independent Directors and 1 Non-independent Directors. Further, The Company has also remitted the fine of ₹ 94,000/- levied by BSE.
SEBI (Prohibition of Insider Trading) Regulations, 2015 an amendment thereto and read with clarification in this context issued by BSE vide Circular No. LIST/COMP/01/2019-20 dated 02-04-2019 the trading restriction can be made applicable from end of quarter till 48 hours after the financial results. The intimation regarding the closure of Trading window should be given prior to the closure of trading window.	-	The Trading Window of the company for dealing in Company's securities was closed for Designated Persons and their immediate relative(s) with effect from 01 st October 2019 till the end of 48 hours after the declaration of financial results for the quarter ended 30 th September 2019. Intimation regarding closure trading window was made 11 th October 2019. However, same should have been done prior to the closure of trading window i.e. 1 st October 2019.

Other laws specifically applicable to the Company:

1. Indian Fisheries Act, 1897
2. Marine Products Export Development Authority Act, 1972 and rules made thereunder.
3. Coastal Aquaculture Authority Act, 2005 and rules made thereunder
4. The Prevention and Control of Infectious and Contagious Diseases in Animals Act, 2009 and rules made thereunder.
5. Guidelines for Sustainable Development and Management of Brackish Water Aquaculture, 1995
6. Marine Products (Quality Marking) Scheme, 2010
7. The Factories Act, 1948
8. The Payment of Wages Act, 1936
9. The Minimum Wages Act, 1948
10. The Payment of Bonus Act, 1965
11. Payment of Gratuity Act, 1972
12. Interstate Migrant Workmen Regulation of Employment and conditions of Service Act 1979 and Rules thereunder.
13. Employees Compensation Act 1923 and rules thereunder
14. Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
15. Air (Prevention & Control of Pollution) Act 1981 and rules thereunder
16. Environment Protection Act 1986 and rules made thereunder
17. Other Central and State Acts, rules, guidelines and regulations to the extent applicable to the Company.

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

1. the Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India under the provisions of the Companies Act, 2013
2. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing

Agreements entered into by the Company with BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

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

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (and at a Shorter Notice for which necessary approvals obtained), 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.
- As per the minutes of the Board Meetings and Committee Meetings, the decisions of the Board and Committee as the case may be were carried out with requisite majority. We understand that there were no dissenting views for being captured in the minutes.

We further report that based on the compliance mechanism established by the Company we are of the opinion that there are 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, however there is a scope for improvement.

We further report that during the audit period no specific major events have happened which are deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- During the audit period at the 32nd Annual General Meeting of the Company held on 20th September 2019 members of the Company approved the continuation of Directorship of Mr. Anil Kumar Bhandari (DIN: 00031194) as a Director of the Company and further approved his appointment as Non-Executive Independent Director of the Company for a term of 5 consecutive years from the conclusion of 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting.

- During the audit period at the 32nd Annual General Meeting of the Company held on 20th September 2019 members of the Company approved appointment of Mr. Ranjit Mehta (DIN: 03172264) as Non-Executive Independent Director of the Company for a term of 5 consecutive years from the conclusion of 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting.
- During the audit period at the 32nd Annual General Meeting of the Company held on 20th September 2019 members of the Company approved the change in designation of Mr. Rahul Kapur

(DIN 00020624) from Non-Executive Director to Non-Executive & Independent Director of the Company for a term of 5(five) consecutive from the conclusion of 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting.

For **ARUB & ASSOCIATES**

Company Secretaries
Firm Registration No. P2015TN044500

A. Rengarajan

Partner

FCS: 6725, CP: 13437

UDIN Number: F006725B000277457

Date: 25th May 2020

Place: Chennai

The Members,
THE WATERBASE LIMITED
CIN: L05005AP1987PLC018436
Ananthapuram Village,
T.P. Gudur Mandal
Nellore 524 344, Andhra Pradesh

Dear Members,

Sub: Our Report of even date for the financial year 2019-20 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. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **ARUB & ASSOCIATES**
Company Secretaries
Firm Registration No. P2015TN044500

A. Rengarajan
Partner
FCS: 6725, CP: 13437
UDIN Number: F006725B000277457

Date: 25th May 2020
Place: Chennai

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To The Members of The Waterbase Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of The Waterbase Limited ("the Company"), which comprise the Balance Sheet as at Mar 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 Mar 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Physical verification of Inventories of principal raw materials (soya, wheat flour, fish meal), work in progress and finished goods of feed and farm care products (Existence)</p> <p>Management's physical verification of Inventories of principal raw materials (soya, wheat flour, fish meal), work in progress and finished goods of feed and farm care products was not physically observed by us as at the year-end due to the restrictions imposed on account of COVID-19.</p>	<p>We have carried out following procedures with respect to the existence of principal raw materials (soya, wheat flour, fish meal), work in progress and finished goods of feed and farm care products as at the year-end:</p> <ul style="list-style-type: none"> • Evaluated the design and implementation of the controls over physical verification of above mentioned inventories of raw materials, work-in-progress and finished goods and tested the operating effectiveness of these controls during the year at regular intervals. • Management had carried out the physical verification of inventories on Mar 30, 2020, Mar 31, 2020 and Apr 01, 2020. Due to the COVID-19 related lock-down we were not able to participate in the physical verification of above mentioned inventories of raw materials, work-in-progress and finished goods that was carried out by the management as on the year end. Consequently, we have performed the following alternate procedures to audit the existence of the above mentioned inventories: <ul style="list-style-type: none"> ○ Participated in the physical verification of above mentioned inventories conducted by the management as at the year end, through video calls. ○ Provided instructions to the independent chartered accountant firm which were engaged by the Company for conducting the physical verification of the above mentioned inventories. ○ Obtained the physical verification reports of the independent chartered accountant firm which were engaged by the Company for the Management inventories verification process. Verified the instructions provided by the management to those independent firms. Evaluated the differences identified by these independent firms during their physical verification of inventories and it was noted that there were no major deviations found.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Management Discussion and Analysis Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on Mar 31, 2020 taken on record

by the Board of Directors, none of the directors are disqualified as on Mar 31, 2020 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 35(a) and Note 35(b) to the standalone financial statement;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Abhijit Bandyopadhyay

Partner
(Membership No. 054785)
UDIN: 20054785AAAAAY6777

Kolkata, May 27, 2020

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section 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 The Waterbase Limited (“the Company”) as of Mar 31, 2020 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit

opinion on the Company’s internal financial controls 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone financial statements.

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 explanations 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 Mar 31, 2020, based on the criteria for internal financial control over financial reporting 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 **Deloitte Haskins & Sells LLP**

Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)

Abhijit Bandyopadhyay

Partner

(Membership No. 054785)

UDIN: 20054785AAAAAY6777

Kolkata, May 27, 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The Company has a program of verification of property, plant and equipment to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the Management during the year. According to the information and explanations given to us, 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, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from lenders.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (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 or did not had any unclaimed deposits at the beginning of the year and accordingly reporting under clause (v) of CARO 2016 is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues in arrears as at Mar 31, 2020 for a period of more than six months from the date they became payable except as mentioned below:

Name of Statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the Amount Relates	Due Date	Date of subsequent payment
Employees' Provident Funds and Miscellaneous Provident Act, 1952	Provident Fund	2.62	Mar-19	15-Apr-19	20-Apr-20

- (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on Mar 31, 2020 on account of disputes are given below:

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount (₹ in Lakhs)
Customs Act, 1962	Custom Duty	Chennai High Court	1995-96	535.36
Central Excise Act, 1944	Central Excise Duty	Andhra Pradesh High Court	2001-02 and 2002-03	22.86@
Central Sales Tax Act, 1956	Central Sales Tax	Asst. Commissioner (C.T.) (LTU) Nellore	2012-13	2.38

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount (₹ in Lakhs)
Finance Act, 1994 (Chapter V)	Service Tax (including penalty etc.)	Asst. Commissioner (C.T.)	2012-13 to 2014-15	2.99
Income Tax Act, 1961	Income Tax	Deputy CIT, Kolkata	2010-11 to 2013-14	0.20 [^]
Income Tax Act, 1961	Income Tax	Assistant CIT, Kolkata	2015-16	0.49

@ Net of ₹ 34.72 Lakhs paid under protest and ₹ 14.88 Lakhs appropriated by the Department

[^] Net of ₹ 14.68 Lakhs appropriated / adjusted by the Department.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company does not have any loans from financial institution and has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud 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 / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance
- with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Abhijit Bandyopadhyay

Partner

(Membership No. 054785)

UDIN: 20054785AAAAAY6777

Kolkata, May 27, 2020

STANDALONE BALANCE SHEET

AS AT MAR 31, 2020

(All amounts are in ₹ lakhs)

Particulars	Note	As at Mar 31, 2020	As at Mar 31, 2019
I. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	6,873.97	7,152.14
(b) Right of Use asset	4	3.15	-
(c) Capital work in progress	3	62.70	85.70
(d) Intangible assets	5	124.82	144.28
(e) Financial assets			
(i) Investments in subsidiaries	6	5.50	-
(ii) Other financial assets	7	1.00	19.34
(f) Deferred tax asset (net)	8	115.39	14.32
(g) Non-current tax asset (net)	9	85.96	50.90
(h) Other assets	10	255.82	249.25
Total non-current assets		7,528.31	7,715.93
2 Current assets			
(a) Biological assets	11	21.79	43.75
(b) Inventories	12	6,241.41	8,862.38
(c) Financial assets			
(i) Trade receivables	13	7,439.35	7,298.60
(ii) Cash and cash equivalents	14	1,549.57	89.85
(iii) Other balances with bank	15	723.66	601.35
(iv) Other financial assets	7	10.56	33.98
(d) Other assets	10	293.19	239.47
Total current assets		16,279.53	17,169.38
TOTAL ASSETS		23,807.84	24,885.31
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	16	4,142.68	4,142.68
(b) Other equity	17	14,245.77	13,162.35
Total Equity		18,388.45	17,305.03
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	526.73	821.55
(ii) Other financial liabilities	22	179.46	-
(b) Provisions	19	268.28	228.92
(c) Other liabilities	23	17.47	-
Total non-current liabilities		991.94	1,050.47
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	418.35	989.95
(ii) Trade payables	21		
(i) total outstanding dues of micro enterprises and small enterprises		17.39	7.77
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,025.72	2,646.42
(iii) Lease Liability	4	3.92	-
(iv) Other financial liabilities	22	1,805.11	2,583.24
(b) Provisions	19	35.30	166.27
(c) Other liabilities	23	121.66	136.16
Total current liabilities		4,427.45	6,529.81
TOTAL EQUITY AND LIABILITIES		23,807.84	24,885.31

See accompanying notes 1-44 forming an integral part of the financial statements.

In terms of our report attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Abhijit Bandyopadhyay
Partner

Place: Kolkata
Date: May 27, 2020

Sd/-
R. Achuthan
Company Secretary

Place: Chennai
Date: May 27, 2020

For and on behalf of the Board of Directors

Sd/-
Varun Aditya Thapar
Director
DIN: 0002322660
Place: New Delhi

Sd/-
Ramakanth V Akula
Chief Executive Officer

Sd/-
Anil Kumar Bhandari
Director
DIN: 31194
Place: Bangalore

Sd/-
R. Sureshkumar
Chief Financial Officer

STATEMENT OF STANDALONE PROFIT AND LOSS

FOR THE YEAR ENDED MAR 31, 2020

(All amounts are in ₹ lakhs)

Particulars	Note	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
I Revenue from operations	24	32,243.22	36,548.24
II Other income	25	237.22	617.73
III Total Income (I+II)		32,480.44	37,165.97
IV Expenses			
a) Cost of materials consumed	26	20,343.62	24,957.64
b) Purchases of stock-in-trade	27	220.31	933.28
c) Changes in inventories of finished goods, work in progress, stock-in-trade and biological assets	28	2,139.19	(1,158.34)
d) Employee benefits expense	29	2,112.37	2,109.88
e) Finance costs	30	262.02	328.21
f) Depreciation and amortisation expenses	31	714.19	692.79
g) Other expenses	32	4,200.15	4,569.68
Total Expenses (IV)		29,991.85	32,433.14
V Profit before tax (III-IV)		2,488.59	4,732.83
VI Tax expense:	33		
a) Current tax		728.07	1,861.75
b) Deferred tax		(93.36)	(213.66)
		634.71	1,648.09
VII Profit for the year (V-VI)		1,853.88	3,084.74
VIII Other comprehensive income			
a) Items that will not be reclassified to profit or loss			
(i) Re-measurements of defined benefit plans	40	(24.89)	10.73
(ii) Income tax relating to above	33	6.26	(3.75)
Total other comprehensive (loss) / income		(18.63)	6.98
IX Total comprehensive income for the year (VII+VIII)		1,835.25	3,091.72
X Earnings per equity share (Nominal value of ₹10/- per share)	34		
a) Basic		4.48	7.45
b) Diluted		4.48	7.45

See accompanying notes 1-44 forming an integral part of the financial statements.

In terms of our report attached.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Sd/-

Abhijit Bandyopadhyay

Partner

Place: Kolkata

Date: May 27, 2020

Sd/-

R. Achuthan

Company Secretary

Place: Chennai

Date: May 27, 2020

For and on behalf of the Board of Directors

Sd/-

Varun Aditya Thapar

Director

DIN:0002322660

Place: New Delhi

Sd/-

Ramakanth V Akula

Chief Executive Officer

Sd/-

Anil Kumar Bhandari

Director

DIN : 31194

Place: Bangalore

Sd/-

R. Sureshkumar

Chief Financial Officer

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MAR 31, 2020

(All amounts are in ₹ lakhs)

Particulars	Equity share capital	Other Equity				Total
		Securities premium	Capital reserve	General reserve	Retained earnings	
Balance as at Apr 01, 2018	4,142.68	1,473.49	1,026.10	1,315.07	7,005.10	14,962.44
Profit for the year	-	-	-	-	3,084.74	3,084.74
Re-measurement gain on defined benefit plan (net of tax)	-	-	-	-	6.98	6.98
Total comprehensive income for the year	-	-	-	-	3,091.72	3,091.72
Payment of final dividend	-	-	-	-	(621.40)	(621.40)
Payment of dividend distribution tax on above	-	-	-	-	(127.73)	(127.73)
Balance as at Mar 31, 2019	4,142.68	1,473.49	1,026.10	1,315.07	9,347.69	17,305.03
Profit for the year	-	-	-	-	1,853.88	1,853.88
Effect on transition to Ind AS - 116 : Leases (net of tax)	-	-	-	-	(2.70)	(2.70)
Re-measurement gain on defined benefit plan (net of tax)	-	-	-	-	(18.63)	(18.63)
Total comprehensive income for the year	-	-	-	-	1,832.55	1,832.55
Payment of final dividend	-	-	-	-	(621.40)	(621.40)
Payment of dividend distribution tax on above	-	-	-	-	(127.73)	(127.73)
Balance as at Mar 31, 2020	4,142.68	1,473.49	1,026.10	1,315.07	10,431.11	18,388.45

See accompanying notes 1-44 forming an integral part of the financial statements.

In terms of our report attached.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Sd/-

Abhijit Bandyopadhyay

Partner

Place: Kolkata

Date: May 27, 2020

Sd/-

R. Achuthan

Company Secretary

Place: Chennai

Date: May 27, 2020

For and on behalf of the Board of Directors

Sd/-

Varun Aditya Thapar

Director

DIN: 0002322660

Place: New Delhi

Sd/-

Ramakanth V Akula

Chief Executive Officer

Sd/-

Anil Kumar Bhandari

Director

DIN: 31194

Place: Bangalore

Sd/-

R. Sureshkumar

Chief Financial Officer

STANDALONE STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MAR 31, 2020

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	2,488.59	4,732.83
<i>Adjustments for:</i>		
Depreciation and amortisation expenses	695.31	692.79
Depreciation on Right of Use asset	18.88	-
Loss on sale of property, plant and equipment	-	3.61
Deferred corporate guarantee charges	-	(12.38)
Finance costs	260.49	328.21
Finance cost on Lease liability	1.53	-
Interest income	(49.20)	(129.32)
Bad Debts written off	0.47	6.94
Provisions for bad and doubtful debts and advances	540.72	546.16
Inventory written off	11.70	0.61
Provision for Inventory	19.88	8.43
Loss on fair valuation of biological assets	-	9.46
Dividend income from investment	(25.54)	(20.46)
Unrealised foreign exchange loss	5.77	20.41
Liability no longer required written back	(6.86)	(78.78)
Bad debts recovery	(153.82)	-
	1,319.33	1,375.68
Operating profit before working capital changes	3,807.92	6,108.51
Changes in working capital:		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	2,589.39	(586.37)
Trade receivables	(533.89)	1,149.82
Biological assets	21.96	(53.21)
Other assets (non-current and current)	(73.84)	(25.80)
Other financial assets (non-current and current)	0.25	8.72
<i>Adjustments for (decrease) / increase in operating liabilities:</i>		
Trade payables	(611.11)	(2,402.38)
Other financial liabilities (non-current and current)	52.73	(581.96)
Other liabilities (non-current and current)	9.84	(47.94)
Provisions (non-current and current)	(116.50)	162.59
	1,338.83	(2,376.53)
Cash generated from operations	5,146.75	3,731.98
Net income taxes paid	(763.11)	(1,754.40)
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	4,383.64	1,977.58
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Capital expenditure on property, plant and equipment and intangible assets including capital advances	(359.45)	(1,039.04)
Proceeds from sale of property, plant and equipment	-	4.96
Purchase of Investments in Subsidiary	(5.50)	-

STANDALONE STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MAR 31, 2020

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Purchase of Mutual Funds	(9,925.00)	(8,500.00)
Proceeds from sale of Mutual Funds	9,925.00	8,500.00
Net (investment) in / proceeds from fixed deposits	(103.97)	81.58
Interest received on deposits and others	72.37	116.32
Dividend received	25.54	20.46
	(371.01)	(815.72)
NET CASH USED IN INVESTING ACTIVITIES (B)	(371.01)	(815.72)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from non-current borrowings from Banks	-	436.57
Repayment of non-current borrowings from Banks	(947.91)	(689.50)
Proceeds from WCDL	2,000.00	2,000.00
Repayment of WCDL	(2,000.00)	(2,000.00)
Finance costs	(260.49)	(316.32)
Dividend paid (including dividend distribution tax)	(749.13)	(749.13)
Payment for Lease liability	(23.78)	-
NET CASH USED IN FINANCING ACTIVITIES (C)	(1,981.31)	(1,318.38)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	2,031.32	(156.52)
Cash and cash equivalents as at Apr 01	(900.10)	(743.58)
Cash and cash equivalents as at Mar 31 - Refer Note 14A	1,131.22	(900.10)
Net Increase / (Decrease) in cash and cash equivalents	2,031.32	(156.52)

See accompanying notes 1-44 forming an integral part of the financial statements.

In terms of our report attached.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Sd/-

Abhijit Bandyopadhyay

Partner

Place: Kolkata

Date: May 27, 2020

Sd/-

R. Achuthan

Company Secretary

Place: Chennai

Date: May 27, 2020

For and on behalf of the Board of Directors

Sd/-

Varun Aditya Thapar

Director

DIN: 0002322660

Place: New Delhi

Sd/-

Ramakanth V Akula

Chief Executive Officer

Sd/-

Anil Kumar Bhandari

Director

DIN: 31194

Place: Bangalore

Sd/-

R. Sureshkumar

Chief Financial Officer

NOTES TO STANDALONE FINANCIAL STATEMENTS

Corporate Information

The Waterbase Limited ("the Company") is a listed entity incorporated in the year 1987 in India. It is in the business of manufacturing and sale of Shrimp Feeds and Shrimp Aquaculture for 30 years. The company is also in the business of Shrimp Hatchery.

1. Basis of accounting and Preparation of Standalone Financial Statement Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Basis of preparation and measurement

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2. Significant Accounting Policies

2.1 Property plant and equipment

Property, plant and equipment are initially recognised at cost. The initial cost of property, plant and equipment comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of property, plant and equipment includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition. Property, plant and equipment are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight-line method ("SLM") as defined in Schedule II to the Companies Act, 2013. Management believes based on a technical

NOTES TO STANDALONE FINANCIAL STATEMENTS

evaluation (which is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.) that the revised useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Asset	Useful live
Building	
Buildings including factory buildings - other than RCC frame structure	30 years
Buildings other than factory buildings - RCC frame structure	60 years
Fences, wells and tube wells	5 Years
Temporary structure	3 years
Non-carpeted road	3 years
Plant and equipment	
Plant and Machinery (including general laboratory equipment)	10-15 years
Furniture and fixtures	10 years
Office Equipment	3-5 years
Vehicles	6-10 years
Computers	
Computer - Server and networks	6 years
Computer - Desktops, Laptops	3 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements.

2.2 Intangible assets

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any. All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss.

The Company amortises intangible assets with a finite useful life using the straight-line method over the following range of useful lives:

Asset	Useful live
Computer software	3-6 years

The estimated useful life is reviewed annually by the management.

2.3 Capital work-in-progress and intangible assets under development

Capital work-in-progress / intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

2.4 Non-derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

NOTES TO STANDALONE FINANCIAL STATEMENTS

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are measured at the proceeds received net off direct issue cost.

Offsetting of financial instruments

Financial assets and financial liabilities are off set and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.5 Impairment

Financial assets (other than at fair value)

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Property Plant and Equipment's and intangibles assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Profit and Loss.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

2.6 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including all taxes and other levies, transit insurance and receiving charges. Work-in-progress

NOTES TO STANDALONE FINANCIAL STATEMENTS

and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.7 Biological assets

Biological assets of the Company comprises of livestocks of shrimps breeders and different phases of shrimp (viz. Zoea, Mysis, Post Larvae, etc.) that are classified as current biological assets. The Company recognises biological assets when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in Statement of Profit and Loss for the period in which it arises.

2.8 Revenue recognition

Revenue from contract with customers for sale of goods and services

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

A refund liability is recognised for expected returns in relation to sales made corresponding assets are recognised for the products expected to be returned.

The Company recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Company expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer to goods or services to the customer.

Dividend

Dividend income from investments is recognised when the unconditional right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

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.

2.9 Research and Development expenses

Research expenditure is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. Tangible assets used in research and development are capitalised.

2.10 Leases

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

NOTES TO STANDALONE FINANCIAL STATEMENTS

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.11 Employee benefit expenses

Employee benefits consist of contribution to provident fund, superannuation fund, gratuity fund and compensated absences.

Post-employment benefit plans

Defined Contribution plans

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

The Company also makes contribution towards provident fund, in substance a defined contribution retirement benefit plan for qualifying employees. The provident fund is deposited with the Provident Fund Commissioner which is recognized by the Income Tax authorities.

Defined benefit plans

The liability or asset recognised in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability or asset is recognised in the Statement of Profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

NOTES TO STANDALONE FINANCIAL STATEMENTS

Gratuity - The Company has an obligation towards gratuity, a defined benefit plan covering eligible employees. The plan provides for lump sum payment to vested employees on retirement, death while in employment or on separation. Vesting occurs upon completion of five years of service. The liability, which is determined by means of an independent actuarial valuation, is partly funded with LICI by the Company.

Short term employee benefit and other long-term employee benefits

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

2.12 Foreign currency translation

The functional and presentation currency of the Company is Indian rupee

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

2.13 Borrowing cost

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalised until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Capitalisation of borrowing costs is suspended in the period during which the active development is

delayed beyond reasonable time due to other than temporary interruption. All the other borrowing costs are recognised in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.

2.14 Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker (CODM), in deciding how to allocate resources and assessing performance. The Company's CODM is the CEO.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.15 Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable

NOTES TO STANDALONE FINANCIAL STATEMENTS

temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.16 Accounting of provisions, contingent liabilities and contingent assets

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation

cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognised in the financial statements unless an inflow of economic benefits is probable.

2.17 Dividend to equity shareholders

Dividends paid (including income tax thereon) is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders in the general meeting.

2.18 Earnings per share (EPS)

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary equity shares outstanding during the year.

Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

2.19 Use of estimates and judgement

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, apart from those involving estimates, which have the most significant effect on the amounts recognised in the financial statements:

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be

NOTES TO STANDALONE FINANCIAL STATEMENTS

available against which the deductible temporary differences and tax loss carry-forwards can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Inventories

Management estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

Biological Assets

Management estimates the fair value less costs to sell of biological assets, taking into account the most reliable evidence available at each reporting date. The future realization of these biological assets may be affected by their survival rate, age and / or other market-driven changes that may reduce the future economic benefits associated with such assets. The fair value is arrived at based on the observable market prices of biological assets adjusted for cost to sells, as applicable.

Defined Benefit Obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions

such as attrition rate, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analyzed in Note 40).

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain assets.

Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

NOTES TO STANDALONE FINANCIAL STATEMENTS

3 Property, plant and equipment and Capital work in progress

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Property, plant and equipment ("PPE")		
Freehold land	525.50	525.50
Building	2,872.62	2,879.77
Plant and equipment	3,150.62	3,417.01
Furniture and fixtures	51.18	44.50
Vehicles	166.16	180.10
Office equipment	83.99	77.84
Computers	23.90	27.42
	6,873.97	7,152.14
Capital work in progress	62.70	85.70

(All amounts are in ₹ lakhs)

Particulars	Freehold land	Building	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total PPE	Capital work in progress
Cost or Deemed Cost									
As at Apr 1, 2018	520.35	2,197.04	4,298.71	97.53	201.43	63.06	76.66	7,454.78	854.08
Additions	5.15	1,150.55	560.94	16.54	49.73	52.44	15.05	1,850.40	720.12
Disposals	-	-	-	-	(15.95)	-	-	(15.95)	-
Transfer	-	-	-	-	-	-	-	-	(1,488.50)
As at Mar 31, 2019	525.50	3,347.59	4,859.65	114.07	235.21	115.50	91.71	9,289.23	85.70
Additions	-	142.15	188.41	13.08	14.78	29.90	9.36	397.68	307.55
Disposals	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	(330.55)
As at Mar 31, 2020	525.50	3,489.74	5,048.06	127.15	249.99	145.40	101.07	9,686.91	62.70
Depreciation and Impairment									
As at Apr 1, 2018	-	328.16	967.77	65.35	35.47	21.96	52.22	1,470.93	-
Depreciation charge for the year	-	139.66	474.87	4.22	27.02	15.70	12.07	673.54	-
Disposals	-	-	-	-	(7.38)	-	-	(7.38)	-
As at Mar 31, 2019	-	467.82	1,442.64	69.57	55.11	37.66	64.29	2,137.09	-
Depreciation charge for the year	-	149.30	454.80	6.40	28.72	23.75	12.88	675.85	-
Disposals	-	-	-	-	-	-	-	-	-
As at Mar 31, 2020	-	617.12	1,897.44	75.97	83.83	61.41	77.17	2,812.94	-
Carrying Amount									
As at Mar 31, 2019	525.50	2,879.77	3,417.01	44.50	180.10	77.84	27.42	7,152.14	85.70
As at Mar 31, 2020	525.50	2,872.62	3,150.62	51.18	166.16	83.99	23.90	6,873.97	62.70

- i. The amount of revenue expenditure recognised in the carrying amount of Property, Plant and Equipment is ₹ Nil for the year ended Mar 31, 2020 (₹ 95.60 lakhs for the year ended Mar 31, 2019).

NOTES TO STANDALONE FINANCIAL STATEMENTS

4. Right of use assets and Lease Liabilities

Right of use (ROU) assets :

Following are the changes in the carrying value of right of use assets for the year ended Mar 31, 2020:

(All amounts are in ₹ lakhs)

Particulars	Category of ROU asset Buildings
Cost :	
As at Apr 1, 2019	-
Effect of transition to Ind AS 116	22.03
Additions	-
Disposal	-
As at Mar 31, 2020	22.03
Depreciation and Impairment	
As at Apr 1, 2019	-
Depreciation charge for the year	18.88
As at Mar 31, 2020	18.88
Carrying amount as at Apr 01, 2019	-
Carrying amount as at Mar 31, 2020	3.15

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

Lease Liabilities :

The following is the break-up of current and non-current lease liabilities as at Mar 31, 2020 :

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Current lease liabilities	3.92
Non-current lease liabilities	-

The following is the movement in lease liabilities during the year ended Mar 31, 2020:

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Cost :	
As at Apr 1, 2019	-
Effect of transition to Ind AS 116	26.17
Additions	-
Disposal	-
As at Mar 31, 2020	26.17
Finance cost accrued during the period	1.53
Payment of lease liabilities	23.78
Carrying amount as at Apr 01, 2019	-
Carrying amount as at Mar 31, 2020	3.92

NOTES TO STANDALONE FINANCIAL STATEMENTS

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Transition :

Effective from Apr 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on Apr 1, 2019 using the "modified retrospective method" and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended Mar 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended Mar 31, 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹ 22.02 Lakhs, and a lease liability of ₹ 26.17 Lakhs. The cumulative effect of applying the standard, amounting to ₹ 2.70 Lakhs was debited to retained earnings, net of taxes of ₹ 1.45 Lakhs. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments. The following is the summary of practical expedients elected on initial application:

1. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
2. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
3. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17

The weighted average incremental borrowing rate applied to lease liabilities as at Apr 1, 2019 is 9.50%

The table below provides details regarding the contractual maturities of net investment in ROU asset as at Mar 31, 2020 on an undiscounted basis:

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020		As at Mar 31, 2019	
	Within 1 Year	1-5 Years	Within 1 Year	1-5 Years
Non-Cancellable Lease payable	3.92	-	20.16	3.36
Non-Cancellable operating lease receivable	285.46	394.78	0.58	0.20

The Company is obligated under cancellable and non-cancellable leases for office premises, warehouses, etc. Total rental expense under operating lease for the year ended Mar 31, 2020 amounted to ₹ 63.26 Lakhs (For the year ended Mar 31, 2019: ₹ 99.97 Lakhs)

NOTES TO STANDALONE FINANCIAL STATEMENTS

5 Intangible assets

(All amounts are in ₹ lakhs)

Carrying Amount	As at Mar 31, 2020	As at Mar 31, 2019
Intangible asset		
Computer Software	124.82	144.28

(All amounts are in ₹ lakhs)

Particulars	Computer Software
Cost or Deemed Cost	
As at Apr 01, 2018	193.91
Additions	4.91
As at Mar 31, 2019	198.82
Additions	-
As at Mar 31, 2020	198.82
Amortisation and Impairment	
As at Apr 01, 2018	35.29
Amortisation charge for the year	19.25
As at Mar 31, 2019	54.54
Amortisation charge for the year	19.46
As at Mar 31, 2020	74.00
Carrying Amount	
As at Mar 31, 2019	144.28
As at Mar 31, 2020	124.82

6 Non - current Investments

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Investments at Cost (fully paid)		
Investments in subsidiary		
55,000 (Mar 31, 2019 - Nil) shares of ₹10/- each fully paid up in Saatya Vistaar Oorja Bengaluru Private Limited	5.50	-
	5.50	-

7 Other financial assets

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
A. Non Current		
Earmarked balances:		
Deposits with original maturity of more than twelve months (Refer note a and b below)	1.00	19.34
Total	1.00	19.34
B. Current		
Interest accrued on deposits	10.56	33.73
Other claims	-	0.25
Total	10.56	33.98

NOTES TO STANDALONE FINANCIAL STATEMENTS

Note:

- a) Fixed Deposit of ₹ Nil (As at Mar 31, 2019 : ₹18.34 Lakhs) are pledged against guarantees [Refer Note 35 (c)]
- b) Fixed Deposit of ₹1.00 Lakh (As at Mar 31, 2019 : ₹1.00 Lakhs) is deposited against locker rent.

8 Deferred tax assets / liabilities (net)

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Deferred tax assets	518.13	554.49
Deferred tax liabilities	(402.74)	(540.17)
Total	115.39	14.32

(All amounts are in ₹ lakhs)

Particulars	As at Apr 01, 2019	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Recognised in Other Equity	As at Mar 31, 2020
A. Deferred tax assets					
Allowances for doubtful debts	341.26	40.62	-	-	381.88
Allowances for doubtful advances	62.08	(17.36)	-	-	44.72
Provision for gratuity and compensated absences	82.47	(19.28)	6.26	-	69.45
Provision for Inventory	2.94	4.18	-	-	7.12
Expenditures falling under section 43B of Income Tax Act, 1961	65.74	(50.98)	-	-	14.76
Difference between Lease liabilities and Right of Use Assets	-	(1.25)	-	1.45	0.20
	554.49	(44.07)	6.26	1.45	518.13
B. Deferred tax liabilities					
Difference between book balance and tax balance of property, plant and equipment	525.46	(141.79)	-	-	383.67
Others	14.71	4.36	-	-	19.07
	540.17	(137.43)	-	-	402.74
Net deferred tax (liabilities)/ assets (A-B)	14.32	93.36	6.26	1.45	115.39

NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

Particulars	As at Apr 01, 2018	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Recognised in Other Equity	As at Mar 31, 2019
A. Deferred tax assets					
Allowances for doubtful debts	150.41	190.85	-	-	341.26
Allowances for doubtful advances	63.51	(1.43)	-	-	62.08
Provision for gratuity and compensated absences	85.02	1.20	(3.75)	-	82.47
Provision for Inventory	-	2.94	-	-	2.94
Expenditures falling under section 43B of Income Tax Act, 1961	14.78	50.96	-	-	65.74
	313.72	244.52	(3.75)	-	554.49
B. Deferred tax liabilities					
Difference between book balance and tax balance of property, plant and equipment	488.13	37.33	-	-	525.46
Others	21.18	(6.47)	-	-	14.71
	509.31	30.86	-	-	540.17
Net deferred tax (liabilities)/ assets (A-B)	(195.59)	213.66	(3.75)	-	14.32

9 Non-current tax asset (net)

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Advance income tax (including tax deducted at source)		
[Net of Provision ₹ 6,547.06 Lakhs, as at Mar 31, 2019: ₹ 5,818.99 Lakhs]	85.96	50.90
Total	85.96	50.90

10 Other assets

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
A. Non Current assets (Unsecured)		
Capital Advances	22.55	36.10
Security Deposits with government authorities	118.93	122.77
Less: Provision for doubtful deposits	(50.24)	(50.24)
	68.69	72.53
Security Deposits with others	145.60	143.58
Less: Provision for doubtful deposits	(2.96)	(2.96)
	142.64	140.62
Deferred rent receivable	21.94	-
Total	255.82	249.25

NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
B. Current assets		
(Unsecured)		
Advance to suppliers	284.99	164.81
Less: Provision for doubtful advances	(124.47)	(124.47)
	160.52	40.34
Balance lying with Government Authorities	29.50	87.76
Prepaid expenses	84.75	91.87
Employee advances	13.17	10.45
Rental Deposit	5.25	9.05
Total	293.19	239.47

11 Biological assets

(All amounts are in ₹ lakhs)

Particulars	Fair Value Input	As at Mar 31, 2020	As at Mar 31, 2019
Brood Stock	Level 1	21.79	20.46
Post Larvae	Level 2	-	23.29
Total		21.79	43.75

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
As at Opening date	43.75	-
Increase due to purchases / production / physical change	527.17	139.84
Decrease due to harvest / physical change / sale	(549.13)	(86.63)
Net change in the fair value less estimated cost to sell	-	(9.46)
Total	21.79	43.75

Note : Details and fair valuation of Biological Assets

Biological assets of the Company are in the nature of Consumable Biological Assets. It is bifurcated into Brood Stock, i.e. the Parents and harvested species which undergo biological transformation under different stages as Nauplii, Zoea, Mysis and Post Larvae. The Company sells the biological assets at Nauplii and Post Larvae Stages. The Brood Stock has a maximum useful life of 5 months for laying eggs. and thereafter these are scrapped.

Biological Assets is measured at fair value less costs to sell, with any change recognised in the Statement of Profit and Loss. Costs to sell are the incremental costs directly attributable to the disposal of biological asset, excluding finance costs and income taxes. Costs to sell include all costs that would be necessary to sell the assets, including direct selling costs.

The transmission phase from Nauplii to Zoea and Mysis are not considered as significant transformation of biological asset and hence Zoea and Mysis are not valued as per Ind AS - 41.

The fair value of biological assets is based on its market condition as on the reporting date. The quoted price in the market is the appropriate basis for determining the fair value of these biological assets.

In the event that market determined prices or values are not available for biological assets in its present condition we use the present value of the expected net cashflows from the asset discounted at a current market determined rate in determining fair value.

NOTES TO STANDALONE FINANCIAL STATEMENTS

Fair Value Inputs are summarised as follows:

Level 1 Price Inputs - are quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 Price Inputs - are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly

(i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 Price Inputs - are inputs for the asset or liability that are not based on observable market data (unobservable inputs)."

12 Inventories

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
(Lower of Cost and Net Realisable Value)		
Raw materials	5,006.37	5,446.68
Work-in-progress	205.02	73.21
Finished goods	399.29	2,643.80
Stock-in-trade (Traded goods)	59.26	63.79
Stores and spares	571.47	634.90
Total	6,241.41	8,862.38
Stock-in-transit: included in :		
Raw Material	-	-
Finished goods	-	-

Notes:

- Entire inventory has been hypothecated as security against bank borrowings of the Company as at Mar 31, 2020 and Mar 31, 2019 respectively (refer note 18 and 20). Refer 2.6 of the significant accounting policies for method of valuation.
- The cost of inventories recognised as an expense during the year is ₹ 25,030.05 Lakhs, (As at Mar 31, 2019: ₹ 27,192.73 Lakhs)
- The cost of inventories recognised as an expense includes ₹11.70 Lakhs (for the year ended Mar 31, 2019: ₹ 0.61 Lakhs) in respect of write-down of inventory on account of obsolescence / adjustments.

13 Trade receivables

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Trade receivables (Secured)		
Considered good	1,721.25	-
	1,721.25	
Trade receivables (Unsecured)		
Considered good	5,718.10	-
Considered doubtful	1,517.32	976.60
	7,235.42	8,275.20
Less: Allowance for credit loss	(1,517.32)	(976.60)
Total	7,439.35	7,298.60

- No trade receivable are due from directors or other officers of the company either severally or jointly with any other person. While the trade receivable due from firms or private companies respectively in which any director is a partner, a director or a member is ₹ Nil (As at Mar 31, 2019 - ₹ Nil).

NOTES TO STANDALONE FINANCIAL STATEMENTS

- (ii) There are 3 major customers having significant balances, i.e. exceeding 5% of the total trade receivables as at Mar 31, 2020 and Mar 31, 2019 amounting to ₹ 1,533.42 Lakhs and ₹ 1,887.67 Lakhs respectively.
- (iii) Refer Note 41 for information about credit risk and market risk of trade receivables.
- (iv) Trade receivables are generally on terms of 0 to 100 days based upon the credit worthiness of the customers.
- (v) Trade receivables are further analysed as follows:

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020		
	Gross credit risk	Expected credit loss allowance	Net credit risk
Amounts not yet due	3,041.61	7.60	3,034.01
Between one to six months overdue	2,038.87	9.46	2,029.41
Between six to twelve months overdue	1,104.29	382.97	721.32
Between one to two years overdue	2,007.57	764.87	1,242.70
Greater than two years overdue	764.33	352.42	411.91
	8,956.67	1,517.32	7,439.35

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2019		
	Gross credit risk	Expected credit loss allowance	Net credit risk
Amounts not yet due	3,001.40	9.26	2,992.14
Between one to six months overdue	2,948.38	12.34	2,936.04
Between six to twelve months overdue	1,350.58	342.05	1,008.53
Between one to two years overdue	715.87	353.98	361.89
Greater than two years overdue	258.97	258.97	-
	8,275.20	976.60	7,298.60

- (vi) Expected credit loss model

In determining the allowances for credit losses of trade receivables, the Company has used the way of determining the profile of each customer after considering the credit worthiness of them. The provision has been made based upon expected credit loss on the basis of past trend.

- (vii) Movement in the Allowances for Doubtful trade receivables (expected credit loss allowance):

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Balance at beginning of the year	976.60	430.44
Movement in expected credit loss allowance on trade receivables		
Add: Provision for the current year	540.72	546.16
Balance at end of the year	1,517.32	976.60

NOTES TO STANDALONE FINANCIAL STATEMENTS

14 Cash and cash equivalents

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Cash in hand	10.70	2.09
Balances with banks:		
In current accounts	38.87	17.81
Deposits with original maturity of less than three months (Refer note below)	1,500.00	69.95
Total	1,549.57	89.85

Note:

Fixed Deposit of ₹ Nil (As at Mar 31, 2019 : ₹ 69.95 Lakhs) are pledged against guarantees [Refer note 35(c)]

14a For Statement of Cash flow, cash and cash equivalents comprise of the following:

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Cash in hand	10.70	2.09
Balances with banks:		
In current accounts	38.87	17.81
Deposits with original maturity of less than three months	1,500.00	69.95
Less: Bank Overdraft and Cash Credit Facilities (Refer note 20)	418.35	989.95
Total	1,131.22	(900.10)

15 Other balances with bank

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Earmarked balances:		
Unclaimed dividend account	130.19	99.54
Balances with banks:		
Deposits with original maturity of more than 3 months but less than 12 months [Refer note (a) below]	593.47	316.41
Deposits with maturity more than 12 months but maturing within 12 months from the Balance Sheet date [Refer note (b) below]	-	185.40
Total	723.66	601.35

Notes:

- (a) Fixed Deposit of ₹ 431.47 Lakhs (As at Mar 31, 2019 : ₹ 316.41 Lakhs are pledged against bank guarantees [Refer Note 35(c)].
- (b) Fixed Deposit of ₹ Nil (As at Mar 31, 2019 : ₹ 185.40 Lakhs) are pledged against the term loan of ICICI Bank to serve the interest commitment.

NOTES TO STANDALONE FINANCIAL STATEMENTS

16 Equity share capital

a. Authorised share capital

Particulars	Equity Share		Preference Share	
	Nos.	Amount	Nos.	Amount
As at Apr 01, 2018	6,00,00,000	6,000.00	5,00,000	500.00
As at Mar 31, 2019	6,00,00,000	6,000.00	5,00,000	500.00
As at Mar 31, 2020	6,00,00,000	6,000.00	5,00,000	500.00

Terms and rights attached to equity shares:

The company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

b. Issued, Subscribed and Paid Up Equity Share Capital

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020		As at Mar 31, 2019	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	4,14,26,779	4,142.68	4,14,26,779	4,142.68
Movement during the year	-	-	-	-
At the end of the year	4,14,26,779	4,142.68	4,14,26,779	4,142.68

c. Shares held by holding company

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020		As at Mar 31, 2019	
	Nos.	Amount	Nos.	Amount
Nav Srijit Shakthi Telangana Private Limited	2,19,34,545	2,193.45	2,19,34,545	2,193.45

d. Details of shareholders holding more than 5% shares in the company

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020		As at Mar 31, 2019	
	Nos.	% of holding	Nos.	% of holding
Nav Srijit Shakthi Telangana Private Limited	2,19,34,545	52.95%	2,19,34,545	52.95%
Karam Chand Thapar & Bros. (Coal Sales) Limited	32,41,719	7.83%	32,41,719	7.83%
KCT Management Services Private Limited	22,29,030	5.38%	21,08,260	5.09%

e. Aggregate Number of Shares allotted as fully paid-up pursuant to a Scheme of Amalgamation without payment being received in cash during the five years immediately preceding the Balance Sheet date

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2018	As at Mar 31, 2017	As at Mar 31, 2016
Issued, Subscribed and Fully Paid-Up					
Equity Shares of ₹ 10 each					
Number of Shares	28,23,529	28,23,529	28,23,529	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS

17 Other Equity

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Securities premium	1,473.49	1,473.49
Capital reserve	1,026.10	1,026.10
General reserve	1,315.07	1,315.07
Retained earnings	10,431.11	9,347.69
Total	14,245.77	13,162.35

a. Securities premium

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Opening Balance	1,473.49	1,473.49
Movement during the year	-	-
Closing Balance	1,473.49	1,473.49

b. Capital reserve

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Opening Balance	1,026.10	1,026.10
Movement during the year	-	-
Closing Balance	1,026.10	1,026.10

c. General reserve

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Opening Balance	1,315.07	1,315.07
Movement during the year	-	-
Closing Balance	1,315.07	1,315.07

d. Retained earnings

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Opening Balance	9,347.69	7,005.10
Profit for the year	1,853.88	3,084.74
Effect on transition to Ind AS - 116 : Leases (net of tax)	(2.70)	-
Other Comprehensive Income for the year (net of tax)	(18.63)	6.98
Payment of final dividend	(621.40)	(621.40)
Payment of dividend distribution tax on above	(127.73)	(127.73)
Closing Balance	10,431.11	9,347.69

NOTES TO STANDALONE FINANCIAL STATEMENTS

The Board of Directors has recommended a final dividend of ₹Nil per equity share for the financial year ended Mar 31, 2020 (₹1.50 per equity share for the financial year ended Mar 31, 2019). Proposed dividend on equity share is subject to the approval of the shareholders of the company at the Annual General Meeting and not recognised as liability as at the Balance Sheet date.

Notes:

(i) Securities premium :

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the "Companies Act").

(ii) Capital reserve

Capital reserve represents a resource created by accumulated capital surplus and remain invested in the business for set off against any capital expenditure. This will not be distributed as dividends. The Company recognizes profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

(iii) General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.

(iv) Retained earnings

Retained earnings comprises of the Company's undistributed earnings after taxes.. Such appropriations are free in nature.

18 Non-current borrowings

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020		As at Mar 31, 2019	
	Non-current	Current maturities of long term debt	Non-current	Current maturities of long term debt
Term loans- at amortised cost				
From banks (Secured)				
ICICI Bank Ltd	-	-	-	600.00
Yes Bank Ltd.	513.64	274.32	785.64	329.14
From banks (Secured)				
Car loans	13.09	22.83	35.91	21.10
Total	526.73	297.15	821.55	950.24

Notes:

- (i) Details of terms of repayment for the non-current borrowings and security provided in respect of the secured non-current borrowings:

(All amounts are in ₹ lakhs)

Particulars	Terms of repayment and security	As at Mar 31, 2020	As at Mar 31, 2019
Term loans from banks:			
i) ICICI Bank Ltd	Secured by : First charge over entire property, plant and equipment (both movable and immovable) of the borrower both present and future of erstwhile Pinnae Feeds limited located at Bogole village; Second charge over entire current assets of the borrower both present and future.	-	600.00
	Fixed deposit has been lien marked to ICICI Bank Ltd to serve the interest due, in case of uncertainty.		

NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

Particulars	Terms of repayment and security	As at Mar 31, 2020	As at Mar 31, 2019
	Interest rate as on Mar 31, 2020 : Nil, Mar 31, 2019 : 9.75%		
	Terms of repayment: 20 equal quarterly instalments starting from the end of 12 months from the COD i.e. May 21, 2015		
ii) Yes Bank Ltd	Secured by : Subservient charge on all moveable property, plant and equipment of the borrower both present and future	5.00	62.51
	Interest rate as on Mar 31, 2020 : 10.25%, Mar 31, 2019 : 10.20%		
	Terms of repayment: 20 equal quarterly instalments commencing from Sep 30, 2015.		
iii) Yes Bank Ltd	Secured by : Subservient charge on all moveable property, plant and equipment of the borrower both present and future	12.50	25.00
	Interest rate as on Mar 31, 2020 : 10.75%, Mar 31, 2019 : 10.70%		
	Terms of repayment: 20 equal quarterly instalments commencing from Sep 30, 2015.		
iv) Yes Bank Ltd	Secured by : Exclusive charge on all moveable and immovable property, plant and equipment of the Hatchery Project both present and future	770.46	1,027.27
	Interest rate as on Mar 31, 2020 : 9.60%, Mar 31, 2019 : 9.75%		
	Terms of repayment: 16 equal quarterly instalments after a moratorium period of 12 months from date of first disbursement		
iv) Car Loans	Terms of repayment: Various; Each repayable in 48 equated instalments.	35.92	57.01
Total		823.88	1,771.79

(ii) For the current maturities of long-term borrowings, refer Note 22 Other financial liabilities

19 Provisions

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
A. Non-current		
Provision for employee benefits:		
Gratuity [Refer note 40]	166.88	131.39
Compensated absences [Refer note 40]	101.40	97.53
Total	268.28	228.92
B. Current		
Provision for employee benefits:		
Compensated absences [Refer note 40]	7.68	7.09
Provident fund	2.62	134.18
Provision for Statutory authorities:		
Customs duty [Refer note below]	25.00	25.00
Total	35.30	166.27

NOTES TO STANDALONE FINANCIAL STATEMENTS

Note:

Represents Customs duty provision made for expected demand to be received from the department for short assessment and short payment of custom duty on imports made by the Company during the year 2018-19. Outflow of the same is expected within next 12 months.

20 Current Borrowings

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Loans repayable on demand (Secured)		
From banks - Cash Credit Facilities	418.35	989.95
Total	418.35	989.95

Nature of security provided:

Borrowings are secured by hypothecation of present and future stock of raw materials, work in progress, finished goods, stores and spares. Equitable mortgage over the factory land and building of the Company at Nellore and charge over property, plant and equipment of the Company, excluding vehicles.

21 Trade payables

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Trade payables to micro enterprises and small enterprises	17.39	7.77
Sub Total (A)	17.39	7.77
Trade payables other than micro enterprises and small enterprises		
Related Party	172.14	106.02
Others	1,853.58	2,540.40
Sub Total (B)	2,025.72	2,646.42
Total (A + B)	2,043.11	2,654.19

Notes:

- (i) Refer Note.41 for information on Liquidity risk and market risk of Trade Payables.
- (ii) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
(a) Principal amount remaining unpaid as at the end of the year	17.39	7.77
(b) Interest due thereon remaining unpaid as at the end of the year	7.15	7.15
(c) The amount of interest due and payable for the year	0.19	2.38
(d) The amount of interest accrued and remaining unpaid at the end of the year	7.34	7.15

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

NOTES TO STANDALONE FINANCIAL STATEMENTS

22 Other financial liabilities

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Non - Current		
Security deposits	179.46	-
Sub total (A)	179.46	-
Current		
Liabilities for expenses	1,058.89	1,250.45
Current maturities of long term debt	297.15	950.24
Payable to employees	253.77	217.39
Interest Payable	14.46	16.66
Unclaimed dividend	130.19	99.54
Creditors for capital works	50.65	48.96
Sub total (B)	1,805.11	2,583.24
Total (A+B)	1,984.57	2,583.24

There are no amounts due for transfer to the Investor Education and Protection fund under Section 125 of The Companies Act, 2013 as at the year end.

23 Other liabilities

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Non - Current		
Pre - received rent	17.47	-
Sub total (A)	17.47	-
Current		
Statutory remittances	55.07	57.93
Advances from customers	44.62	78.23
Pre - received rent	21.97	-
Sub total (B)	121.66	136.16
Total (A+ B)	139.13	136.16

24 Revenue from operations

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Revenue from operations		
(a) Manufactured #	31,081.53	34,966.30
(b) Traded	706.16	1,158.57
Revenue from services		
(a) Rental income	244.80	194.63

NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Other operating revenues		
(a) Export incentives	49.29	147.24
(b) Scrap sales	77.16	44.99
(c) Others	84.28	36.51
Total	32,243.22	36,548.24

Revenue from manufactured goods includes export sales outside India made by the Company amounting to ₹ 528.70 Lakhs (for the year ended Mar 31, 2019 : ₹1,625.29 Lakhs).

25 Other Income

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Interest Income		
(a) On deposits carried at amortised cost	38.90	50.27
(b) On Income tax refund	-	1.26
(c) Others	10.30	77.79
Dividend income - from current investment	25.54	20.46
Deferred corporate guarantee charges	-	12.38
Insurance claim received	-	354.51
Liability no longer required written back	6.86	78.78
Bad debts recovery	153.82	-
Others	1.80	22.28
Total	237.22	617.73

26 Cost of materials consumed

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Opening stock	5,446.68	6,297.14
Add: Purchases	19,903.31	24,107.18
	25,349.99	30,404.32
Less: Closing stock	5,006.37	5,446.68
Total consumption of raw materials	20,343.62	24,957.64

NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Details of materials consumed		
Soya	6,969.80	9,364.03
Fish meal	5,389.48	5,211.48
Raw and processed shrimps	545.63	490.72
Other materials	7,438.71	9,891.41
Total	20,343.62	24,957.64

27 Purchase of stock-in-trade

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Shrimp feeds, processed crabs and others	220.31	933.28
Total	220.31	933.28

28 Changes in inventories of finished goods, work in progress, stock in trade and biological assets

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Inventories at the end of the year :		
(a) Finished goods	399.29	2,643.80
(b) Work-in-progress	205.02	73.21
(c) Stock-in-trade	59.26	63.79
(d) Biological assets	21.79	43.75
	685.36	2,824.55
Inventories at the beginning of the year :		
(a) Finished goods	2,643.80	1,613.91
(b) Work-in-progress	73.21	51.13
(c) Stock-in-trade	63.79	1.17
(d) Biological assets	43.75	-
	2,824.55	1,666.21
Decrease / (Increase) in Inventories	2,139.19	(1,158.34)

29 Employee benefits expense

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Salaries, wages and bonus	1,957.49	1,701.42
Contribution to provident, gratuity and other funds [Refer note 40]	7.85	254.44
Staff welfare expenses	147.03	154.02
Total	2,112.37	2,109.88

NOTES TO STANDALONE FINANCIAL STATEMENTS

Note:

Contribution to provident, gratuity and other fund of the previous year includes ₹134.18 Lakhs of provision made against provident fund liability payable based upon supreme court ruling dated Feb 28, 2019 in this regard for the year ended Mar 31, 2019 and ₹131.56 lakhs has been reversed in Current year as there was no specific demand for the provident fund based on the supreme court ruling.

30 Finance costs

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Interest on borrowings:		
(i) Term Loans	126.62	142.35
(ii) Cash credit and working capital demand loan	53.47	114.82
(iii) Car Loans	3.77	5.37
Interest on others	18.73	3.87
Other borrowing costs	57.90	61.80
Interest on Lease liabilities	1.53	-
Total	262.02	328.21

Note:

₹ Nil interest expenses (for the year ended Mar 31, 2019 ₹ 27.83 Lakhs) pertaining to loan taken by the Company for Hatchery project has been capitalised. (Refer note.3)

31 Depreciation and amortisation expenses

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Depreciation on Property, plant and equipment (Refer note 3)	675.85	673.54
Depreciation on Right of Use Asset (Refer note 4)	18.88	-
amortisation on Intangible assets (Refer note 5)	19.46	19.25
Total	714.19	692.79

32 Other expenses

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Consumption of stores and spares	481.91	627.28
Power and fuel	486.33	499.84
Rent (Refer note 4)	63.26	99.97
Processing charges	15.25	28.64
Repairs and maintenance:		
Plant and machinery	73.04	52.70
Buildings	23.84	3.31
Others	137.35	90.96
Vehicle maintenance	14.38	13.28
Contract labour	300.00	296.29

NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Security charges	81.95	67.21
Insurance	48.35	42.84
Rates and taxes	35.14	77.83
Freight outward	142.82	292.30
Selling expenses	176.56	337.65
Payment discount	423.72	321.71
Professional charges	436.96	390.10
Secretarial expenses	39.76	45.37
Travelling expenses	364.69	375.61
Business communication expenses	22.03	31.21
Auditors' remuneration (excluding indirect tax):		
(i) As auditors - audit fees	13.00	11.00
(ii) For other services		
(a) Tax audit fees	1.50	1.50
(b) Limited Review and Other Services	8.00	8.75
(iii) For reimbursement of expenses	0.33	1.04
Corporate social responsibility expenses [Refer note 37]	82.79	50.06
Directors' commission	-	53.48
Directors' sitting fees	8.85	10.20
Net loss on foreign currency transactions	5.77	26.15
Loss on fair valuation of biological assets	-	9.46
Net loss on sale of property plant and equipment	-	3.61
Bad Debts written off	0.47	6.94
Allowances for doubtful debts and advances (Net)	540.72	546.16
Inventory written off	11.70	0.61
Provision for Inventory	19.88	8.43
Miscellaneous expenses	139.80	138.19
Total	4,200.15	4,569.68

33 Tax expenses

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
a. Income tax recognised in Statement of Profit and Loss		
Current tax		
In respect of current year	728.07	1,861.75
	728.07	1,861.75
b. Deferred tax recognised in Statement of Profit and Loss		
Deferred tax		
In respect of current year	(93.36)	(213.66)
	(93.36)	(213.66)
Total	634.71	1,648.09

NOTES TO STANDALONE FINANCIAL STATEMENTS

Note: Reconciliation of the accounting profit to the income tax expense for the year is summarised below:

The new section - Section 115BAA has been inserted in the Income Tax Act, 1961 to give the benefit of a reduced corporate tax rate for the domestic companies. Section 115BAA states that domestic companies have the option to pay tax at a rate of 22% from the FY 2019-20 (AY 2020-21) onwards if such domestic companies adhere to certain conditions specified.

On satisfying the specified conditions in Section 115BAA the Company adopted the lower rate of 22% (effective tax rate of 25.168%) due to which the tax for the current year is reduced to the extent of ₹ 291.50 Lakhs

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Profit before tax	2,488.59	4,732.83
Income tax expense calculated at 25.168% (for the year ended Mar 31, 2019: 34.944%)	626.33	1,653.84
Effect of income exempt from taxation	(6.43)	(7.15)
Effect of expenses that are not deductible in determining taxable profit	10.42	1.40
Effect of rate difference in opening and closing deferred tax	4.00	-
Others	0.39	-
Total	634.71	1,648.09

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
c. Income tax recognised in other comprehensive income		
Deferred tax		
Arising on remeasurement gain on defined benefit plans	(6.26)	3.75
Total	(6.26)	3.75

34 Earnings per share(EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020	For the year ended Mar 31, 2019
Profit after tax	1,853.88	3,084.74
Weighted Average Number of Equity Shares for Basis EPS *	4,14,26,779	4,14,26,779
Weighted Average Number of Equity Shares for Diluted EPS *	4,14,26,779	4,14,26,779
Face Value of Share (₹)	10	10
Earnings Per Share - Basic (₹)	4.48	7.45
Earnings Per Share - Diluted (₹)	4.48	7.45

NOTES TO STANDALONE FINANCIAL STATEMENTS

35 Contingent Liabilities

The Company is involved in a number of judicial, appellate and arbitration proceedings (including those described below) concerning matters arising in the course of conduct of the Company's businesses. A summary of claims asserted on the Company in respect of these cases have been summarised below.

a. Tax contingencies

Amounts in respect of claims asserted by various revenue authorities on the Company, in respect of taxes, which are in dispute, have been tabulated below:

(All amounts are in ₹ lakhs)

Nature of Tax	As at Mar 31, 2020	As at Mar 31, 2019
Custom duty	535.36	535.36
Excise duty	57.58	57.58
Service tax	2.99	66.86
Sales tax	2.38	108.66
Income tax	15.37	15.37

The management believes that the claims made are untenable and is contesting them. As of the reporting date, the management is unable to determine the ultimate outcome of above matters. However, in the event the revenue authorities succeed with enforcement of their assessments, the Company may be required to pay some or all of the asserted claims and the consequential interest and penalties, which would reduce net income and could have a material adverse effect on net income in the respective reported period.

b. Amount in respect of other Claims

(All amounts are in ₹ lakhs)

Nature of Claim	As at Mar 31, 2020	As at Mar 31, 2019
Claims related to contractual disputes	79.66	71.63

Management is generally unable to reasonably estimate a range of possible loss for proceedings or disputes other than those included in the estimate above, including where:

- a) plaintiffs/parties have not claimed an amount of money damages, unless management can otherwise determine an appropriate amount;
- b) the proceedings are in early stages;
- c) there is uncertainty as to the outcome of pending appeals or motions or negotiations; and/or
- d) there are significant factual issues to be resolved.

However, in respect of the above matters, management does not believe, based on currently available information, that the outcomes of the litigation, will have a material adverse effect on the Company's financial condition, though the outcomes could be material to the Company's operating results for any particular period, depending, in part, upon the operating results for such period.

c. Financial Guarantee

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Bank Guarantee to Commissioner of Customs (India), US Customs & Border Protection	240.06	230.27

For Local bank guarantee 100% and for Foreign bank guarantee 125% of the guarantee value is maintained as a fixed deposits with banks.

NOTES TO STANDALONE FINANCIAL STATEMENTS

- d. In respect of the Contingent Liabilities mentioned in Note 35.a and 35.b above, pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any. In respect of matters mentioned in Note 35.c above, the cash outflows, if any, could generally occur during the validity period of the respective guarantees in the event of default, if any, by the concerned beneficiaries. The Company does not expect any reimbursements in respect of the above contingent liabilities.

36 Commitments

The Company principally engaged in a single business segment viz., Shrimp Aquaculture Manufacturing and Trading. The financial performance relating to this single business segment is evaluated regularly by the Chief Executive Officer (Chief Operating Decision Maker). Sale outside India is below the reportable threshold limit, thus geographical segment information is not given.

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Estimated amount of contracts remaining to be executed on Capital Account and not provided for [Net of advances ₹ 22.55 Lakhs ; as at Mar 31, 2019 ₹ 36.10 Lakhs]	19.26	19.02
Export obligation under EPCG Scheme to be fulfilled. The Company is confident of meeting its obligation under the Schemes within the stipulated period	156.17	139.16

37 Details of Corporate Social Responsibility expenditure

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Gross amount required to be spent by the Company during the year	82.79	50.06
Amount spent during the year		
On purposes other than Construction/acquisition of any asset	82.79	51.07

38 Segment information

The Company principally engaged in a single business segment viz., Shrimp Aquaculture Manufacturing and Trading. The financial performance relating to this single business segment is evaluated regularly by the Chief Executive Officer (Chief Operating Decision Maker). Sale outside India is below the reportable threshold limit, thus geographical segment information is not given.

39 Related Party Disclosures

S.No.	Name of the Related Party	Relationship
1	Nav Srijit Shakti Telangana Private Limited	Holding Company
2	Saatatya Vistaar Oorja Bengaluru Private Limited	Subsidiary Company (from Mar 25, 2020)
3	Karam Chand Thapar & Bros. (Coal Sales) Limited	Entity under significant influence
4	KCT Management Services Private Limited	Entity under significant influence
5	Avitech Nutrition Private Limited	Entity under significant influence
6	Handy Waterbase India Private Limited	Entity under significant influence
7	Mr. Vikramaditya Mohan Thapar	Non-Executive Director and Chairman
8	Mrs. Jyoti Thapar	Non-Executive Director (till Feb 05, 2020)
9	Mrs. Shashikala venkatraman	Non-Executive Independent Director (from Nov 14, 2019)
10	Mr. Varun Aditya Thapar	Non-Executive Director
11	Mr. Rahul Kapur	Non-Executive Independent Director
12	Mr. Anil Kumar Bhandari	Independent Director (till Mar 31, 2019 and re-appointed w.e.f. May 15, 2019)

NOTES TO STANDALONE FINANCIAL STATEMENTS

S.No.	Name of the Related Party	Relationship
13	Mr. Ranjit Mehta	Independent Director (till Mar 31, 2019 and re-appointed w.e.f. May 15, 2019)
14	Mr. Nakul Kamani	Independent Director (till Mar 31, 2019)
15	Lt. Gen Deepak Summanwar (Retd.)	Independent Director (till Mar 31, 2019)
16	Mr. Ramakanth V Akula	Chief Executive Officer
17	Mr. R. Sureshkumar	Chief Financial Officer
18	Mr. R.Achuthan	Company Secretary
19	Ms. Nitasha Thapar	Relative of Non-Executive Director
20	Ms. Ayesha Thapar	Relative of Non-Executive Director
21	KCT Group trust	KMP having significant influence
22	TWL Employees Gratuity Trust	KMP having significant influence

Transactions during the year

(All amounts are in ₹ lakhs)

Particulars	Name of the Company	As at Mar 31, 2020	As at Mar 31, 2019
Purchase of Goods	Avitech Nutrition Private Limited	439.06	630.31
	Handy Waterbase India Private Limited	26.55	28.47
Service Provided	Karam Chand Thapar & Bros. (Coal Sales) Limited	8.43	7.93
Service Received	Karam Chand Thapar & Bros. (Coal Sales) Limited	25.42	34.48
	KCT Management Services Private Limited	9.25	3.52
Purchase of investments	KCT Management Services Private Limited	5.50	-
Dividend Paid	Karam Chand Thapar & Bros. (Coal Sales) Limited	48.63	48.63
	KCT Management Services Private Limited	33.44	22.51
	Nav Srijit Shakti Telangana Private Limited	329.02	329.02
	Mr. Varun Aditya Thapar	2.55	2.55
	Mrs. Jyoti Thapar	1.10	1.10
	Mr. Vikramaditya Mohan Thapar	0.81	0.81
	Ms. Nitasha Thapar	0.78	0.78
	Ms. Ayesha Thapar	0.78	0.78
Rent Paid	Karam Chand Thapar & Bros. (Coal Sales) Limited	23.79	23.79
Payments towards CSR	KCT Group trust	82.79	50.06
Remuneration	Mr. Ramakanth V Akula	219.20	205.97
	Mr. R. Suresh Kumar	72.54	65.71
	Mr. R.Achuthan	20.93	18.85
Directors' Commission	Mr. Vikramaditya Mohan Thapar	-	6.69
	Mrs. Jyoti Thapar	-	6.69
	Mr. Varun Aditya Thapar	-	6.69
	Mr. Rahul Kapur	-	6.69
	Mr. Anil Kumar Bhandari	-	6.69
	Mr. Ranjit Mehta	-	6.69
	Mr. Nakul Kamani	-	6.69
	Lt.Gen Deepak Summanwar (Retd.)	-	6.69

NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

Particulars	Name of the Company	As at Mar 31, 2020	As at Mar 31, 2019
Directors' Sitting Fees	Mr. Vikramaditya Mohan Thapar	0.65	1.20
	Mrs. Jyoti Thapar	0.25	0.50
	Mr. Varun Aditya Thapar	2.00	1.00
	Mr. Rahul Kapur	1.60	0.50
	Mr. Anil Kumar Bhandari	2.00	1.85
	Mr. Ranjit Mehta	1.60	1.85
	Mr. Nakul Kamani	-	1.45
	Lt. Gen Deepak Summanwar (Retd.)	-	1.85
	Mrs. Shashikala venkatraman	0.75	-

Balances as at the end of the year

(All amounts are in ₹ lakhs)

Particulars	Name of the Company	As at Mar 31, 2020	As at Mar 31, 2019
Investments in subsidiary	Saatatya Vistaar Oorja Bengaluru Private Limited	5.50	-
Trade Payables	Karam Chand Thapar & Bros. (Coal Sales) Limited	6.87	24.39
	KCT Management Service Pvt Ltd	-	1.95
	Handy Waterbase India Private Limited	0.67	1.16
	Avitech Nutrition Private Limited	164.60	78.52
Other Payables	Mr. Vikramaditya Mohan Thapar	-	6.69
	Mrs. Jyoti Thapar	-	6.69
	Mr. Varun Aditya Thapar	-	6.69
	Mr. Rahul Kapur	-	6.69
	Mr. Anil Kumar Bhandari	-	6.69
	Mr. Ranjit Mehta	-	6.69
	Mr. Nakul Kamani	-	6.69
	Mr. Ranjit Mehta	-	6.69
	Lt. Gen Deepak Summanwar (Retd.)	-	6.69

Terms and conditions of transactions with related parties

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided for any related party payables.

NOTES TO STANDALONE FINANCIAL STATEMENTS

The remuneration of key management personnel during the year was as follows:

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Short-term benefits	301.16	279.96
Post-employment benefits #	11.51	10.57
Other long-term benefits	-	-

As the liabilities for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to KMP are not included.

40 Employee benefit plans

Defined contribution plans

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the year by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior month's contributions that were not due to be paid until after the end of the reporting period.

The Company contributes to employee state insurance funds for eligible employees covered under Employee State Insurance Act, 1948 and other labour welfare funds and has recognised, in the Statement of Profit and Loss for the year ended Mar 31, 2020, an amount of ₹4.60 Lakhs (for the year ended Mar 31, 2019 ₹ 7.36 Lakhs) as expenses under the said defined contribution plans.

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Contribution to Employee State Insurance Fund	4.54	6.59
Contribution to other Labour welfare Fund	0.06	0.77

Provident Fund

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary).

Provident Fund contributions in respect of employees other than those covered under Government administered Provident Fund are made to Trust administered by the Company and such Trust invests funds following a pattern of investments prescribed by the Government. Both the employer and employee contribute to this Fund and such contributions together with interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefit vests immediately on rendering of services by the employee. The interest rate payable to the members of the Trust is not lower than the rate of interest declared annually by the Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company. During the year, the company has recognised ₹89.16 Lakhs (for the year ended Mar 31, 2019 ₹ 68.53 Lakhs) as contribution in the Statement of Profit and Loss A/c.

In addition to that company has taken a provision of ₹ 134.18 Lakhs based on the Supreme Court ruling dated Feb 28, 2019 out of which ₹ 131.56 Lakhs was reversed during the year (Refer note 29).

NOTES TO STANDALONE FINANCIAL STATEMENTS

The Company offers the following employee benefit schemes to its employees:

Defined benefit plans

- i. Gratuity

Other long term employee benefits

- i. Compensated absences

The following table sets out the funded status of the defined benefit plans and unfunded status other long term benefits and the amount recognised in the financial statements:

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020		As at Mar 31, 2019	
	Gratuity	Compensated absences	Gratuity	Compensated absences
	Funded	Unfunded	Funded	Unfunded
Components of employer expense				
Current service cost	36.97	-	34.90	-
Past service cost	-	-	-	-
Interest cost	17.00	6.83	15.44	6.51
Expected return on plan assets	(8.32)	-	(5.98)	-
Curtailment cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Past service cost	-	-	-	-
Total expense / (income) recognised in the Statement of Profit and Loss (A)	45.65	34.07	44.36	31.18
Actuarial losses / (gains)				
Return on Plan Assets (excluding interest income)	1.92	-	1.82	-
Actuarial losses / (gains) arising from changes in demographic assumptions	-	-	-	-
Actuarial losses / (gains) arising from changes in financial assumptions	1.87	(0.04)	1.99	0.88
Actuarial losses / (gains) arising from changes in experience adjustments	21.10	27.28	(14.54)	23.79
Total expense / (income) recognised in the Other Comprehensive Income (B)	24.89	-	(10.73)	-
Total expense recognised in the Total Comprehensive Income (A+B)	70.54	34.07	33.63	31.18
Actual contribution and benefit payments for year				
Actual benefit payments	24.68	29.63	5.81	22.01
Actual contributions	35.06	29.63	50.09	22.01
Net asset / (liability) recognised in the Balance Sheet				
Present value of defined benefit obligation	287.46	109.07	235.20	104.63
Fair value of plan assets	120.58	-	103.80	-
Status [Surplus / (Deficit)]	(166.88)	(109.07)	(131.40)	(104.63)
Unrecognised past service costs				
Net liability recognised in the Balance Sheet	(166.88)	(109.07)	(131.40)	(104.63)

NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020		As at Mar 31, 2019	
	Gratuity	Compensated absences	Gratuity	Compensated absences
	Funded	Unfunded	Funded	Unfunded
Change in defined benefit obligations (DBO) during the year				
Present value of DBO at beginning of the year	235.20	104.63	203.22	95.46
Current service cost	36.97	-	34.90	-
Past service cost	-	-	-	-
Interest cost	17.00	6.83	15.44	6.51
Curtailment cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Plan amendments	-	-	-	-
Acquisitions	-	-	-	-
Actuarial losses / (gains)	22.97	27.24	(12.55)	24.67
Past service cost				
Actuarial losses / (gains) arising from changes in demographic assumptions	-	-	-	-
Actuarial losses / (gains) arising from changes in financial assumptions	1.87	(0.04)	1.99	0.88
Actuarial losses / (gains) arising from changes in experience adjustments	21.10	27.28	(14.54)	23.79
Benefits paid	(24.68)	(29.63)	(5.81)	(22.01)
Present value of DBO at the end of the year	287.46	109.07	235.20	104.63
Change in fair value of assets during the year				
Plan assets at beginning of the year	103.80	-	55.36	-
Acquisition adjustment	-	-	-	-
Expected return on plan assets	8.32	-	5.98	-
Actual Company contributions	35.06	29.63	50.09	22.01
Actuarial gains	(1.92)	-	(1.82)	-
Benefits paid	(24.68)	(29.63)	(5.81)	(22.01)
Plan assets at the end of the year	120.58	-	103.80	-
Composition of the plan assets is as follows:				
Assets under scheme of insurance *	100%	NA	100%	NA
* in the absence of detailed information regarding plan assets which is funded with insurance companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.				
Actuarial assumptions				
Discount rate	6.65%	6.65%	7.63%	7.65%
Salary escalation	7.00%	7.00%	8.00%	8.00%
Mortality tables	LIC(2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate	LIC(2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate

NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020		As at Mar 31, 2019	
	Gratuity	Compensated absences	Gratuity	Compensated absences
	Funded	Unfunded	Funded	Unfunded
Expected total benefit payments				
Year 1	4.75	7.93	3.75	7.36
Year 2	11.58	8.69	4.20	7.79
Year 3	7.70	8.46	8.49	8.43
Year 4	10.14	8.97	6.89	8.67
Year 5	10.15	9.36	24.47	10.84
More than 5 years	159.83	51.16	127.61	54.84

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Credit risk	If the scheme is insured and fully funded on projected unit credit basis there is a credit risk to the extent the insurer(s) is/ are unable to discharge their obligations including failure to discharge in timely manner.
Pay-as-you-go risk	For unfunded schemes financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme.
Discount rate risk	The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability.
Liquidity risk	This risk arises from the short term asset and liability cash-flow mismatch thereby causing the Company being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outflow inflow mismatch. (or it could be due to insufficient assets/cash.)
Demographic risk	In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are inherent. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to that assumed thereby causing an increase in the scheme cost.
Regulatory risk	New Act/Regulations may come up in future which could increase the liability significantly.
Future salary increase risk	The scheme cost is very sensitive to the assumed future salary escalation rates for all final salary defined benefit schemes. If actual future salary escalations are higher than that assumed in the valuation actual scheme cost and hence the value of the liability will be higher than that estimated.

Sensitivity analysis

The increase / (decrease) of the defined benefit obligation to changes in the weighted principal assumptions are:

(All amounts are in ₹ lakhs)

Particulars	Gratuity		Compensated absences	
	2019-20	2018-19	2019-20	2018-19
DBO at Mar 31 with discount rate -1.0 %	320.82	262.19	119.63	114.45
DBO at Mar 31 with discount rate +1.0 %	258.90	211.93	100.06	96.17
DBO at Mar 31 with -1% salary escalation	261.12	214.10	100.01	96.12
DBO at Mar 31 with +1% salary escalation	317.80	259.31	119.49	114.32
DBO at Mar 31 with -1% mortality escalation	287.44	235.17	109.07	104.63
DBO at Mar 31 with +1% mortality escalation	287.47	235.22	109.06	104.62
DBO at Mar 31 with -1% attrition escalation	287.69	235.34	109.10	104.66
DBO at Mar 31 with +1% attrition escalation	287.22	235.05	109.03	104.59

NOTES TO STANDALONE FINANCIAL STATEMENTS

41 Financial Instruments

41.1 Capital Management

The company's capital management objective is to maintain an optimal debt-equity structure so as to reduce the cost of capital, thereby enhancing returns to shareholders. The Company also has a policy of making judicious use of various available debt instruments within its overall working capital drawing limit. This interest arbitrage helps the Company to contain / reduce the cost of capital.

41.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Debt (A)	1,242.23	2,761.74
Cash and cash equivalents (B)	1,549.57	89.85
Net debt (A-B)	(307.34)	2,671.89
Total Equity (Equity + Net Debt)	18,388.45	17,305.03
Net debt to equity ratio (%)	-1.67%	15.44%

41.2 Categories of financial instruments

The following table presents carrying amount and fair value of each category of financial assets and liabilities for the year ended :

(All amounts are in ₹ lakhs)

As at Mar 31, 2020	Amortised cost	Fair value through Statement of Profit and Loss	Total Carrying Value	Total Fair Value
Financial assets				
Trade receivables	7,439.35	-	7,439.35	7,439.35
Other financial assets	11.56	-	11.56	11.56
Cash and bank balances	2,273.23	-	2,273.23	2,273.23
Total financial assets	9,724.14	-	9,724.14	9,724.14
Financial liabilities				
Borrowings	945.08	-	945.08	945.08
Lease Liabilities	3.92	-	3.92	3.92
Trade payables	2,043.11	-	2,043.11	2,043.11
Other financial liabilities	1,984.57	-	1,984.57	1,984.57
Total financial liabilities	4,976.68	-	4,976.68	4,976.68
Total	4,747.46	-	4,747.46	4,747.46

NOTES TO STANDALONE FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

As at Mar 31, 2019	Amortised cost	Fair value through Statement of Profit and Loss	Total Carrying Value	Total Fair Value
Financial assets				
Trade receivables	7,298.60	-	7,298.60	7,298.60
Other financial assets	53.32	-	53.32	53.32
Cash and bank balances	691.20	-	691.20	691.20
Total financial assets	8,043.12	-	8,043.12	8,043.12
Financial liabilities				
Borrowings	1,811.50	-	1,811.50	1,811.50
Trade payables	2,654.19	-	2,654.19	2,654.19
Other financial liabilities	2,583.24	-	2,583.24	2,583.24
Total financial liabilities	7,048.93	-	7,048.93	7,048.93
Total	994.19	-	994.19	994.19

Note :

- i. The short-term financial assets and liabilities are stated at amortised cost which is approximately equal to their fair value.

41.3 Financial risk management objectives

The Company's principal financial liabilities comprises of loans and borrowings, trade and other payables, and other current liabilities. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has loans and receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk.

41.4 Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits.

41.5 Foreign currency risk management

The company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise.

The carrying amounts of the company's foreign currency denominated monetary assets and monetary liabilities at the end of reporting period are as follows:

(All amounts are in ₹ lakhs)

Particulars	Liabilities		Assets	
	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2020	As at Mar 31, 2019
USD	195.72	229.69	-	709.02

41.5.1 Foreign currency sensitivity analysis

The company is mainly exposed to the currency US Dollar. This sensitivity analysis mentioned in the below table has been based on the composition of the Company's financial assets and liabilities exposed to foreign currency as at year end. A positive number below indicates an increase in profit where the INR strengthens 10% against the relevant currency. For a 10% weakening of the INR against the relevant currency, there would be a comparable impact on the profit and the balances below would be negative.

NOTES TO STANDALONE FINANCIAL STATEMENTS

41.6 Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the company by maintaining an appropriate mix between fixed and floating rate borrowings contracts. The company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

41.6.1 Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments (Borrowings) at the end of the reporting period. For floating rate liabilities, the analysis is prepared considering average amount outstanding at the end of each month. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's:

- profit before tax for the year ended Mar 31, 2020 would decrease/increase by ₹12.06 Lakhs (for the year ended Mar 31, 2019: decrease/increase by ₹.33.02 Lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

41.7 Credit risk management

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example trade receivables, placing deposits, investment in mutual funds etc.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. The Company's policy is to transact only with counterparties who are highly creditworthy which are assessed based on internal due diligence parameters.

In respect of trade receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents, fixed deposits and mutual funds are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Other financial assets mainly comprise of tender deposits and security deposits which are given to customers or other governmental agencies in relation to contracts executed and are assessed by the Company for credit risk on a continuous basis.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure of its counterparties are continuously monitored.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

Concentration of credit risk to any counterparty did not exceed 5% of gross monetary assets at any time during the year.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on. As at Mar 31, 2020, bank guarantees amounts to ₹ 240.06 Lakhs (as at Mar 31, 2019: ₹ 230.27 Lakhs) has been considered in the balance sheet as contingent liabilities [refer note 35(c)].

NOTES TO STANDALONE FINANCIAL STATEMENTS

41.7.1 Collateral held as security and other credit enhancements

The Company does not collect any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

41.8 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

This note provides information about how the company determines fair values of various financial assets and financial liabilities

41.8.1 Liquidity risk tables

The following is an analysis of the Company's contractual undiscounted cash flows payable under financial liabilities as at Mar 31, 2020 and Mar 31, 2019

(All amounts are in ₹ lakhs)

As at Mar 31, 2020	Current Within 12 Months	Non-Current		Total
		1-5 Years	Later than 5 years	
Borrowings	715.50	526.73	-	1,242.23
Lease Liabilities	3.92	-	-	3.92
Trade and other payables	2,043.11	-	-	2,043.11
Other financial liabilities	1,687.42	-	-	1,687.42
Total	4,449.95	526.73	-	4,976.68

(All amounts are in ₹ lakhs)

As at Mar 31, 2019	Current Within 12 Months	Non-Current		Total
		1-5 Years	Later than 5 years	
Borrowings	1,940.19	821.55	-	2,761.74
Trade and other payables	2,654.19	-	-	2,654.19
Other financial liabilities	1,633.00	-	-	1,633.00
Total	6,227.38	821.55	-	7,048.93

41.9 Financing facilities

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019
Secured Term Loan Facility		
-amount used	1,386.57	4,386.57
-amount unused	413.43	413.43
Secured bank overdraft / cash credit facility / packing credit facility / bill discounting		
-amount used	418.35	989.95
-amount unused	4,981.65	4,511.05
Secured letter of credit / bank guarantee / forward contracts		
-amount used	10.00	10.00
-amount unused	2,174.00	4,204.00

NOTES TO STANDALONE FINANCIAL STATEMENTS

41.10 Fair value measurements

This note provides information about how the company determines fair values of various financial assets and financial liabilities

41.10.1 Fair value of the financial assets and liabilities that are not measured at fair value

The management consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

42 Note on Impact of Covid-19

The Company continues to manufacture and supply Shrimp aquaculture products, being considered as essential items, in the current unprecedented COVID-19 pandemic. The outbreak of COVID-19 pandemic and the resulting lockdown across the world has affected the Company's operations for the quarter / year ended Mar 31, 2020. Accordingly, the Company has considered the possible effects that may result from the pandemic on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. The Company has evaluated its liquidity position, recoverability of such assets and based on current estimates expects the carrying amount of these assets will be recovered. The Company has estimated its liabilities in line with the current situation. The Company has considered internal and external information upto the date of approval of these standalone financial results. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions. The impact on our future business would depend on future developments that cannot be reliably predicted at this stage.

43 Previous year figures

Previous year's figures have been restated, rearranged and regrouped, wherever necessary, to enable comparability of the current year's position of accounts with that of the relative previous year's position.

44 Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on May 27, 2020.

For and on behalf of the Board of Directors

Sd/-

Varun Aditya Thapar

Director

DIN: 0002322660

Place: New Delhi

Sd/-

Anil Kumar Bhandari

Director

DIN: 31194

Place: Bangalore

Sd/-

R. Achuthan

Company Secretary

Place: Chennai

Date: May 27, 2020

Sd/-

Ramakanth V Akula

Chief Executive Officer

Sd/-

R. Sureshkumar

Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To The Members of the Waterbase Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of The Waterbase Limited ("the Parent") and its subsidiary, (the Parent and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at Mar 31, 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and 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 consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at Mar 31, 2020, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Physical verification of Inventories of principal raw materials (soya, wheat flour, fish meal), work in progress and finished goods of feed and farm care products (Existence)</p> <p>Management's physical verification of Inventories of principal raw materials (soya, wheat flour, fish meal), work in progress and finished goods of feed and farm care products was not physically observed by us as at the year-end due to the restrictions imposed on account of COVID-19.</p>	<p>We have carried out following procedures with respect to the existence of principal raw materials (soya, wheat flour, fish meal), work in progress and finished goods of feed and farm care products as at the year-end:</p> <ul style="list-style-type: none"> ● Evaluated the design and implementation of the controls over physical verification of above mentioned inventories of raw materials, work-in-progress and finished goods and tested the operating effectiveness of these controls during the interim periods. ● Management had carried out the physical verification of inventories on Mar 30, 2020, Mar 31, 2020 and Apr 01, 2020. Due to the COVID-19 related lock-down we were not able to participate in the physical verification of above mentioned inventories of raw materials, work-in-progress and finished goods that was carried out by the management as on the year end. Consequently, we have performed the following alternate procedures to audit the existence of the above mentioned inventories: <ul style="list-style-type: none"> ○ Participated in the physical verification of inventories conducted by the management as at the year end, through video calls. ○ Provided instructions to the independent chartered accountant firm which were engaged by the Parent Company for conducting the physical verification of the above mentioned inventories. ○ Obtained the physical verification reports of the independent chartered accountant firm which were engaged by the Parent Company for the Management inventories verification process. Verified the instructions provided by the management to those independent firms. Evaluated the differences identified by these independent firms during their physical verification of inventories and it was noted that there were no major deviations found.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the Board's Report including Annexures to Board's Report and Management Discussion and Analysis Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary, to the extent it relates to these entities and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary, is traced from their financial statements.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective 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 the assets of the Group 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 Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective

entities 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 their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such

disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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 of one subsidiary, whose financial statements reflect total assets of ₹1.01 Lakhs as at Mar 31, 2020, total revenues of ₹ NIL and net cash inflows / (outflows) amounting to ₹ NIL for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and returns.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on Mar 31, 2020 taken on record by the Board of Directors of the Company and subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on Mar 31, 2020 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is

based on the auditors' reports of the Parent and its subsidiary company incorporated in India to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group; Refer Note 35(a) and Note 35(b) to the consolidated financial statement;
- ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Abhijit Bandyopadhyay

Partner
(Membership No. 054785)
UDIN: 20054785AAAAAZ3720

Kolkata, May 27, 2020

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section 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 the Company as of and for the year ended Mar 31, 2020, we have audited the internal financial controls over financial reporting of The Waterbase Limited (hereinafter referred to as “Parent”), as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Parent, 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 (“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 its business, including adherence to the Parent’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Parent’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 the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 Parent’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 explanations given to us, the Parent, 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 Mar 31, 2020, 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 **Deloitte Haskins & Sells LLP**

Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)

Abhijit Bandyopadhyay

Partner

(Membership No. 054785)

UDIN: 20054785AAAAAZ3720

Kolkata, May 27, 2020

CONSOLIDATED BALANCE SHEET

AS AT MAR 31, 2020

(All amounts are in ₹ lakhs)

Particulars	Note	As at Mar 31, 2020
ASSETS		
Non-current assets		
(a) Property, plant and equipment	3	6,873.97
(b) Right of Use asset	4	3.15
(c) Capital work in progress	3	62.70
(d) Intangible assets	5	124.82
(e) Goodwill	6	-
(f) Other financial assets	7	1.00
(g) Deferred tax asset (net)	8	115.39
(h) Non-current tax asset (net)	9	85.96
(i) Other assets	10	255.82
Total non-current assets		7,522.81
Current assets		
(a) Biological assets	11	21.79
(b) Inventories	12	6,241.41
(c) Financial assets		
(i) Trade receivables	13	7,439.35
(ii) Cash and cash equivalents	14	1,550.35
(iii) Other balances with bank	15	723.66
(iv) Other financial assets	7	10.56
(d) Other assets	10	293.43
Total current assets		16,280.55
TOTAL ASSETS		23,803.36
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	16	4,142.68
(b) Other equity	17	14,240.95
		18,383.63
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	18	526.73
(ii) Other financial liabilities	22	179.46
(b) Provisions	19	268.28
(c) Other liabilities	23	17.47
Total non-current liabilities		991.94
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	20	418.35
(ii) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	21	17.39
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,026.06
(iii) Lease Liability	4	3.92
(iv) Other financial liabilities	22	1,805.11
(b) Provisions	19	35.30
(c) Other liabilities	23	121.66
Total current liabilities		4,427.79
TOTAL EQUITY AND LIABILITIES		23,803.36

See accompanying notes 1-45 forming an integral part of the Consolidated financial statements

In terms of our report attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Abhijit Bandyopadhyay
Partner

Place: Kolkata
Date: May 27, 2020

For and on behalf of the Board of Directors

Sd/-
Varun Aditya Thapar
Director
DIN: 0002322660
Place: New Delhi

Sd/-
Anil Kumar Bhandari
Director
DIN: 31194
Place: Bangalore

Sd/-
R. Achuthan
Company Secretary

Place: Chennai
Date: May 27, 2020

Sd/-
Ramakanth V Akula
Chief Executive Officer

Sd/-
R. Sureshkumar
Chief Financial Officer

STATEMENT OF CONSOLIDATED PROFIT AND LOSS

FOR THE YEAR ENDED MAR 31, 2020

(All amounts are in ₹ lakhs)

Particulars	Note	For the year ended Mar 31, 2020
I Revenue from operations	24	32,243.22
II Other income	25	237.22
III Total Income (I+II)		32,480.44
IV Expenses		
a) Cost of materials consumed	26	20,343.62
b) Purchases of stock-in-trade	27	220.31
c) Changes in inventories of finished goods, work in progress, stock-in-trade and biological assets	28	2,139.19
d) Employee benefits expense	29	2,112.37
e) Finance costs	30	262.02
f) Depreciation and amortisation expenses	31	714.19
g) Other expenses	32	4,204.97
Total Expenses (IV)		29,996.67
V Profit before tax (III-IV)		2,483.77
VI Tax expenses	33	
a) Current tax		728.07
b) Deferred tax		(93.36)
		634.71
VII Profit for the year (V-VI)		1,849.06
VIII Other comprehensive income		
a) Items that will not be reclassified to profit or loss		
(i) Re-measurements of defined benefit plans	40	(24.89)
(ii) Income tax relating to above	33	6.26
Total other comprehensive income		(18.63)
IX Total comprehensive income for the year (VII+VIII)		1,830.43
X Earnings per equity share (Nominal value of ₹ 10/- per share)	34	
a) Basic		4.46
b) Diluted		4.46

See accompanying notes 1-45 forming an integral part of the Consolidated financial statements

In terms of our report attached.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Sd/-

Abhijit Bandyopadhyay

Partner

Place: Kolkata

Date: May 27, 2020

Sd/-

R. Achuthan

Company Secretary

Place: Chennai

Date: May 27, 2020

For and on behalf of the Board of Directors

Sd/-

Varun Aditya Thapar

Director

DIN: 0002322660

Place: New Delhi

Sd/-

Ramakanth V Akula

Chief Executive Officer

Sd/-

Anil Kumar Bhandari

Director

DIN: 31194

Place: Bangalore

Sd/-

R. Sureshkumar

Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MAR 31, 2020

(All amounts are in ₹ lakhs)

Particulars	Equity share capital	Other Equity				Total
		Securities premium	Capital reserve	General reserve	Retained earnings	
Balance as at Apr 01, 2019	4,142.68	1,473.49	1,026.10	1,315.07	9,347.69	17,305.03
Profit for the year	-	-	-	-	1,849.06	1,849.06
Effect on transition to Ind AS - 116 : Leases (net of tax)	-	-	-	-	(2.70)	(2.70)
Re-measurement gain on defined benefit plan (net of tax)	-	-	-	-	(18.63)	(18.63)
Total comprehensive income for the year	-	-	-	-	1,827.73	1,827.73
Payment of final dividend	-	-	-	-	(621.40)	(621.40)
Payment of dividend distribution tax on above	-	-	-	-	(127.73)	(127.73)
Balance as at Mar 31, 2020	4,142.68	1,473.49	1,026.10	1,315.07	10,426.29	18,383.63

See accompanying notes 1-45 forming an integral part of the Consolidated financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Abhijit Bandyopadhyay
Partner

Place: Kolkata
Date: May 27, 2020

Sd/-
R. Achuthan
Company Secretary

Place: Chennai
Date: May 27, 2020

Sd/-
Varun Aditya Thapar
Director
DIN: 0002322660
Place: New Delhi

Sd/-
Ramakanth V Akula
Chief Executive Officer

Sd/-
Anil Kumar Bhandari
Director
DIN: 31194
Place: Bangalore

Sd/-
R. Sureshkumar
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MAR 31, 2020

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES	
Profit Before Tax	2,483.77
<i>Adjustments for:</i>	
Depreciation and amortisation expenses	695.31
Depreciation on Right of Use asset	18.88
Impairment of goodwill	4.70
Finance costs	260.49
Finance cost on Lease Liability	1.53
Interest income	(49.20)
Bad Debts written off	0.47
Provisions for bad and doubtful debts and advances	540.72
Inventory written off	11.70
Provision for Inventory	19.88
Dividend income from investment	(25.54)
Unrealised foreign exchange loss / (profit)	5.77
Liability no longer required written back	(6.86)
Bad debts recovery	(153.82)
	1,324.03
Operating profit before working capital changes	3,807.80
Changes in working capital:	
<i>Adjustments for (increase) / decrease in operating assets:</i>	
Inventories	2,589.39
Trade receivables	(533.89)
Biological assets	21.96
Other assets (non-current and current)	(74.08)
Other financial assets (non-current and current)	0.25
<i>Adjustments for (decrease) / increase in operating liabilities:</i>	
Trade payables	(610.75)
Other financial liabilities (non-current and current)	52.73
Other liabilities (non-current and current)	9.84
Provisions (non-current and current)	(116.50)
	1,338.95
Cash generated from operations	5,146.75
Net income taxes paid	(763.11)
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	4,383.64

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MAR 31, 2020

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
B. CASH FLOW FROM INVESTING ACTIVITIES:	
Capital expenditure on property, plant and equipment and intangible assets including capital advances	(359.45)
Purchase of investment in subsidiary	(5.50)
Purchase of Mutual Funds	(9,925.00)
Proceeds from sale of Mutual Funds	9,925.00
Net proceeds from fixed deposits	(103.97)
Interest received on deposits and others	72.37
Dividend received	25.54 (371.01)
NET CASH USED IN INVESTING ACTIVITIES (B)	(371.01)
C. CASH FLOW FROM FINANCING ACTIVITIES:	
Repayment of non-current borrowings from Banks	(947.91)
Proceeds from WCDL	2,000.00
Repayment of WCDL	(2,000.00)
Finance costs	(260.49)
Dividend paid (including dividend distribution tax)	(749.13)
Payment for Lease liability	(23.78) (1,981.31)
NET CASH USED IN FINANCING ACTIVITIES (C)	(1,981.31)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)	2,031.32
Cash and cash equivalents as at Apr 01, 2019	(900.10)
Adjustment of cash and cash equivalent on acquisition of Subsidiary	0.78
Cash and cash equivalents as at Mar 31, 2020 - Refer Note 14A	1,132.00
Net Increase in cash and cash equivalents	2,031.32

See accompanying notes 1-45 forming an integral part of the Consolidated financial statements

In terms of our report attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Abhijit Bandyopadhyay
Partner

Place: Kolkata
Date: May 27, 2020

Sd/-
R. Achuthan
Company Secretary

Place: Chennai
Date: May 27, 2020

For and on behalf of the Board of Directors

Sd/-
Varun Aditya Thapar
Director
DIN: 0002322660
Place: New Delhi

Sd/-
Ramakanth V Akula
Chief Executive Officer

Sd/-
Anil Kumar Bhandari
Director
DIN: 31194
Place: Bangalore

Sd/-
R. Sureshkumar
Chief Financial Officer

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Corporate Information

The Waterbase Limited ("the Parent"), is a listed entity incorporated in the year 1987 in India, and its subsidiaries (together "the Group") are in the business of manufacturing and sale of Shrimp Feeds and Shrimp Aquaculture for 30 years. The Group is also in the business of Shrimp Hatchery.

1. Basis of accounting and Preparation of Consolidated Financial Statement

1.1 Statement of Compliance with Ind AS

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

1.2 Basis of preparation and measurement

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.3 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Parent and entities controlled by the Company i.e. its subsidiaries.

Control is achieved when the Company is exposed to, or has rights to the variable returns of the entity and the ability to affect those returns through its power over the entity.

The results of subsidiaries acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Wherever necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

Intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

identifiable net assets. The choice of measurement basis is made on an acquisition by- acquisition basis. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance

2. Significant Accounting Policies

2.1 Property plant and equipment

Property, plant and equipment are initially recognised at cost. The initial cost of property, plant and equipment comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of property, plant and equipment includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition. Property, plant and equipment are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight-line method ("SLM") as defined in Schedule II to the Companies Act, 2013. Management believes based on a technical evaluation (which is based on technical advice, taking into account

the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.) that the revised useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Asset	Useful live
Building	
Buildings including factory buildings - other than RCC frame structure	30 years
Buildings other than factory buildings - RCC frame structure	60 years
Fences, wells and tube wells	5 Years
Temporary structure	3 years
Non-carpeted road	3 years
Plant and equipment	
Plant and Machinery (including general laboratory equipment)	10-15 years
Furniture and fixtures	10 years
Office Equipment	3-5 years
Vehicles	6-10 years
Computers	
Computer - Server and networks	6 years
Computer - Desktops, Laptops	3 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in consolidated financial statements.

2.2 Intangible assets

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any. All intangible assets are tested for impairment. Amortisation expenses and impairment losses and reversal of impairment losses are taken to the Consolidated Statement of Profit and Loss.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss.

The Group amortises intangible assets with a finite useful life using the straight-line method over the following range of useful lives:

Asset	Useful life
Computer software	3-6 years

The estimated useful life is reviewed annually by the management.

2.3 Capital work-in-progress and intangible assets under development

Capital work-in-progress / intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

2.4 Non-derivative financial instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Group has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments recognised by the Group are measured at the proceeds received net off direct issue cost.

Offsetting of financial instruments

Financial assets and financial liabilities are off set and the net amount is reported in consolidated financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.5 Impairment

Financial assets (other than at fair value)

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Property Plant and Equipment's and intangibles assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Consolidated Statement of Profit and Loss.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

2.6 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including all taxes and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.7 Biological assets

Biological assets of the Group comprises of livestock of shrimps breeders and different phases of shrimp (viz. Zoea, Mysis, Post Larvae, etc.) that are classified as current biological assets. The Group recognises biological assets when, and only when, the Group controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Group and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in Consolidated Statement of Profit and Loss for the period in which it arises.

2.8 Goodwill on Consolidation

Goodwill on consolidation is stated at cost (substituted for restated cost where applicable) less impairment loss, where applicable. On disposal of a subsidiary, attributable amount of goodwill is included in the determination of the profit and loss recognised in the consolidated statement of profit and loss. Impairment loss, if any to the extent the carrying amount exceeds the recoverable amount is charged off to the consolidated statement of profit and loss as it arises and is not reversed.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For impairment testing, goodwill is allocated to cash generating unit (CGU) or group of CGUs to which it relates, which is not larger than an operating segment

2.9 Revenue recognition

Revenue from contract with customers for sale of goods and services

Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

A refund liability is recognised for expected returns in relation to sales made corresponding assets are recognised for the products expected to be returned.

The Group recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Group expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer to goods or services to the customer.

Dividend

Dividend income from investments is recognised when the unconditional right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

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.

2.10 Research and Development expenses

Research expenditure is charged to the Consolidated Statement of Profit and Loss. Development costs

of products are also charged to the Consolidated Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. Tangible assets used in research and development are capitalised.

2.11 Leases

The Group as a lessee:

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.12 Employee benefit expenses

Employee benefits consist of contribution to provident fund, superannuation fund, gratuity fund and compensated absences.

Post-employment benefit plans

Defined Contribution plans

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made.

The Group also makes contribution towards provident fund, in substance a defined contribution

retirement benefit plan for qualifying employees. The provident fund is deposited with the Provident Fund Commissioner which is recognized by the Income Tax authorities.

Defined benefit plans

The liability or asset recognised in the consolidated balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability or asset is recognised in the Consolidated Statement of Profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Consolidated Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Gratuity - The Group has an obligation towards gratuity, a defined benefit plan covering eligible employees. The plan provides for lump sum payment to vested employees on retirement, death while in employment or on separation. Vesting occurs upon completion of five years of service. The liability, which is determined by means of an independent actuarial valuation, is partly funded with LIC by the Group.

Short term employee benefit and other long-term employee benefits

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

2.13 Foreign currency translation

The functional and presentation currency of the Group is Indian rupee

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Consolidated Balance Sheet date and the exchange gains or losses are recognised in the Consolidated Statement of Profit and Loss.

2.14 Borrowing cost

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalised until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All the other borrowing costs are recognised in the Consolidated Statement of Profit and Loss within Finance costs of the period in which they are incurred.

2.15 Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker (CODM), in deciding how to allocate resources and assessing performance. The Group's CODM is the CEO.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.16 Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current and deferred taxes are recognised in Consolidated Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.17 Accounting of provisions, contingent liabilities and contingent assets

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Group, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognised in the consolidated financial statements unless an inflow of economic benefits is probable.

2.18 Dividend to equity shareholders

Dividends paid (including income tax thereon) is recognized in the period in which the interim dividends are approved by the Board of Directors, or

in respect of the final dividend when approved by shareholders in the general meeting.

2.19 Earnings per share (EPS)

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Group by the weighted average number of Ordinary equity shares outstanding during the year.

Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

2.20 Use of estimates and judgement

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Judgements consolidated In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimates, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry- forwards can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non- financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Inventories

Management estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

Biological Assets

Management estimates the fair value less costs to sell of biological assets, taking into account the most reliable evidence available at each reporting date. The future realization of these biological assets may be affected by their survival rate, age and / or other market-driven changes that may reduce the future economic benefits associated with such assets. The fair value is arrived at based on the observable market prices of biological assets adjusted for cost to sells, as applicable.

Defined Benefit Obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as attrition rate, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analyzed in Note 40).

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain assets.

Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non- financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

3 Property, plant and equipment and Capital work in progress

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Property, plant and equipment ("PPE")	
Freehold land	525.50
Building	2,872.62
Plant and equipment	3,150.62
Furniture and fixtures	51.18
Vehicles	166.16
Office equipment	83.99
Computers	23.90
	6,873.97
Capital work in progress	62.70

(All amounts are in ₹ lakhs)

Particulars	Freehold land	Building	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total PPE	Capital work in progress
As at Apr 01, 2019	525.50	3,347.59	4,859.65	114.07	235.21	115.50	91.71	9,289.23	85.70
Additions	-	142.15	188.41	13.08	14.78	29.90	9.36	397.68	307.55
Disposals	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	(330.55)
As at Mar 31, 2020	525.50	3,489.74	5,048.06	127.15	249.99	145.40	101.07	9,686.91	62.70
Depreciation and Impairment									
As at Apr 01, 2019	-	467.82	1,442.64	69.57	55.11	37.66	64.29	2,137.09	-
Depreciation charge for the year	-	149.30	454.80	6.40	28.72	23.75	12.88	675.85	-
Disposals	-	-	-	-	-	-	-	-	-
As at Mar 31, 2020	-	617.12	1,897.44	75.97	83.83	61.41	77.17	2,812.94	-
Carrying Amount									
As at Apr 01, 2019	525.50	2,879.77	3,417.01	44.50	180.10	77.84	27.42	7,152.14	85.70
As at Mar 31, 2020	525.50	2,872.62	3,150.62	51.18	166.16	83.99	23.90	6,873.97	62.70

- i. The amount of revenue expenditure recognised in the carrying amount of Property, Plant and Equipment is ₹ Nil for the year ended Mar 31, 2020.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

4. Right of use assets and Lease Liabilities

Right of use (ROU) assets :

Following are the changes in the carrying value of right of use assets for the year ended Mar 31, 2020:

(All amounts are in ₹ lakhs)

Particulars	Category of ROU asset Buildings
Cost :	
As at Apr 1, 2019	-
Effect of transition to Ind AS 116	22.03
Additions	-
Disposal	-
As at Mar 31, 2020	22.03
Depreciation and Impairment	
As at Apr 1, 2019	-
Depreciation charge for the year	18.88
As at Mar 31, 2020	18.88
Carrying amount as at Apr 01, 2019	-
Carrying amount as at Mar 31, 2020	3.15

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

Lease Liabilities :

The following is the break-up of current and non-current lease liabilities as at Mar 31, 2020 :

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Current lease liabilities	3.92
Non-current lease liabilities	-

The following is the movement in lease liabilities during the three months and year ended Mar 31, 2020:

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Cost :	
As at Apr 1, 2019	-
Effect of transition to Ind AS 116	26.17
Additions	-
Disposal	-
As at Mar 31, 2020	26.17
Finance cost accrued during the period	1.53
Payment of lease liabilities	23.78
Carrying amount as at Apr 01, 2019	-
Carrying amount as at Mar 31, 2020	3.92

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Transition :

Effective from Apr 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on Apr 1, 2019 using the "modified retrospective method" and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Group's incremental borrowing rate at the date of initial application.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹ 22.02 Lakhs, and a lease liability of ₹ 26.17 Lakhs. The cumulative effect of applying the standard, amounting to ₹ 2.70 Lakhs was debited to retained earnings, net of taxes of ₹ 1.45 Lakhs. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments. The following is the summary of practical expedients elected on initial application:

1. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
2. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
3. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17

The weighted average incremental borrowing rate applied to lease liabilities as at Apr 1, 2019 is 9.50%

The table below provides details regarding the contractual maturities of net investment in ROU asset as at Mar 31, 2020 on an undiscounted basis:

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	
	Within 1 Year	1-5 Years
Non-Cancellable Lease payable	3.92	-
Non-Cancellable operating lease receivable	285.46	394.78

The Group is obligated under cancellable and non-cancellable leases for office premises, warehouses, etc. Total rental expense under operating lease for the year ended Mar 31, 2020 amounted to ₹ 63.26 Lakhs

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

5 Intangible assets

(All amounts are in ₹ lakhs)

Carrying Amount	As at Mar 31, 2020
Intangible asset	
Computer Software	124.82

(All amounts are in ₹ lakhs)

Particulars	Computer Software
Cost or Deemed Cost	
As at Apr 01, 2019	198.82
Additions	-
As at Mar 31, 2020	198.82
Amortisation and Impairment	
As at Apr 01, 2019	54.54
Amortisation charge for the year	19.46
As at Mar 31, 2020	74.00
Carrying Amount	
As at Apr 1, 2019	144.28
As at Mar 31, 2020	124.82

6 Goodwill on consolidation

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
As at Apr 01, 2019	-
Gross carrying amount of Goodwill on consolidation	4.70
Carrying amount as at Mar 31, 2020	4.70
Accumulated amortisation and impairment	
As at Apr 01, 2019	-
Impairment charge for the year ended Mar 31, 2020	(4.70)
As at Mar 31, 2020	(4.70)
Closing net carrying amount as at Mar 31, 2020	-

7 Other financial assets

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
A. Non Current	
Earmarked balances:	
Deposits with original maturity of more than twelve months (Refer note below)	1.00
Total	1.00
B. Current	
Interest accrued on deposits	10.56
Total	10.56

Note:

Fixed Deposit of ₹1.00 Lakh is deposited against locker rent.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

8 Deferred tax assets / liabilities (net)

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Deferred tax assets	518.13
Deferred tax liabilities	(402.74)
Total	115.39

(All amounts are in ₹ lakhs)

Particulars	As at Apr 01, 2019	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Recognised in Other Equity	As at Mar 31, 2020
A. Deferred tax assets					
Allowances for doubtful debts	341.26	40.62	-	-	381.88
Allowances for doubtful advances	62.08	(17.36)	-	-	44.72
Provision for gratuity and compensated absences	82.47	(19.28)	6.26	-	69.45
Provision for Inventory	2.94	4.18	-	-	7.12
Expenditures falling under section 43B of Income Tax Act, 1961	65.74	(50.98)	-	-	14.76
Difference between Lease liabilities and Right of Use Assets	-	(1.25)	-	1.45	0.20
	554.49	(44.07)	6.26	1.45	518.13
B. Deferred tax liabilities					
Difference between book balance and tax balance of property, plant and equipment	525.46	(141.79)	-	-	383.67
Others	14.71	4.36	-	-	19.07
	540.17	(137.43)	-	-	402.74
Net deferred tax (liabilities)/ assets (A-B)	14.32	93.36	6.26	1.45	115.39

9 Non-current tax asset (net)

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Advance income tax (including tax deducted at source)	
[Net of Provision ₹6,547.06 Lakhs]	85.96
Total	85.96

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

10 Other assets

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
A. Non Current (Unsecured)	
Capital Advances	22.55
Security Deposits with government authorities	118.93
Less: Provision for doubtful deposits	(50.24)
	68.69
Security Deposits with others	145.60
Less: Provision for doubtful deposits	(2.96)
	142.64
Deferred rent receivable	21.94
Total	255.82
B. Current (Unsecured)	
Advance to suppliers	284.99
Less: Provision for doubtful advances	(124.47)
	160.52
Balance lying with Government Authorities	29.74
Prepaid expenses	84.75
Employee advances	13.17
Rental Deposit	5.25
Total	293.43

11 Biological assets

(All amounts are in ₹ lakhs)

Particulars	Fair Value Input	As at Mar 31, 2020
Brood Stock	Level 1	21.79
Post Larvae (including valuation of Zoea and Mysis)	Level 2	-
Total		21.79

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
As at Apr 01, 2019	43.75
Increase due to purchases / production / physical change	527.17
Decrease due to harvest / physical change	(549.13)
Total	21.79

Note : Details and fair valuation of Biological Assets

Biological assets of the Group are in the nature of Consumable Biological Assets. It is bifurcated into Brood Stock, i.e. the Parents and harvested species which undergo biological transformation under different stages as Nauplii, Zoea, Mysis and Post Larvae. The Group sells the biological assets at Nauplii and Post Larvae Stages. The Brood Stock has a maximum useful life of 5 months for laying eggs. and thereafter these are scrapped.

Biological Assets is measured at fair value less costs to sell, with any change recognised in the Statement of Profit and Loss. Costs to sell are the incremental costs directly attributable to the disposal of biological asset, excluding finance costs and income taxes. Costs to sell include all costs that would be necessary to sell the assets, including direct selling costs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

The transmission phase from Nauplii to Zoea and Mysis are not considered as significant transformation of biological asset and hence Zoea and Mysis are not valued as per Ind AS - 41.

The fair value of biological assets is based on its market condition as on the reporting date. The quoted price in the market is the appropriate basis for determining the fair value of these biological assets.

In the event that market determined prices or values are not available for biological assets in its present condition we use the present value of the expected net cashflows from the asset discounted at a current market determined rate in determining fair value.

Fair Value Inputs are summarised as follows:

Level 1 Price Inputs - are quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 Price Inputs - are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly

(i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 Price Inputs - are inputs for the asset or liability that are not based on observable market data (unobservable inputs).

12 Inventories

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
(Lower of Cost and Net Realisable Value)	
Raw materials	5,006.37
Work-in-progress	205.02
Finished goods	399.29
Stock-in-trade (Traded goods)	59.26
Stores and spares	571.47
Total	6,241.41
Stock-in-transit: included in :	
Raw Material	-
Finished goods	-

Notes:

- Entire inventory has been hypothecated as security against bank borrowings of the Group as at Mar 31, 2020 respectively (refer note 17 and 18). Refer 2.6 of the significant accounting policies for method of valuation.
- The cost of inventories recognised as an expense during the year is ₹ 25,030.05 Lakhs
- The cost of inventories recognised as an expense includes ₹11.70 Lakhs in respect of write-down of inventory on account of obsolescence / adjustments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

13 Trade receivables

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Trade receivables (Secured)	
Considered good	1,721.25
	1,721.25
Trade receivables (Unsecured)	
Considered good	5,718.10
Considered doubtful	1,517.32
	7,235.42
Less: Allowance for credit loss	(1,517.32)
Total	7,439.35

- (i) No trade receivable are due from directors or other officers of the Group either severally or jointly with any other person. While the trade receivable due from firms or private companies respectively in which any director is a partner, a director or a member is ₹ Nil.
- (ii) There are 3 major customers having significant balances, i.e. exceeding 5% of the total trade receivables as at Mar 31, 2020 amounting to ₹ 1,533.42 Lakhs.
- (iii) Refer Note 41 for information about credit risk and market risk of trade receivables.
- (iv) Trade receivables are generally on terms of 0 to 100 days based upon the credit worthiness of the customers.
- (v) Trade receivables are further analysed as follows:

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020		
	Gross credit risk	Expected credit loss allowance	Net credit risk
Amounts not yet due	3,041.61	7.60	3,034.01
Between one to six months overdue	2,038.87	9.46	2,029.41
Between six to twelve months overdue	1,104.29	382.97	721.32
Between one to two years overdue	2,007.57	764.87	1,242.70
Greater than two years overdue	764.33	352.42	411.91
	8,956.67	1,517.32	7,439.35

- (vi) Expected credit loss model

In determining the allowances for credit losses of trade receivables, the Group has used the way of determining the profile of each customer after considering the credit worthiness of them. The provision has been made based upon expected credit loss on the basis of past trend.

- (vii) Movement in the Allowances for Doubtful trade receivables (expected credit loss allowance):

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Balance at beginning of the year	976.60
Movement in expected credit loss allowance on trade receivables	
Add: Provision for the current year	540.72
Balance at end of the year	1,517.32

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

14 Cash and cash equivalents

Particulars	As at Mar 31, 2020
Cash in hand	10.70
Balances with banks:	
In current accounts	39.65
Deposits with original maturity of less than three months	1,500.00
Total	1,550.35

14A For Statement of Cash flow, cash and cash equivalents comprise of the following:

Particulars	As at Mar 31, 2020
Cash in hand	10.70
Balances with banks:	
In current accounts	39.65
Deposits with original maturity of less than three months	1,500.00
Less: Bank Overdraft and Cash Credit Facilities (Refer note 20)	418.35
Total	1,132.00

15 Other balances with bank

Particulars	As at Mar 31, 2020
Earmarked balances:	
Unclaimed dividend account	130.19
Balances with banks:	
Deposits with original maturity of more than 3 months but less than 12 months (Refer note (a) below)	593.47
Total	723.66

Notes:

(a) Fixed Deposit of ₹ 431.47 Lakhs are pledged against bank guarantees (Refer Note 35(c)).

16 Equity share capital

a. Authorised share capital

Particulars	Equity Share		Preference Share	
	Nos.	Amount	Nos.	Amount
As at Mar 31, 2019	6,00,00,000	6,000.00	5,00,000	500.00
As at Mar 31, 2020	6,00,00,000	6,000.00	5,00,000	500.00

Terms and rights attached to equity shares:

The Group has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

b. Issued, Subscribed and Paid Up Equity Share Capital

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	
	Nos.	Amount
At the beginning of the year	4,14,26,779	4,142.68
Movement during the year	-	-
At the end of the year	4,14,26,779	4,142.68

c. Shares held by holding company

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	
	Nos.	Amount
Nav Srijit Shakthi Telangana Private Limited	2,19,34,545	2,193.45

d. Details of shareholders holding more than 5% shares in the company

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	
	Nos.	% of holding
Nav Srijit Shakthi Telangana Private Limited	2,19,34,545	52.95%
Karam Chand Thapar & Bros. (Coal Sales) Limited	32,41,719	7.83%
KCT Management Services Private Limited	22,29,030	5.38%

e. Aggregate Number of Shares allotted as fully paid-up pursuant to a Scheme of Amalgamation without payment being received in cash during the five years immediately preceding the Balance Sheet date

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	As at Mar 31, 2019	As at Mar 31, 2018	As at Mar 31, 2017	As at Mar 31, 2016
Issued, Subscribed and Fully Paid-Up Equity Shares of ₹ 10 each					
Number of Shares	28,23,529	28,23,529	28,23,529	-	-

17 Other Equity

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Securities premium	1,473.49
Capital reserve	1,026.10
General reserve	1,315.07
Retained earnings	10,426.29
Total	14,240.95

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

a. Securities premium

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Opening Balance	1,473.49
Movement during the year	-
Closing Balance	1,473.49

b. Capital reserve

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Opening Balance	1,026.10
Movement during the year	-
Closing Balance	1,026.10

c. General reserve

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Opening Balance	1,315.07
Movement during the year	-
Closing Balance	1,315.07

d. Retained earnings

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Opening Balance	9,347.69
Profit for the year	1,849.06
Effect on transition to Ind AS - 116 : Leases (net of tax)	(2.70)
Other Comprehensive Income for the year (net of tax)	(18.63)
Payment of final dividend	(621.40)
Payment of dividend distribution tax on above	(127.73)
Closing Balance	10,426.29

The Board of Directors has recommended a final dividend of ₹Nil per equity share for the financial year ended Mar 31, 2020

Notes:

(i) Securities premium :

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the "Companies Act").

(ii) Capital reserve

Capital reserve represents a resource created by accumulated capital surplus and remain invested in the business for set off against any capital expenditure. This will not be distributed as dividends. The Company recognizes profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

(iii) General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(iv) Retained earnings

Retained earnings comprises of the Company's undistributed earnings after taxes.. Such appropriations are free in nature.

18 Non Current Borrowings

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	
	Non-current	Current maturities of long term debt
Term loans- at amortised cost		
From banks (Secured)		
Yes Bank Ltd.	513.64	274.32
From banks (Secured)		
Car loans	13.09	22.83
Total	526.73	297.15

Notes:

- (i) Details of terms of repayment for the non-current borrowings and security provided in respect of the secured non-current borrowings:

(All amounts are in ₹ lakhs)

Particulars	Terms of repayment and security	As at Mar 31, 2020
Term loans from banks:		
i) ICICI Bank Ltd	Secured by : Subservient charge on all moveable property, plant and equipment of the borrower both present and future Interest rate as on Mar 31, 2020 : 10.25% Terms of repayment: 20 equal quarterly instalments commencing from Sep 30, 2015.	5.00
ii) Yes Bank Ltd	Secured by : Subservient charge on all moveable property, plant and equipment of the borrower both present and future Interest rate as on Mar 31, 2020 : 10.75% Terms of repayment: 20 equal quarterly instalments commencing from Sep 30, 2015.	12.50
iii) Yes Bank Ltd	Secured by : Exclusive charge on all moveable and immovable property, plant and equipment of the Hatchery Project both present and future Interest rate as on Mar 31, 2020 : 9.60% Terms of repayment: 16 equal quarterly instalments after a moratorium period of 12 months from date of first disbursement	770.46
iv) Car Loans	Terms of repayment: Various; Each repayable in 48 equated instalments.	35.92
Total		823.88

- (ii) For the current maturities of long-term borrowings, refer Note 22 Other financial liabilities

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

19 Provisions

Particulars	As at Mar 31, 2020
A. Non-current	
Provision for employee benefits:	
Gratuity [Refer note 40]	166.88
Compensated absences [Refer note 40]	101.40
Total	268.28
B. Current	
Provision for employee benefits:	
Compensated absences [Refer note 40]	7.68
Provident fund	2.62
Provision for Statutory authorities:	
Customs duty [Refer note below]	25.00
Total	35.30

Note:

Represents Customs duty provision made for expected demand to be received from the department for short assessment and short payment of custom duty on imports made by the Group during the year 2018-19. Outflow of the same is expected within next 12 months.

20 Current Borrowings

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Loans repayable on demand (Secured)	
From banks - Cash Credit Facilities	418.35
Total	418.35

Nature of security provided:

Borrowings are secured by hypothecation of present and future stock of raw materials, work in progress, finished goods, stores and spares. Equitable mortgage over the factory land and building of the Group at Nellore and charge over property, plant and equipment of the Group, excluding vehicles.

21 Trade payables

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Trade payables to micro enterprises and small enterprises	17.39
Sub Total (A)	17.39
Trade payables other than micro enterprises and small enterprises	
Related Party	172.37
Others	1,853.69
Sub Total (B)	2,026.06
Total (A + B)	2,043.45

Notes:

- (i) Refer Note 41 for information on Liquidity risk and market risk of Trade Payables.
- (ii) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
(a) Principal amount remaining unpaid as at the end of the year	17.39
(b) Interest due thereon remaining unpaid as at the end of the year	7.15
(c) The amount of interest due and payable for the year	0.19
(d) The amount of interest accrued and remaining unpaid at the end of the year	7.34

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

22 Other financial liabilities

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Non - Current	
Security deposits	179.46
Sub total (A)	179.46
Current	
Liabilities for expenses	1,058.89
Current maturities of long term debt	297.15
Payable to employees	253.77
Interest Payable	14.46
Unclaimed dividend	130.19
Creditors for capital works	50.65
Total (A)	1,805.11
Total (A+B)	1,984.57

There are no amounts due for transfer to the Investor Education and Protection fund under Section 125 of The Companies Act, 2013 as at the year end.

23 Other liabilities

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Non - Current	
Pre - received rent	17.47
Sub total (A)	17.47
Current	
Statutory remittances	55.07
Advances from customers	44.62
Pre - received rent	21.97
Sub total (B)	121.66
Total (A+B)	139.13

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

24 Revenue from operations

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
Revenue from operations	
(a) Manufactured #	31,081.53
(b) Traded	706.16
Revenue from services	
(a) Rental income	244.80
Other operating revenues	
(a) Export incentives	49.29
(b) Scrap sales	77.16
(c) Others	84.28
Total	32,243.22

Revenue from manufactured goods includes export sales outside India made by the Group amounting to ₹ 528.70 Lakhs.

25 Other Income

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
Interest Income	
(a) On deposits carried at amortised cost	38.90
(B) Others	10.30
Dividend income - from current investment	25.54
Liability no longer required written back	6.86
Bad debts recovery	153.82
Others	1.80
Total	237.22

26 Cost of materials consumed

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
Opening stock	5,446.68
Add: Purchases	19,903.31
	25,349.99
Less: Closing stock	5,006.37
Total consumption of raw materials	20,343.62
Total	20,343.62

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
Details of materials consumed	
Soya	6,969.80
Fish meal	5,389.48
Raw and processed shrimps	545.63
Other materials	7,438.71
Total	20,343.62

27 Purchase of stock-in-trade

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
Shrimp feeds, processed crabs and others	220.31
Total	220.31

28 Changes in inventories of finished goods, work in progress, stock in trade and biological assets

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
Inventories at the end of the year :	
(a) Finished goods	399.29
(b) Work-in-progress	205.02
(c) Stock-in-trade	59.26
(d) Biological assets	21.79
	685.36
Inventories at the beginning of the year :	
(a) Finished goods	2,643.80
(b) Work-in-progress	73.21
(c) Stock-in-trade	63.79
(d) Biological assets	43.75
	2,824.55
Decrease in Inventories	2,139.19

29 Employee benefits expense

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
Salaries, wages and bonus	1,957.49
Contribution to provident, gratuity and other funds [Refer note 40]	7.85
Staff welfare expenses	147.03
Total	2,112.37

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note:

Contribution to provident, gratuity and other fund of the previous year includes ₹ 134.18 Lakhs of provision made against provident fund liability payable based upon supreme court ruling dated Feb 28, 2019 in this regard for the year ended Mar 31, 2019 and ₹131.56 lakhs has been reversed in Current year as there was no specific demand for the provident fund based on the supreme court ruling.

30 Finance costs

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
Interest on borrowings:	
(i) Term Loans	126.62
(ii) Cash credit and working capital demand loan	53.47
(iii) Car Loans	3.77
Interest on others	18.73
Other borrowing costs	57.90
Interest on Lease liabilities	1.53
Total	262.02

31 Depreciation and amortisation expenses

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
Depreciation on Property, plant and equipment (Refer note 3)	675.85
Depreciation on Right of Use Asset (Refer note 4)	18.88
Amortization on Intangible assets (Refer note 5)	19.46
Total	714.19

32 Other expenses

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
Consumption of stores and spares	481.91
Power and fuel	486.33
Rent (Refer note 4)	63.27
Processing charges	15.25
Repairs and maintenance:	
Plant and machinery	73.04
Buildings	23.84
Others	137.35
Vehicle maintenance	14.38
Contract labour	300.00
Security charges	81.95
Insurance	48.35
Rates and taxes	35.14
Freight outward	142.82
Selling expenses	176.56

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
Payment discount	423.72
Professional charges	437.07
Secretarial expenses	39.76
Travelling expenses	364.69
Business communication expenses	22.03
Auditors' remuneration (excluding indirect tax):	
(i) As auditors - audit fees	13.00
(ii) For other services	
(a) Tax audit fees	1.50
(b) Limited Review and Other Services	8.00
(iii) For reimbursement of expenses	0.33
Corporate social responsibility expenses [Refer note 37]	82.79
Directors' commission	-
Directors' sitting fees	8.85
Net loss on foreign currency transactions	5.77
Bad Debts written off	0.47
Allowances for doubtful debts and advances (net)	540.72
Inventory written off	11.70
Provision for Inventory	19.88
Impairment of Goodwill on consolidation (refer note 6)	4.70
Miscellaneous expenses	139.80
Total	4,204.97

33 Tax expenses

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
a. Income tax recognised in consolidated Statement of Profit and Loss	
Current tax	
In respect of current year	728.07
	728.07
b. Deferred tax recognised in consolidated Statement of Profit and Loss	
Deferred tax	
In respect of current year	(93.36)
	(93.36)
Total	634.71

Note: Reconciliation of the accounting profit to the income tax expense for the year is summarised below:

The new section - Section 115BAA has been inserted in the Income Tax Act, 1961 to give the benefit of a reduced corporate tax rate for the domestic companies. Section 115BAA states that domestic companies have the option to pay tax at a rate of 22% from the FY 2019-20 (AY 2020-21) onwards if such domestic companies adhere to certain conditions specified.

On satisfying the specified conditions in Section 115BAA the Group adopted the lower rate of 22% (effective tax rate of 25.168%) due to which the tax for the current year is reduced to the extent of ₹ 291.50 lakhs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
Profit before tax	2,483.77
Income tax expense calculated at 25.168%	625.12
Effect of income exempt from taxation	(6.43)
Effect of losses of subsidiary not subject to tax	0.03
Effect of impairment of goodwill on consolidation not subject to tax	1.18
Effect of expenses that are not deductible in determining taxable profit	10.42
Effect of rate difference in opening and closing deferred tax	4.00
Others	0.39
Total	634.71

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
c. Income tax recognised in other comprehensive income	
Deferred tax	
Arising on remeasurement gain on defined benefit plans	(6.26)
Total	(6.26)

34 Earnings per share(EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(All amounts are in ₹ lakhs)

Particulars	For the year ended Mar 31, 2020
Profit after tax	1,849.06
Weighted Average Number of Equity Shares for Basis EPS *	4,14,26,779
Weighted Average Number of Equity Shares for Diluted EPS *	4,14,26,779
Face Value of Share (₹)	10
Earnings Per Share - Basic (₹)	4.46
Earnings Per Share - Diluted (₹)	4.46

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

35 Contingent Liabilities

The Group is involved in a number of judicial, appellate and arbitration proceedings (including those described below) concerning matters arising in the course of conduct of the Group's businesses. A summary of claims asserted on the Group in respect of these cases have been summarised below.

a. Tax contingencies

Amounts in respect of claims asserted by various revenue authorities on the Group, in respect of taxes, which are in dispute, have been tabulated below:

(All amounts are in ₹ lakhs)

Nature of Tax	As at Mar 31, 2020
Custom duty	535.36
Excise duty	57.58
Service tax	2.99
Sales tax	2.38
Income tax	15.37

The management believes that the claims made are untenable and is contesting them. As of the reporting date, the management is unable to determine the ultimate outcome of above matters. However, in the event the revenue authorities succeed with enforcement of their assessments, the Group may be required to pay some or all of the asserted claims and the consequential interest and penalties, which would reduce net income and could have a material adverse effect on net income in the respective reported period.

b. Amount in respect of other Claims

(All amounts are in ₹ lakhs)

Nature of Claim	As at Mar 31, 2020
Claims related to contractual disputes	79.66

Management is generally unable to reasonably estimate a range of possible loss for proceedings or disputes other than those included in the estimate above, including where:

- plaintiffs/parties have not claimed an amount of money damages, unless management can otherwise determine an appropriate amount;
- the proceedings are in early stages;
- there is uncertainty as to the outcome of pending appeals or motions or negotiations; and/or
- there are significant factual issues to be resolved.

However, in respect of the above matters, management does not believe, based on currently available information, that the outcomes of the litigation, will have a material adverse effect on the Group's financial condition, though the outcomes could be material to the Group's operating results for any particular period, depending, in part, upon the operating results for such period.

c. Financial Guarantee

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Bank Guarantee to Commissioner of Customs (India), US Customs & Border Protection	240.06

For Local bank guarantee 100% and for Foreign bank guarantee 125% of the guarantee value is maintained as a fixed deposits with banks.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- d. In respect of the Contingent Liabilities mentioned in Note 35.a and 35.b above, pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any. In respect of matters mentioned in Note 35.c above, the cash outflows, if any, could generally occur during the validity period of the respective guarantees in the event of default, if any, by the concerned beneficiaries. The Group does not expect any reimbursements in respect of the above contingent liabilities.

36 Commitments

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Estimated amount of contracts remaining to be executed on Capital Account and not provided for [Net of advances ₹ 22.55 Lakhs]	19.26
Export obligation under EPCG Scheme to be fulfilled. The Group is confident of meeting its obligation under the Schemes within the stipulated period	156.17

37 Details of Corporate Social Responsibility expenditure

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Gross amount required to be spent by the Group during the year	82.79
Amount spent during the year	
On purposes other than Construction / acquisition of any asset	82.79

38 Segment information

The Group principally engaged in a single business segment viz., Shrimp Aquaculture Manufacturing and Trading. The financial performance relating to this single business segment is evaluated regularly by the Chief Executive Officer (Chief Operating Decision Maker). Sale outside India is below the reportable threshold limit, thus geographical segment information is not given.

39 Related Party Disclosures

S.No.	Name of the Related Party	Relationship
1	Nav Srijit Shakti Telangana Private Limited	Holding Company
2	Indian City Properties Limited	Entity under significant influence
3	Karam Chand Thapar & Bros. (Coal Sales) Limited	Entity under significant influence
4	KCT Management Services Private Limited	Entity under significant influence
5	Avitech Nutrition Private Limited	Entity under significant influence
6	Handy Waterbase India Private Limited	Entity under significant influence
7	Mr. Vikramaditya Mohan Thapar	Non-Executive Director and Chairman
8	Mrs. Jyoti Thapar	Non-Executive Director (till Feb 05, 2020)
9	Mrs. Shashikala venkatraman	Non-Executive Independent Director (from Nov 14, 2019)
10	Mr. Varun Aditya Thapar	Non-Executive Director
11	Mr. Rahul Kapur	Non-Executive Independent Director
12	Mr. Anil Kumar Bhandari	Independent Director (Re-appointed w.e.f. May 15, 2019)
13	Mr. Ranjit Mehta	Independent Director (Re-appointed w.e.f. May 15, 2019)
14	Mr. Ramakanth V Akula	Chief Executive Officer
15	Mr. R. Sureshkumar	Chief Financial Officer
16	Mr. R.Achuthan	Company Secretary
17	Ms. Nitasha Thapar	Relative of Non-Executive Director
18	Ms. Ayesha Thapar	Relative of Non-Executive Director

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

S.No.	Name of the Related Party	Relationship
19	KCT Group trust	KMP having significant influence
20	TWL Employees Gratuity Trust	KMP having significant influence
21	KCT Group trust	KMP having significant influence
22	TWL Employees Gratuity Trust	KMP having significant influence

Transactions during the year

(All amounts are in ₹ lakhs)

Particulars	Name of the Company	As at Mar 31, 2020
Purchase of Goods	Avitech Nutrition Private Limited	439.06
	Handy Waterbase India Private Limited	26.55
Service Provided	Karam Chand Thapar & Bros. (Coal Sales) Limited	8.43
Service Received	Karam Chand Thapar & Bros. (Coal Sales) Limited	25.42
	KCT Management Services Private Limited	9.25
	Indian City Properties Limited	0.09
Purchase of investments	KCT Management Services Private Limited	5.50
Dividend Paid	Karam Chand Thapar & Bros. (Coal Sales) Limited	48.63
	KCT Management Services Private Limited	33.44
	Nav Srijit Shakti Telangana Private Limited	329.02
	Mr. Varun Aditya Thapar	2.55
	Mrs. Jyoti Thapar	1.10
	Mr. Vikramaditya Mohan Thapar	0.81
	Ms. Nitasha Thapar	0.78
	Ms. Ayesha Thapar	0.78
Rent Paid	Karam Chand Thapar & Bros. (Coal Sales) Limited	23.79
Payments towards CSR	KCT Group trust	82.79
Remuneration	Mr. Ramakanth V Akula	219.20
	Mr. R. Suresh Kumar	72.54
	Mr. R. Achuthan	20.93
Directors' Sitting Fees	Mr. Vikramaditya Mohan Thapar	0.65
	Mrs. Jyoti Thapar	0.25
	Mr. Varun Aditya Thapar	2.00
	Mr. Rahul Kapur	1.60
	Mr. Anil Kumar Bhandari	2.00
	Mr. Ranjit Mehta	1.60
	Mrs. Shashikala venkatraman	0.75

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Balances as at the end of the year

(All amounts are in ₹ lakhs)

Particulars	Name of the Company	As at Mar 31, 2020
Trade Payables	Karam Chand Thapar & Bros. (Coal Sales) Limited	6.87
	Handy Waterbase India Private Limited	0.67
	Avitech Nutrition Private Limited	164.60
	Indian City Properties Limited	0.23

Terms and conditions of transactions with related parties

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided for any related party payables.

The remuneration of key management personnel during the year was as follows:

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Short-term benefits	301.16
Post-employment benefits #	11.51
Other long-term benefits	-

As the liabilities for gratuity and compensated absences are provided on actuarial basis for the Group as a whole, the amounts pertaining to KMP are not included.

40 Employee benefit plans

Defined contribution plans

The Group participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the year by them at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior month's contributions that were not due to be paid until after the end of the reporting period.

The Group contributes to employee state insurance funds for eligible employees covered under Employee State Insurance Act, 1948 and other labour welfare funds and has recognised, in the Consolidated Statement of Profit and Loss for the year ended Mar 31, 2020, an amount of ₹4.60 Lakhs as expenses under the said defined contribution plans.

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Contribution to Employee State Insurance Fund	4.54
Contribution to other Labour welfare Fund	0.06

Provident Fund

In accordance with Indian law, eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary).

Provident Fund contributions in respect of employees other than those covered under Government administered Provident Fund are made to Trust administered by the Group and such Trust invests funds following a pattern of investments prescribed by the Government. Both the employer and employee contribute to this Fund and such contributions together with interest accumulated thereon are payable to employees at the time of their separation from the Group or retirement, whichever is earlier. The benefit vests immediately on rendering of services by the employee. The interest rate payable to the members of the Trust is not lower than the rate of interest declared annually by the Government under the Employees' Provident Funds

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Group. During the year, the Group has recognised ₹89.16 Lakhs as contribution in the Consolidated Statement of Profit and Loss A/c. "

In addition to that Group has taken a provision of ₹ 134.18 Lakhs based on the Supreme Court ruling dated Feb 28, 2019 out of which ₹ 131.56 Lakhs was reversed during the year (Refer note 29).

The Group offers the following employee benefit schemes to its employees:

Defined benefit plans

- i. Gratuity

Other long term employee benefits

- i. Compensated absences

The following table sets out the funded status of the defined benefit plans and unfunded status other long term benefits and the amount recognised in the consolidated financial statements:

Particulars	(All amounts are in ₹ lakhs)	
	As at Mar 31, 2020	
	Gratuity	Compensated absences
	Funded	Unfunded
Components of employer expense		
Current service cost	36.97	-
Past service cost	-	-
Interest cost	17.00	6.83
Expected return on plan assets	(8.32)	-
Curtailement cost / (credit)	-	-
Settlement cost / (credit)	-	-
Past service cost	-	-
Total expense / (income) recognised in the Statement of Profit and Loss (A)	45.65	34.07
Actuarial losses / (gains)		
Return on Plan Assets (excluding interest income)	1.92	-
Actuarial losses / (gains) arising from changes in demographic assumptions	-	-
Actuarial losses / (gains) arising from changes in financial assumptions	1.87	(0.04)
Actuarial losses / (gains) arising from changes in experience adjustments	21.10	27.28
Total expense / (income) recognised in the Consolidated Other Comprehensive Income (B)	24.89	-
Total expense recognised in the Consolidated Total Comprehensive Income (A+B)	70.54	34.07
Net asset / (liability) recognised in the Consolidated Balance Sheet		
Actual benefit payments	24.68	29.63
Actual contributions	35.06	29.63
Net asset / (liability) recognised in the Consolidated Balance Sheet		
Present value of defined benefit obligation	287.46	109.07
Fair value of plan assets	120.58	-
Status [Surplus / (Deficit)]	(166.88)	(109.07)
Unrecognised past service costs		
Net liability recognised in the Balance Sheet	(166.88)	(109.07)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020	
	Gratuity	Compensated absences
	Funded	Unfunded
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	235.20	104.63
Current service cost	36.97	-
Past service cost	-	-
Interest cost	17.00	6.83
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Plan amendments	-	-
Acquisitions	-	-
Actuarial losses / (gains)	22.97	27.24
Past service cost		
Actuarial losses / (gains) arising from changes in demographic assumptions	-	-
Actuarial losses / (gains) arising from changes in financial assumptions	1.87	(0.04)
Actuarial losses / (gains) arising from changes in experience adjustments	21.10	27.28
Benefits paid	(24.68)	(29.63)
Present value of DBO at the end of the year	287.46	109.07
Change in fair value of assets during the year		
Plan assets at beginning of the year	103.80	-
Acquisition adjustment		-
Expected return on plan assets	8.32	-
Actual Group contributions	35.06	29.63
Actuarial gains	(1.92)	-
Benefits paid	(24.68)	(29.63)
Plan assets at the end of the year	120.58	-
Composition of the plan assets is as follows:		
Assets under scheme of insurance *	100%	NA
* in the absence of detailed information regarding plan assets which is funded with insurance companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.		
Actuarial assumptions		
Discount rate	6.65%	6.65%
Salary escalation	7.00%	7.00%
Mortality tables	LIC(2006-08) Ultimate	India Assured Lives Mortality (2006-08) Ultimate
Expected total benefit payments		
Year 1	4.75	7.93
Year 2	11.58	8.69
Year 3	7.70	8.46
Year 4	10.14	8.97
Year 5	10.15	9.36
More than 5 years	159.83	51.16

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Credit risk	If the scheme is insured and fully funded on projected unit credit basis there is a credit risk to the extent the insurer(s) is/ are unable to discharge their obligations including failure to discharge in timely manner.
Pay-as-you-go risk	For unfunded schemes financial planning could be difficult as the benefits payable will directly affect the revenue and this could be widely fluctuating from year to year. Moreover there may be an opportunity cost of better investment returns affecting adversely the cost of the scheme.
Discount rate risk	The Group is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase in the ultimate cost of providing the above benefit thereby increasing the value of the liability.
Liquidity risk	This risk arises from the short term asset and liability cash-flow mismatch thereby causing the Group being unable to pay the benefits as they fall due in the short term. Such a situation could be the result of holding large illiquid assets disregarding the results of cash-flow projections and cash outflow inflow mismatch. (or it could be due to insufficient assets/cash.)
Demographic risk	In the valuation of the liability certain demographic (mortality and attrition rates) assumptions are inherent. The Group is exposed to this risk to the extent of actual experience eventually being worse compared to that assumed thereby causing an increase in the scheme cost.
Regulatory risk	New Act/Regulations may come up in future which could increase the liability significantly.
Future salary increase risk	The scheme cost is very sensitive to the assumed future salary escalation rates for all final salary defined benefit schemes. If actual future salary escalations are higher than that assumed in the valuation actual scheme cost and hence the value of the liability will be higher than that estimated.

Sensitivity analysis

The increase / (decrease) of the defined benefit obligation to changes in the weighted principal assumptions are:

(All amounts are in ₹ lakhs)

Particulars	Gratuity	Compensated absences
	2019-20	2019-20
DBO at Mar 31 with discount rate -1.0 %	320.82	119.63
DBO at Mar 31 with discount rate +1.0 %	258.90	100.06
DBO at Mar 31 with -1% salary escalation	261.12	100.01
DBO at Mar 31 with +1% salary escalation	317.80	119.49
DBO at Mar 31 with -1% mortality escalation	287.44	109.07
DBO at Mar 31 with +1% mortality escalation	287.47	109.06
DBO at Mar 31 with -1% attrition escalation	287.69	109.10
DBO at Mar 31 with +1% attrition escalation	287.22	109.03

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

41 Financial Instruments

41.1 Capital Management

The Group's capital management objective is to maintain an optimal debt-equity structure so as to reduce the cost of capital, thereby enhancing returns to shareholders. The Group also has a policy of making judicious use of various available debt instruments within its overall working capital drawing limit. This interest arbitrage helps the Group to contain / reduce the cost of capital.

41.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Debt (A)	1,242.23
Cash and cash equivalents (B)	1,550.35
Net debt (A-B)	(308.12)
Total Equity (Equity + Net Debt)	18,383.63
Net debt to equity ratio (%)	-1.68%

41.2 Categories of financial instruments

The following table presents carrying amount and fair value of each category of financial assets and liabilities for the year ended :

(All amounts are in ₹ lakhs)

As at Mar 31, 2020	Amortised cost	Fair value through Statement of Profit and Loss	Total Carrying Value	Total Fair Value
Financial assets				
Trade receivables	7,439.35	-	7,439.35	7,439.35
Other financial assets	11.56	-	11.56	11.56
Cash and bank balances	2,274.01	-	2,274.01	2,274.01
Total financial assets	9,724.92	-	9,724.92	9,724.92
Financial liabilities				
Borrowings	945.08	-	945.08	945.08
Lease Liabilities	3.92	-	3.92	3.92
Trade payables	2,043.45	-	2,043.45	2,043.45
Other financial liabilities	1,984.57	-	1,984.57	1,984.57
Total financial liabilities	4,977.02	-	4,977.02	4,977.02
Total	4,747.90	-	4,747.90	4,747.90

Note :

- The short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.

41.3 Financial risk management objectives

The Group's principal financial liabilities comprises of loans and borrowings, trade and other payables, and other current liabilities. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has loans and receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

41.4 Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits.

41.5 Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of reporting period are as follows:

(All amounts are in ₹ lakhs)

Particulars	Liabilities	Assets
	As at Mar 31, 2020	As at Mar 31, 2020
USD	195.72	-

41.5.1 Foreign currency sensitivity analysis

The Group is mainly exposed to the currency US Dollar. This sensitivity analysis mentioned in the below table has been based on the composition of the Group's financial assets and liabilities exposed to foreign currency as at year end. A positive number below indicates an increase in profit where the INR strengthens 10% against the relevant currency. For a 10% weakening of the INR against the relevant currency, there would be a comparable impact on the profit and the balances below would be negative.

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Impact on profit / (loss) for the year	(19.57)

41.6 Interest rate risk management

The Group is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings contracts. The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

41.6.1 Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments (Borrowings) at the end of the reporting period. For floating rate liabilities, the analysis is prepared considering average amount outstanding at the end of each month. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's:

- profit before tax for the year ended Mar 31, 2020 would decrease/increase by ₹12.06 Lakhs This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

41.7 Credit risk management

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example trade receivables, placing deposits, investment in mutual funds etc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls. The Group's policy is to transact only with counterparties who are highly creditworthy which are assessed based on internal due diligence parameters.

In respect of trade receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents, fixed deposits and mutual funds are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Other financial assets mainly comprise of tender deposits and security deposits which are given to customers or other governmental agencies in relation to contracts executed and are assessed by the Group for credit risk on a continuous basis.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure of its counterparties are continuously monitored.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

Concentration of credit risk to any counterparty did not exceed 5% of gross monetary assets at any time during the year.

In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks. The Group's maximum exposure in this respect is the maximum amount the Group could have to pay if the guarantee is called on. As at Mar 31, 2020, bank guarantees amounts to ₹240.06 Lakhs has been considered in the consolidated balance sheet as contingent liabilities [refer note 35(c)].

41.7.1 Collateral held as security and other credit enhancements

The Group does not collect any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

41.8 Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

41.8.1 Liquidity risk tables

The following is an analysis of the Group's contractual undiscounted cash flows payable under financial liabilities as at Mar 31, 2020:

(All amounts are in ₹ lakhs)

As at Mar 31, 2020	Current Within 12 Months	Non-Current		Total
		1-5 Years	Later than 5 years	
Borrowings	715.50	526.73	-	1,242.23
Lease Liabilities	3.92	-	-	3.92
Trade and other payables	2,043.45	-	-	2,043.45
Other financial liabilities	1,687.42	-	-	1,687.42
Total	4,450.29	526.73	-	4,977.02

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

41.9 Financing facilities

(All amounts are in ₹ lakhs)

Particulars	As at Mar 31, 2020
Secured Term Loan Facility	
-amount used	1,386.57
-amount unused	413.43
Secured bank overdraft / cash credit facility / bill discounting	
-amount used	418.35
-amount unused	4,981.65
Secured letter of credit / bank guarantee / forward contracts	
-amount used	10.00
-amount unused	2,174.00

41.10 Fair value measurements

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

41.10.1 Fair value of the financial assets and liabilities that are not measured at fair value

The management consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

42 A. The subsidiary (which along with The Waterbase Limited, the parent, constitute the Group) considered in the preparation of these Consolidated Financial Statements are:

Name of the entity	Relationship	Country of Incorporation	Holding % as at Mar 31, 2020
Saatatya Vistaar Oorjaa Bangaluru Private Limited	Subsidiary	India	100%

B. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

For the year ended Mar 31, 2020

(All amounts are in ₹ lakhs)

Name of the entity	Net Assets		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount in ₹ Lakhs	As % of Consolidated Profit or (Loss) for the year	Amount in ₹ Lakhs	As % of Consolidated Other Comprehensive Income	Amount in ₹ Lakhs	As % of Consolidated Total Comprehensive Income	Amount in ₹ Lakhs
Parent Company								
The Waterbase Limited	100.03%	18,361.85	100.26%	1,827.28	100.00%	(18.63)	100.27%	1,808.65
Indian Subsidiaries								
Saatatya Vistaar Oorjaa Bangaluru Private Limited	0.00%	0.69	(0.01%)	(0.12)	0.00%	-	(0.01%)	(0.12)
Adjustment due to consolidation	(0.03%)	(5.50)	(0.00)	(4.70)	0.00%	-	(0.26%)	(4.70)
Total	100.00%	18,357.04	100.00%	1,822.46	100.00%	(18.63)	100.00%	1,803.83

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

43 Note on Impact of Covid-19

The Group continues to manufacture and supply Shrimp aquaculture products, being considered as essential items, in the current unprecedented COVID-19 pandemic. The outbreak of COVID-19 pandemic and the resulting lockdown across the world has affected the Group's operations for the quarter / year ended Mar 31, 2020. Accordingly, the Group has considered the possible effects that may result from the pandemic on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. The Group has evaluated its liquidity position, recoverability of such assets and based on current estimates expects the carrying amount of these assets will be recovered. The Group has estimated its liabilities in line with the current situation. The Group has considered internal and external information upto the date of approval of these consolidated financial results. The impact of COVID-19 on the Group's financial results may differ from that estimated as at the date of approval of these financial results. The Group will continue to closely monitor any material changes to future economic conditions. The impact on our future business would depend on future developments that cannot be reliably predicted at this stage.

44 This is the first year of preparation of consolidated financial statements, hence comparative figures for the previous year have not been presented.

45 Approval of Financial Statements

The consolidated financial statements were approved for issue by the Board of Directors on May 27, 2020.

For and on behalf of the Board of Directors

Sd/-
Varun Aditya Thapar
Director
DIN: 0002322660
Place: New Delhi

Sd/-
Anil Kumar Bhandari
Director
DIN: 31194
Place: Bangalore

Sd/-
R. Achuthan
Company Secretary
Place: Chennai
Date: May 27, 2020

Sd/-
Ramakanth V Akula
Chief Executive Officer

Sd/-
R. Sureshkumar
Chief Financial Officer

THE WATERBASE LIMITED

CIN: L05005AP1987PLC018436

Registered Office: Ananthapuram Village, T P Gudur Mandal, Nellore - 524 344, Andhra Pradesh, Phone: 9100018037**Corporate Office:** Thapar House, No. 37, Montieth Road, Egmore, Chennai - 600 008, Tamil Nadu, Phone: 044 4566 1700

Email: info@waterbaseindia.com, Website: www.waterbaseindia.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY THIRD ANNUAL GENERAL MEETING OF THE WATERBASE LIMITED WILL BE HELD AT 12 NOON ON 29TH SEPTEMBER 2020 THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS:

Ordinary Business:**1. Consideration of Financial Statements together with the reports of the Directors and Auditors thereon:**

To receive, consider and adopt :

- the Audited Standalone Financial Statements of the Company for the year ended 31st March 2020, together with the Report of the Directors' and the Report of the Auditors thereon.
- the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2020 together with the Report of the Directors' and the Report of the Auditors thereon.

2. Re-appointment of Mr. Varun Aditya Thapar who retires by rotation:

To appoint a Director in place of Mr. Varun Aditya Thapar (DIN: 02322660), who retires by rotation in accordance with section 152 of the Companies Act 2013 and being eligible, offers himself for re-appointment.

Special Business:**3. To approve appointment of Ms. Shashikala Venkatraman as Independent Director 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 the provisions of Section 152, 149 and all other applicable provisions of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendments thereto, Ms. Shashikala Venkatraman (DIN: 02125617), who was appointed as an Additional (Non- Executive & Independent) Director w.e.f. 14th November 2019, and who holds office up to the date of 33rd Annual General Meeting be and is hereby appointed as Non-Executive Independent Director of the Company for a term of 5 consecutive years from the conclusion of 33rd Annual General Meeting to the conclusion of 38th Annual General Meeting."

"RESOLVED FURTHER THAT any of the Directors or Chief Executive Officer or Chief Financial Officer or the Company Secretary be and are hereby severally authorized to do all the acts, deeds and things that are necessary to give effect to the above-mentioned resolution".

For and on behalf of the Board of Directors

Vikramaditya Mohan Thapar

Director

Date: 27th Aug 2020

Place: New Delhi

Anil Kumar Bhandari

Director

Date: 27th Aug 2020

Place: Bangalore

NOTES

- In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5th May 2020 read with circulars dated 8th April 2020 and 13th April 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA and SEBI Circulars, the AGM of the Company is being held through VC / OAVM.
- Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), concerning the Special Business in the Notice is annexed hereto and forms part of this Notice. The profile of the Directors seeking appointment/reappointment, as required in terms of the Secretarial Standard on General Meetings, SEBI (Listing Obligations and Disclosure Requirements), 2015 is annexed hereto.

4. Only registered Members of the Company as on the Cut-Off/Record Date i.e. 22nd September 2020 may attend and vote (either in person or by proxy or by Authorized Representative under Sections 112 and 113 of the Companies Act, 2013) at the meeting. The Authorised Representative of a body corporate which is a registered Member of the Company may attend and vote at the Annual General Meeting provided a certified true copy of the resolution of the Board of Directors under Section 113 of the Companies Act, 2013 or other governing body of the body corporate authorizing such representative to attend and vote at the meeting is deposited at the Registered Office of the Company not later than 48 hours before the meeting.
5. Foreign Institutional Investors (FIIs) who are registered Member(s) of the Company would be required to deposit certified copies of Custodial resolutions/Power of Attorney, as the case may be, authorizing the individuals named therein, to attend and vote at the meeting on its behalf. These documents must be deposited at the Registered Office of the Company not later than 48 hours before the meeting.
6. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant rules, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the depository. Members who have not registered their e-mail address with the Company are requested to submit their request with the valid e-mail address to M/s. Cameo Corporate Services Ltd. Members holding shares in demat forms are requested to register / update their e-mail address.
7. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.waterbaseindia.com and website of the Stock Exchanges i.e. BSE Limited.
8. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement

of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

11. 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 Registrar and Share Transfer Agents.
12. Members are requested to send all communications relating to shares and unclaimed dividends, change of address etc. to the Registrar and Share Transfer Agents at the following address:

Cameo Corporate Services Ltd

Subramanian Building,
No. 1, Club House Road,
Chennai 600 002
Phone: 044-2846 0390
Email: investor@cameoindia.com

13. Voting Options:

Electronic Voting

Pursuant to Section 108 and the corresponding Rules of Companies Act, 2013, the Company is providing E-Voting facility to the Members using the Central Depository Services Ltd. (CDSL) platform. All business to be transacted at the Annual General Meeting can be transacted through the Electronic Voting System or at the venue of the meeting through ballot.

The voting period begins on 26th September 2020 at 09.00 AM and ends on 28th September 2020 at 05.00 PM During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off/ Record Date of 22nd September 2020 may cast their vote electronically. The E-Voting module shall be disabled by CDSL for voting thereafter.

Members who have already voted prior to the meeting date would not be entitled to vote at the meeting.

The instructions for E-Voting are as under:

- (i) The Members should log on to the e-voting website www.evotingindia.com.
- (ii) Click on 'Shareholders'.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) 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.
- (vi) If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	<ul style="list-style-type: none"> • Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
OR	
Date of Birth (DOB)	<ul style="list-style-type: none"> • If both 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 (v).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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 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.
- (ix) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for The Waterbase Limited.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) M (i) Members can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile. Please follow the instructions as prompted by the mobile app while voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like 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 **Company/RTA email id**.

- For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 **Company/RTA email id**.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

- Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **3 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number by sending a mail to investor@waterbaseindia.com; achuthan@waterbaseindia.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **3 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number to investor@waterbaseindia.com; achuthan@waterbaseindia.com. These queries will be replied to by the company suitably by email.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

- The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for Remote e-voting.
- Only those shareholders, who are present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible

to vote through e-Voting system available during the EGM/AGM.

- If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

(i) Note for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- 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 linked in the login 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.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investor@waterbaseindia.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, 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 or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

14. Any person who have acquired shares and become members of the company after the dispatch of the notice and holding shares as on Cut-Off/ Record Date of 22nd September 20, and who have updated their PAN with the Company/DP, should follow the instructions abovementioned to vote through e-voting and those who have not updated their PAN with the Company/DP, can send a mail to investor@cameoindia.com to obtain sequence number.
15. The Company has appointed BP & Associates, Practicing Company Secretaries to act as the Scrutinizer. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, would count the votes cast at the meeting, 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 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 a person authorized by him in writing who shall countersign the same.
16. The Results shall be declared at or after the AGM. The results declared along with the Scrutinizer's Report shall be placed on the company's website www.waterbaseindia.com and on the website of CDSL www.evotingindia.com within two (2) days of passing of the resolution at the Annual General Meeting and the same shall also be communicated to BSE Limited where the shares of the Company are listed.
17. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

ANNEXURE I TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

ITEM NO. 3

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 14th November 2019 appointed Ms. Shashikala Venkatraman (DIN 02125617) as an Additional (Non-Executive & Independent) Director of the company to hold the office up to the conclusion of 33rd Annual General Meeting (AGM). The Board also proposed to appoint her as Non-Executive & Independent Director for a period of 5(five) consecutive years from the conclusion of 33rd (AGM) till the conclusion of 38th AGM, subject to approval of Members of the Company at the 33rd AGM.

In the opinion of the Board, the proposed Independent Director fulfils the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations and they are independent of the management.

The Company also received declarations from the Directors that she meets the criteria of Independence as prescribed under the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The proposed Independent Director was also not disqualified from being appointed as a Director in terms of Section 164 of the Act.

A copy of terms and conditions for the appointment is available for inspection by the Members at the registered office of the Company during business hours on any working day up to the date of this Annual General Meeting and is also available on the website of the Company www.waterbaseindia.com. The brief resume in relation to the experience, functional expertise, memberships on other Companies' Boards and Committees in respect of the appointment of Ms. Shashikala Venkatraman as Independent Director, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is set out in this Notice. The proposed Independent Director is not related to any other Directors and Key Managerial Personnel of the Company. The Board is of the opinion that it will be beneficial to the Company to continue availing their services as Independent Director of the Company and recommends the Ordinary resolution as set out in Item No.3 of the Notice for approval of the shareholders. Save and except the proposed Independent Director and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel, and their relatives, are in any way, concerned or interested, in the said resolution. The resolution as set out in item No. 3 of this Notice is accordingly commended for your approval by the Board. This Explanatory Statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A brief profile of Ms. Shashikala Venkatraman is given below:

S. No.	Particulars	Details
1	Name of the Director	Ms. Shashikala Venkatraman
2	Date of birth	02 nd August 1961
3	Nationality	Indian
4	Relationship with Directors	NIL
5	Date of appointment on the board	14 th November 2019
6	Expertise in specific functional area	<ul style="list-style-type: none"> • Consumer Insight & Marketing operations • Brand development, brand strategy, & communication
7	Number of shares held in the company	NIL
8	List of the directorships held in other companies	<ul style="list-style-type: none"> • Ironman Media and Advisory Services Private Limited • Sq.ft. Consulting Private Limited



**The
Waterbase
Limited**

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Corporate Office

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