

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the 32nd Annual Report together with the audited accounts of the company for the year ended on 31st March, 2019. The summarized financial results for the year ended 31st March, 2019 are as under:

FINANCIAL RESULTS

Particulars	(Amount ₹ In Lakhs)	
	Financial Year 2018-19	Financial Year 2017-18
Profit / (Loss) before Depreciation	722.65	635.54
Less: Depreciation	83.81	75.64
Profit / (Loss) before Taxation	638.84	559.90
Less: Deferred Tax	(6.67)	0.85
Less: Current Tax	(87.59)	(67.07)
Net Profit / (Loss) after Depreciation & Tax	544.58	493.69
General Reserve	1,271.01	771.01

OPERATIONS

During the year under report, the company continued to reach the new heights profit despite of decline in sales. Sales of the company have decreased to ₹ 6,441.99 Lakh (Previous Year ₹ 7,010.82 Lakh) which shows encouraging growth in total revenue and speaks about the efficient working of the company.

Revenues

Total Income from Operations decreased by ₹ 539.67 lakh from ₹ 7,014.49 lakh to ₹ 6,474.82 lakh in FY 2018-19, decreased by 7.69% (In Accordance with the Indian Accounting Standards - 18 on revenue and Schedule III of the Companies Act, 2013, unlike excise duties, levies like GST, VAT etc. are not part of the Revenue. Accordingly the figures are not strictly relatable previous year figures.).

Profits

Earnings before Depreciation Interest and Taxes (EBDIT) has increased by ₹ 103.31 from ₹ 757.99 to ₹ 861.30 in FY 2018-19, increased by 13.63%.

Profit before Tax (PBT) increase by ₹ 78.94 Lakh from ₹ 559.90 Lakh to ₹ 638.84 Lakh in FY 2018-19, increased by 14.10%.

Profit after Tax (PAT) increase by ₹ 50.90 lakh from ₹ 493.69 Lakh to ₹ 544.58 Lakh in FY 2018-19, increased by 10.31%.

Members are aware that changes were introduced by your Directors in marketing strategy a few years back and since then performance of the Company is improving, which have resulted in strengthening the financial position of the Company. The encouraging results are before you. Your Company has done very well even during the depression in the country and overseas market.

DIVIDEND

With a view to plough back the profits for better working of the company, your Directors do not recommend any Dividend for the year. This will also result in strong capital base of the Company.

TRANSFER TO RESERVES

The company has transferred ₹ 500.00 Lakh from Profit & Loss Account to General Reserve.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Section 124 and 125 of the Companies Act, 2013 ("The Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("The Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of seven years. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the Members for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. The Company had also advertised in the newspapers seeking action from the Members who have not claimed their dividends for seven consecutive years or

more. Accordingly, the Company has transferred such unpaid or unclaimed dividends and corresponding shares up to the Dividend for the Financial Year ended 31 March 2012.

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for 7 consecutive years, of the Company, Further, shares of the Company, in respect of which dividend has not been claimed for 7 consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF during FY 2019 are as follows:

Financial year	Amount of unclaimed dividend transferred (In ₹ lakh)	Number of shares transferred
2012	1.85 Lakh	1,24,652
TOTAL	1.85 Lakh	1,24,652

Members/claimants whose shares, unclaimed dividend, have been transferred to the IEPF Demat Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on <http://www.iepf.gov.in>) along with requisite fee as decided by the IEPF Authority from time to time. The Member/claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

The Company will be transferring the Final Dividend and corresponding shares for the Financial Year ended 31 March 2012 on or before 29 October 2019. Members are requested to ensure that they claim the dividends and shares referred above, before they are transferred to the said Fund. Due dates for Transfer of Unclaimed Dividend to IEPF are provided in the Report on Corporate Governance.

Details of shares/shareholders in respect of which dividend has not been claimed, are provided on our website at www.supercropsafe.com The shareholders are therefore encouraged to verify their records and claim their dividends of all the earlier seven years, if not claimed.

CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of the business during the financial year 2018-19.

DEPOSITS

The Company has not accepted any Deposits, within the meaning of section 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review, hence it is not required to comply with the requirement under the Companies (Accounts) Rules, 2014.

CHANGE IN SHARE CAPITAL

During the year 2018-19, the Company has issued 2,80,000 Equity Shares and 6,90,000 Convertible Warrants in the month of June, 2018 on Preferential basis to promoter and non-promoter group shareholders.

DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENT RIGHTS

The company has not issued any equity shares with differential voting rights during the Financial year and it is therefore not required to make disclosures specified in Rule 4 (4) of Companies (Share Capital and Debenture) Rules, 2014.

DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES

The company has not issued any Sweat Equity Shares during the financial year and it is therefore not required to make disclosures specified in Rule 8 (13) of Companies (Share Capital and Debenture) Rules, 2014.

DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTION

The company has not issued any shares under Employee Stock Option Scheme during the financial year and it is therefore not required to make disclosures specified in Rule 12 (9) of Companies (Share Capital and Debenture) Rules, 2014.

EXTRACT OF ANNUAL RETURN

The Extract of Annual return in form no MGT – 9 pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules,

2014 as on the financial year ended on March 31, 2019 is annexed herewith as **Annexure – I** to this report.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND AUDIT COMMITTEE

A calendar of Meetings was prepared and circulated in advance to the Directors.

During the year under review Seven Board Meetings were held on 17th April, 2018, 30th May, 2018, 15th June, 2018, 08th August, 2018, 13th November, 2018, 31st December, 2018 and 12th February, 2019 respectively and one Independent Directors' meeting was held on 12th February, 2019 and Four Audit Committee Meetings were convened on 30th May, 2018, 08th August, 2018, 13th November, 2018 and 12th February, 2019 respectively. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENT

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statement (Please refer to Note to the financial statement).

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Pursuant to provision of Section 188 of the Companies Act, 2013 all the related party transactions entered into during the financial year under review were in ordinary course of business and on an arm's length basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Accordingly, information in form AOC-2 is not annexed.

All Related Party Transactions are placed before the Audit Committee and the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors for their review and approval on a quarterly basis.

Your attention is drawn to the Related Party disclosures set out in Note no 33 of the Notes forming of the Account.

ISO AND OTHER CERTIFICATION

The Company's manufacturing facilities at Himatpura (Bilodra), Ta. Mansa, Dist: Gandhinagar continue to be certified to the latest version of ISO 9001:2015, ISO 14001:2015, HACCP and GMP by leading International Certification Company. The Company is also holding valid FSSAI, Organic Certificate and GPCB consents from Government authorities. These certifications indicate our commitment in meeting in a sustainable manner Global Quality, Environment, Health, and Safety Standards.

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

A statement highlighting details of the conservation of energy, technology absorption, and foreign exchange earnings and outgo, in accordance with section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is annexed hereto as **Annexure –II**.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting financial position of the company which have occurred between the end of financial year and date of report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, Company does not have any subsidiary company and none of the companies has become or ceased to be Company's subsidiaries, joint ventures or associate companies.

REPORT ON THE PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

During the year under review, none of the companies have become or ceased to be Company's subsidiaries, joint ventures or associate companies, therefore Report on the performance and financial position of each of the subsidiaries, associates and joint venture companies is not require to be given.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM.

The brief resume of the Directors being appointed/reappointed, the nature of their expertise in specific functional areas, names of companies in which they have held Directorships, Committee Memberships/ Chairmanships, their shareholding etc., are furnished in the explanatory statement to the notice of the ensuing AGM.

Pursuant to the provisions under Section 134(3)(d) of the Companies Act, 2013, with respect to statement on declaration given by Independent Directors under Section 149(6) of the Act, the Board hereby confirms that all the Independent Directors of the Company have given a declaration and have confirmed that they meet the criteria of independence as provided in the said Section 149(6).

Key Managerial Personnel

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Mr. Nitinkumar Ishwarbhai Patel	:	Managing Director
Mr. Ishwarbhai Baldevdas Patel	:	Chairman and Whole Time Director
Mr. Ambalal Baldevdas Patel	:	Executive Director
Mr. Ishwarbhai Baldevdas Patel	:	CEO
Mr. Nitinkumar Ishwarbhai Patel	:	CFO
Ms. Hiral M Patel	:	Company Secretary

During the year under review there was no change (appointment or cessation) in the office of any KMP.

Declaration by Independent Director

As per the requirements of the Companies Act, 2013, the company being a listed company require to appoint independent Directors. Therefore requirement for obtaining Declaration by the Independent Directors pursuant to section 149 (6) Companies Act, 2013 is applicable to the Company.

List of the Independent directors:

- 1) Mr. Radhakrishna Naraparaju
- 2) Mr. Piyushkumar Krishnaprasad Patel
- 3) Ms. Kalpanaben Jigneshbhai Pandya

The Independent Directors have submitted the declaration of Independence, as required pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub section (6) and Regulation 16 (b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) read with section 134(5) of the Companies Act, 2013, the Board of Directors states that:

- 1) in the preparation of the annual financial statements for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 2) such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for the year ended on that date.
- 3) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) the annual financial statements have been prepared on a going concern basis;
- 5) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- 6) Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

INDUSTRIAL RELATIONS

Our employees are the most valuable assets of the Company. We encourage innovation, meritocracy and the pursuit of excellence. The human resource development function of the Company is guided by a spirit of corporate team building and dedication towards strengthening the Company's systems thereby improving efficiencies and registering growth. All personnel continue to have a healthy, cordial and harmonious approach in problem solving and enhancing Company value at all levels. Despite uncertain economic conditions, the enthusiasm and unstinting efforts of the employees have enabled the Company to maintain leadership in its business areas. The relationship with the workmen and staff remained cordial and harmonious during the year and the management received full cooperation from the employees.

During the year, extensive training and developmental activities were undertaken, both in-house and out-bound for the employees. Various efficiency and quality improvement initiatives, including some functional and behavioural training programs were undertaken. The total number of employees as on 31st March, 2019 was 90.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

MANAGERIAL REMUNERATION

The Company believes its employees are its biggest assets and aligns its compensation and benefits towards rewarding employees in line with its Rewards policy. The Company focuses on being market aligned as well as differentiate basis performance to drive a high performance culture.

The Company believes that by means of the variable pay plan the Company is able to link a portion of compensation to the individual and business performance which creates a strong positive reinforcement. It also ensures that the employees of the Company are rewarded only when the shareholders' goals are met. The Company's variable pay plan, therefore, links the variable pay to both – individual performance and business results such as sales growth and operating profits.

The company believes in balancing the competitiveness of pay as well as sustainability of the associated costs for the organization. The salary increases for this year were aimed at maintaining the pay competitiveness with market as well as performance of the Company.

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors, is attached herewith as **Annexure – III**.

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

The Company has not received any significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in Future.

INSURANCE

The Company has taken adequate insurance to cover the risks to its people, plants and machineries, buildings and other assets.

RISK MANAGEMENT POLICY

The Company has taken sufficient insurance for the properties against risks of fire, strike, riot and earthquake. All the Assets of the company including Inventories, Buildings, and Machinery are adequately insured.

The Company has laid down a Risk Management Policy and identified threat of such events which if occurs, will adversely affect either/or, value to shareholders, ability of Company to achieve objectives, ability to implement business strategies, the manner in which the Company operates and reputation

as "Risks". Further such Risks are categorized in to Strategic Risks, Operating Risks & Regulatory Risks. A detailed exercise is carried out to identify, evaluate, manage and monitoring all the three types of risks.

ANNUAL PERFORMANCE EVALUATION

In compliance with the provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation was carried out as under:

Board

In accordance with the criteria suggested by The Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Independent Directors, at their separate meetings, also evaluated the performance of the Board as a whole based on various criteria. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

Committees of the Board

The performance of the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee was evaluated by the Board having regard to various criteria such as committee composition, committee processes, committee dynamics etc. The Board was of the unanimous view that all the Committees were performing their functions satisfactorily and according to the mandate prescribed by the Board under the regulatory requirements including the provisions of the Act, the Rules framed there under and the Listing Agreement/ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Individual Directors

- 1) **Independent Directors:** In accordance with the criteria suggested by The Nomination and Remuneration Committee, the performance of each independent director was evaluated by the entire Board of Directors (excluding the director being evaluated) on various parameters like preparedness, participation, value addition, focus on governance and communication. The Board was of the unanimous view that each independent

director was brought his / her rich experience to the deliberations of the Board. The Board also appreciated the contribution made by all the independent directors in guiding the management in achieving higher growth and concluded that continuance of each independent director on the Board will be in the interest of the Company.

- 2) **Non-Independent Directors:** The performance of each of the non-independent directors (including the Chairman) was evaluated by the Independent Directors at their separate meeting. Further, their performance was also evaluated by the Board of Directors. The various criteria considered for the purpose of evaluation included transparency, business leadership, people leadership, focus on governance, communication, preparedness, participation and value addition. The Independent Directors and the Board were of the unanimous view that each of the non independent directors was providing good business and people leadership.

CORPORATE SOCIAL RESPONSIBILITY

Under Section 135 of the Companies Act, 2013 the provision of Section 135 (1) is applicable to the company, about formation of Corporate Social Responsibility Committee for the financial year 2018-19.

During the year under review, as per Section 135 (1) of the Companies Act, 2013, Company constituted a CSR Committee. The Committee looks after implementation and monitoring of the CSR policy are in compliance with CSR objectives and CSR policy of the Company.

The Committee comprises of Mr. Nitin I Patel as the Chairman, Mr. Ishwarbhai B Patel and Ms. Kalpanaben J Pandya as the other two members. During the Financial Year 2018-2019, the Committee met for two times on 30th May, 2018 and 12th February, 2019 and the same was attended by all the members of the Committee.

The committee finalized a policy for the purpose of activities to be carried out for CSR and decided to explore the proper channel through which the activities can be carried out and necessary amount could be spent. During the year, the company is require to spent ₹ 6.81 Lakh towards CSR. Company has finalized 1.38 Lakh. However, the company could not finalize the proper NGO/Trusts/Authorities for spending CSR Amount of ₹ 5.43 Lakh during the year.

The Annual Report on our CSR Activities is appended as **Annexure -IV** to the Board Report.

AUDIT COMMITTEE

The Company has constituted the audit committee as per requirement of section 177 of the Companies Act, 2013 read with rule (6) of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 being a Listed company.

During the year under review, the board has accepted all recommendations of audit committee and accordingly no disclosure is required to be made in respect of non-acceptance of any recommendation of the audit committee by the Board.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has constituted the Stakeholders Relationship Committee as per requirement of Section 178(5) of the Act, and Regulations 20 of the Listing Regulations being a listed company. The Committee comprises of Ms. Kalpanaben J Pandya as the Chairperson, an Independent Director, Mr. Ishwarbhai B Patel and Mr. Nitin I Patel as the other two members.

The Committee inter alia, looks into redressing the grievances of the Security holders of the Company viz. non-receipt of transferred shares and non- receipt of dividend, among others. During the Financial Year 2018-2019, the Committee met for four times on 30th May, 2018, 08th August, 2018, 13th November, 2018 and 12th February, 2019 and the same was attended by all the members of the Committee.

VIGIL MECHANISM

As per provisions of section 177(9) of the Act read with regulation 22(1) of Listing Regulations, the Company is required to establish an effective vigil mechanism for directors and employees to report genuine concerns. The Company has a policy for prevention, detection and investigation of frauds and protection of whistleblowers ("Whistleblower Policy") in place. Detailed policy for Whistle blower is available at www.supercropsafe.com.

NOMINATION AND REMUNERATION COMMITTEE

The company has constituted Nomination and Remuneration Committee pursuant to section 178 of the Companies Act, 2013 read with rule (6) of the Companies (Meetings of Board and its Powers) Rules, 2014 being a listed company. The Committee comprises of all independent directors, Ms. Kalpanaben J Pandya as the Chairperson, Mr. Piyush K Patel and Mr. N. R. Krishna as the other two members.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. During the year under review there are One meeting of the Committee Members held on 07th August 2018.

CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS

Your Company has put in place governance practices as prevalent globally. The Corporate Governance Report and the Auditor's Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report.

ENVIRONMENTAL HEALTH, SAFETY AND PROTECTION

The Company gives highest importance to Health, Safety and Environment, and encourages and promotes safety awareness in true letter and spirit as an integral part of its work culture.

Process Safety Management is an integral part of all changes taking place in the process. Onsite emergency plans have been reviewed and updated by all divisions. Periodic mock drills are conducted at various divisions and reports indicate improved preparedness of employees.

To further strengthen the safety of overall operations and to promote a positive safety culture and transparency, your Company has introduced site specific Behavioural Based Safety process at all its manufacturing locations and substantially invested for the improvement of process safety.

Apart from employees, the contractors and workmen are also given exhaustive training on safety, first-aid and fire-fighting. A green belt in and around the factory premises has been maintained to enhance eco-friendliness.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. During the year, no complaint with allegations of sexual harassment was received by the Company and hence no complaints remain pending as of 31 March, 2019.

STATUTORY AUDITORS

At the Annual General Meeting held on September 25, 2017, M/s. Naresh J. Patel & Co., Chartered Accountants (Firm Registration No. 123227W), were appointed as statutory auditors of the Company, to hold office till the conclusion of the Annual General Meeting to be held in financial year 2021-22 (35th AGM). In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly appointment of M/s Naresh J. Patel & Co., Chartered Accountants as Statutory Auditor of the Company, is placed for ratification by the shareholders”

The Auditor’s Report for fiscal 2019 does not contain any qualification, reservation or adverse remark.

AUDITORS REPORT

The observations made by the auditors in their report read with the relevant notes as given in the notes to the financial statements for the year ended 31st March 2019 are self-explanatory and are devoid of any reservation, qualification or adverse remarks.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s SPANJ & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **“Annexure -V”**.

COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014 is not applicable to the company for the year under review.

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has established and maintained adequate internal control framework in line with the Internal Financial Controls (“IFC”) requirement within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013 including 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 (ICAI).

The Company has documented procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorised use or losses, compliances with regulations and for ensuring reliability of financial reporting. The Company has continued its efforts to align all its processes and controls with global best practices in these areas as well.

The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Auditor places Internal Audit reports before the Board of Directors. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

Audit Committee of the Board of Directors regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with accounting standards as well as reason for changes in accounting policies and practices, if any. Based on the report of Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant Audit observations and corrective actions thereon are presented before the Board.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

During the Financial Year, your Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

INFORMATION ON COMPANY'S SHARE PERFORMANCE

The market capitalisation of the Company has decreased by 20.47 % (₹ 93.48 Cr) against March 31, 2018 (₹117.54 Cr). EPS as on March 31, 2019 stands at ₹ 1.38 against ₹ 1.28 as on closing date of last Financial Year. The PE ratio as on March 31, 2019 stands at 17.14 against 23.40 as on closing date of last Financial Year.

ACKNOWLEDGEMENT

Your directors place on record their gratitude to the Central Government, State Governments and Company's Bankers

for the assistance, co-operation and encouragement they extended to the company. We also thank our customers, vendors, dealers, investors and business partners for their continued support during the year which made the Company grow successfully. We also place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, co-operation and support.

For, SUPER CROP SAFE LIMITED

Date: 13/08/2019

ISHWARBHAI B. PATEL

Chairman
[DIN: 00206389]

NITINKUMAR I. PATEL

Managing Director
[DIN: 00206561]