

Independent Auditor's Report

To,

The Members of Mahadhan Farm Technologies Private Limited

Report on the audit of the Ind AS financial statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of Mahadhan Farm Technologies Private Limited ("*the Company*") which comprises the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at March 31, 2024, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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



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

Emphasis of Matter

In our opinion, there is no such matter which we need to emphasize in our Audit Report.

Information other than the Ind AS financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of



the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our

opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the



Ind AS 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

There is no such matter which we need to mention in our Audit Report.

Report on Other Legal and Regulatory Requirements:

1. Companies (Auditor's Report) Order 2020, issued by Central Government of India in terms of sub section (11) of the Section 143 of the Companies Act, 2013 is applicable to the company. We are giving in Annexure a statement on the matters specified in paragraph 3 & 4 of the Order to the extent possible in **Annexure 1**.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of changes in equity dealt with by this Report are in agreement with the books of accounts.
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e. On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 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 2**.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - The management of the Company has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - The management of the Company has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - Based on the appropriate audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us



to believe that the representations under subclause (i) & (ii) of Rule 11(e) as provided in point no. iv & v above contains any material misstatement.

- The company has not declared or paid any dividend during the year in contravention of the provision of Section 123 of the Companies Act 2013.
- h. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For HMA & Associates
Chartered Accountants
FRN – 100537W



CA Anand D. Joshi
Partner
Membership No. – 113805
UDIN :- 24113805BKBFLL6026

Place :- Pune
Date :- 20th May 2024

ANNEXURE 1 TO INDEPENDENT AUDITORS' REPORT

As per point 3 of Companies (Auditor's Report) Order, 2020 dt. 25th February 2020.

Referred to in Paragraph 1 under the heading of "Report on other legal & regulatory requirements" of our report of even date.

Re: - Mahadhan Farm Technologies Private Limited for the F.Y. 2023-24

1. **Property, plant & equipment, and intangible assets** –

- a) The Company has maintained proper record showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- b) Company has maintained proper records showing full particulars of intangible assets.
- c) The management has physically verified the Property Plant & Equipment at reasonable intervals. We have been informed that no material discrepancies were noticed on such verification as compared to book records.
- d) The title deeds of all immovable properties (other than leased properties under duly executed agreement) of Company are held in the name of the company.
- e) The company has not revalued its Property Plant & Equipment (including right to use assets) or intangible assets during the year.
- f) No proceedings have been initiated or pending against the company or holding any benami property under Benami transactions (prohibition) Act, 1988 (45 of 1988) and rules made there under. Hence, no disclosure of such details required.

2. **Inventory** –

- a) The inventory has been physically verified at the reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by management is appropriate. Discrepancies of 10% or more in aggregate for each clause of inventory were not noticed.
- b) The company has not been sanctioned working capital limits in excess of Rs. 5 Cr in aggregate from banks or FI on the basis of security of current assets and hence the question of quarterly returns or statements filed by the company with such banks or FI does not arise.



3. **Investments made, Guarantee/Security provided, or Loans granted –**

- a) The company has not provided loans, or advances in the nature of loans, or stood guarantee, or provided security to companies, firms, LLP, or any other party.
- b) As the Company has not provided loans, or advances in the nature of loans, or stood guarantee, or provided security to companies, firms, LLP, or any other party, our comments related to terms & conditions, schedule o repayment, overdue status, etc. are not attracted.

4. **Loans to Directors, Investment, Guarantees & Security by Company**

- a) Company has not granted any loans or given guarantees or provided any security in connection with the loan – directly or indirectly - to Directors or any other person in whom Directors are interested in contravention of Section 185 of Companies Act 2013.
- b) Company has not granted any loan or given guarantee or made investment or provided security in contravention of Section 186 of Companies Act 2013.

5. **Deposits –**

- a) The Company has not accepted any deposits. Hence our comments on compliance of the directives of Reserve Bank of India, provisions of Sec.73 to 76 or any other relevant provisions of the Companies Act 2013 & the rules framed there under are not required.
- b) The nature of contravention - not applicable.
- c) No order has been passed by Company Law Board, or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal requiring any compliance.

6. **Cost records –**

The Company is not required to maintain cost records pursuant to Section 148(1) of the Companies Act 2013.

7. **Statutory dues –**

- a) According to the information & explanations given to us, Company is regular in depositing undisputed statutory dues including GST, Provident Fund, Employees' State



Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, VAT, Cess and any other statutory dues with appropriate authority.

- b) No such undisputed dues were outstanding as at the last day of financial year for a period of more than six months from due date.
- c) No such dues were outstanding on account of any dispute pending with any forum.

8. **Disclosures under Income tax –**

No amount of any transactions not recorded in the books of accounts have been surrendered or disclosed as incurred during the year in the tax assessments under Income Tax Act, 1961.

9. **Repayment of loans –**

- a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority”
- c) The term loans were applied for the purpose for which the loans were obtained. Hence, our comment on amount of loan so diverted and the purpose for which it was used is not required.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
- f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.



10. **Utilization of IPO & further public offer** –

- a) The Company has not raised funds by way of IPO or any Public offer (including Debt instrument). Hence, our comment on application of funds for the purpose of which those were raised and details of any delays or defaults is not required.
- b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Hence our comments on compliance of section 42 and 62 of Companies Act, 2013 and utilization of funds for the purpose for which the funds were raised is not required.

11. **Fraud** –

- a) No fraud by the company or on the Company has been noticed or reported during the year. Hence our comments on the nature of fraud and the amount involved are not required.
- b) No report u/s 143(12) of the Companies Act, 2013 has been filed in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) There were no whistle-blower complaints received during the year by the company.

12. **Nidhi company** –

The Company is not a Nidhi Company & hence our comments related to Nidhi Company are not attracted.

13. **Related party transactions** –

- a) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and
- b) The details have been disclosed in the Financial Statements as required by the applicable accounting standards.



14. **Internal audit -**

In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.

15. **Non-cash transactions –**

- a) The company has not entered-into any non-cash transactions with directors or persons connected with him.
- b) Our comments on compliance with the provisions of section 192 of Companies Act, 2013 are not attracted.

16. **Registration with RBI –**

- a) Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence, the registration has not been obtained.
- b) Company has not conducted any non-banking financial or housing finance activity without a valid certificate of registration from RBI.
- c) Company is not a core investment company (CIC) and hence our comments on its continuous fulfilment of criteria of CIC is not required.
- d) The group do not have one or more CIC as part of the group.

17. **Cash Losses –**

The company has not incurred cash loss during the financial year and also in the preceding financial year.

18. **Resignation of statutory auditor –**

There has been no resignation of the statutory auditors during the year hence it is not necessary to consider the issues, objections or concerns raised by the outgoing auditor.

19. **Material uncertainty –**

In our opinion, no material uncertainty exists as on the date of audit report regarding capability of the company in meeting its liabilities existing on the date of balance sheet as



and when they fall due within a period of one year from the balance sheet date. The opinion is based on the financial ratios, ageing, and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors' and management's plans.

20. **CSR Projects –**

Section 135 of the Companies Act, 2013 is not applicable to the company.

21. **Qualifications in the consolidated financial statements –**

The Company does not prepare consolidated financial statements as it does not have any subsidiaries, joint ventures & associates & hence our remarks on the same are not applicable.

The reasons for any of our unfavourable or qualified report / remark, if any, are mentioned in the relevant point itself.

For HMA & Associates
Chartered Accountants
FRN – 100537W



CA Anand D. Joshi
Partner
Membership No. – 113805
UDIN – 24113805BKBFLL6026

Place : Pune
Date : 20th May 2024

ANNEXURE 2

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT **of Even Date on the standalone Ind AS Financial Statements of** **MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED**

Report on the Internal Financial Controls 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 Mahadhan Farm Technologies Private Limited as of March 31, 2024, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 HMA & Associates
Chartered Accountants
FRN - 100537W




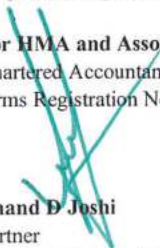
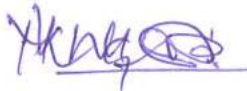

CA Anand D. Joshi
Partner
Membership No. - 113805
UDIN : 24113805BKBFLL6026

Place : Pune
Date : 20th May 2024

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

Balance Sheet as at 31 March 2024


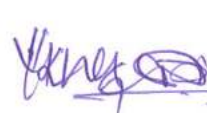

(All Amounts in INR Lakhs unless otherwise stated)

| Particular | Notes | 31 March 2024 | 31 March 2023 |
|---|---------|---|-----------------|
| ASSETS | | | |
| Non-current assets | | | |
| (a) Property, plant and equipment | 2 | 71.16 | 42.56 |
| (b) Intangible Assets | 2 | - | - |
| (c) Capital work in progress | 3 | - | 1.93 |
| (d) Right to Use Asset | 4 | 27.28 | 45.02 |
| Financial assets | | | |
| (i) Other financial assets | 5 | 2.88 | 2.64 |
| Other non-current assets | | | |
| (i) Income Tax assets (net) | 6 | (7.63) | 58.91 |
| Deferred tax assets (net) | 7 | 6.05 | 4.80 |
| | | 99.73 | 155.86 |
| Current assets | | | |
| Inventories | 8 | 250.41 | 334.94 |
| Financial assets | | | |
| (i) Investments | 9 | 62.01 | 28.32 |
| (ii) Cash and cash equivalents | 10 | 7.63 | 25.07 |
| (iii) Trade receivables | 12 | 105.29 | - |
| Other current assets | 11 | 147.60 | 460.49 |
| | | 572.95 | 848.82 |
| Total Asset | | 672.67 | 1,004.68 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | 13 | 1.00 | 1.00 |
| (b) Other equity | 14 | 473.05 | 329.18 |
| Total Equity | | 474.05 | 330.18 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| (i) Borrowing | | | |
| (ia) Lease Liabilities | 15 | 32.86 | 51.25 |
| Provisions | 16 | 10.20 | 9.17 |
| | | 43.07 | 60.42 |
| Current liabilities | | | |
| Financial liabilities | | | |
| (i) Borrowing | 17 | 122.00 | 122.00 |
| (ii) Trade Payable | 18 | | |
| (iia) total outstanding dues of micro and small enterprises | | 1.32 | 1.86 |
| (iib) total outstanding dues of creditors other than micro and small enterprises | | 8.06 | 476.84 |
| (iii) Other Financial Liabilities | 19 | 22.64 | 11.63 |
| Other current liabilities | 20 | 1.55 | 1.75 |
| Total Liabilities | | 155.56 | 614.08 |
| Total Equity and Liabilities | | 672.67 | 1,004.68 |
| Significant Accounting Policies | 1 | | |
| The accompanying notes form an integral part of financial statements | 2 to 33 | | |
| As per our report of even date attached | | For and on behalf of the Board of Directors Mahadhan Farm Technologies Private Limited | |
| For HMA and Associates Chartered Accountants Firms Registration No.: 100537W | |  | |
|  | |  | |
| Anand D Joshi Partner Membership No.: 113805 Place: Pune Date: 20th May 2024 | | Ashok Shah Director DIN:00196506 Place: Pune Date: 20th May 2024 | |
|  | | Arvind Kulkarni Director DIN:06557767 | |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

Statement of Profit and Loss for the year ended 31 March 2024

(All Amounts in INR Lakhs unless otherwise stated)

| Particular | Notes | 31 March 2024 | 31 March 2023 |
|---|---------|---|-----------------|
| Revenue from operations | 21 | 4,522.42 | 4,017.38 |
| Other income | 22 | 16.02 | 6.41 |
| Total Income | | 4,538.43 | 4,023.79 |
| EXPENSES | | | |
| Cost of materials consumed | 23 | 4,202.01 | 3,728.13 |
| Changes in inventories of finished goods | 24 | (19.70) | (0.63) |
| Employee benefit expense | 25 | 46.30 | 41.55 |
| Finance costs | 26 | 16.00 | 17.46 |
| Depreciation and amortisation expense | 27 | 22.50 | 28.83 |
| Other expenses | 28 | 87.54 | 78.75 |
| Total expenses | | 4,354.65 | 3,894.08 |
| Profit/(Loss) before exceptional items and tax | | 183.78 | 129.71 |
| Exceptional items | | - | - |
| Profit/(Loss) after exceptional items and before tax | | 183.78 | 129.71 |
| Tax Expenses | | | |
| i) Current tax | | 41.32 | 34.27 |
| ii) Deferred tax | | (1.25) | (0.73) |
| Profit from continuing operations | | 143.71 | 96.17 |
| Discontinued operations | | | |
| Profit from discontinued operation before tax | | - | - |
| Tax expense of discontinued operations | | - | - |
| Profit from discontinued operation | | - | - |
| Profit for the year | | 143.71 | 96.17 |
| Other comprehensive income | | - | - |
| Income tax relating to these items | | - | - |
| Other comprehensive income for the year, net of tax | | - | - |
| Total comprehensive income for the year | | 143.71 | 96.17 |
| Earning per Equity Share: Face value Rs. 10 each (Rs. 10) | | | |
| i) Basic (in Rs.) | | 1,437.10 | 961.70 |
| ii) Diluted (in Rs.) | | 1,437.10 | 961.70 |
| Weighted average number of Equity Shares: Face value Rs. 10 each (Rs. 10) | | | |
| i) Basic (In Nos) | | 10,000 | 10,000 |
| ii) Diluted (in Nos) | | 10,000 | 10,000 |
| Significant Accounting Policies | 1 | | |
| The accompanying notes form an integral part of financial statements | 2 to 33 | | |
| As per our report of even date attached | | For and on behalf of the Board of Directors | |
| For HMA and Associates | | Mahadhan Farm Technologies Private Limited | |
| Chartered Accountants | |  | |
| Firms Registration No.: 100537W | |  | |
|  | | Ashok Shah | |
| Anand D Joshi | | Director | |
| Partner | | DIN:00196506 | |
| Membership No.: 113805 | | Arvind Kulkarni | |
| Place: Pune | | Director | |
| Date: 20th May 2024 | | DIN:06557767 | |
| | | Place: Pune | |
| | | Date: 20th May 2024 | |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

Statement of Cashflow for the year ended 31 March 2024

(All Amounts in INR Lakhs unless otherwise stated)

| Particular | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Cash flow from operating activities | | |
| Profit before tax as per statement of profit and loss | 183.78 | 129.71 |
| Adjustments for | | |
| Depreciation and amortisation expense | 22.50 | 28.83 |
| (Profit)/Loss on sale of property, plant and equipment (net) | (10.96) | - |
| Gain on sale of investments | (1.19) | (4.35) |
| Changes in fair value of financial assets at fair value through profit or loss | (2.95) | (0.76) |
| Interest income | (0.91) | (0.00) |
| Sundry balance written back | - | (1.29) |
| Finance costs | 16.00 | 17.46 |
| Cash generated from operations before working capital changes | 206.26 | 169.59 |
| Change in trade receivables | (105.29) | - |
| Change in inventories | 84.53 | (155.46) |
| Change in other financial assets | - | - |
| Change in other current assets | 312.89 | (147.14) |
| Change in trade payables | (469.32) | (293.04) |
| Change in other financial liabilities | - | 11.35 |
| Change in other current liabilities | (0.21) | (1.72) |
| Changes in the provisions | 1.03 | 1.41 |
| Cash generated from operations | 29.89 | (415.01) |
| Income taxes paid (net) | 30.80 | (53.69) |
| Net cash generated from operating activities | 60.70 | (468.71) |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment, intangible assets (including Capital | (34.82) | (26.63) |
| Proceeds from sale of property, plant and equipment | 12.75 | - |
| Proceeds from sale of investments in mutual fund | 59.12 | 1,383.92 |
| Purchase of investments in mutual fund | (91.50) | (1,039.00) |
| Fixed deposit placed | - | (0.25) |
| Interest received | 0.02 | 0.00 |
| Net cash (used in) investing activities | (54.43) | 318.04 |
| Cash flows from financing activities | | |
| Proceeds from borrowings - current | - | - |
| Repayment of borrowings - current | - | - |
| Payment of interest and finance cost | (1.24) | (1.27) |
| Payment of lease | (22.47) | (21.60) |
| Net cash (used in) from financing activities | (23.71) | (22.87) |
| Net increase in cash and cash equivalents | (17.44) | (173.54) |
| Cash and cash equivalents at the beginning of the year | 25.07 | 198.62 |
| Effects of exchange rate changes on cash and cash equivalents | | |
| Cash and cash equivalents at end of the year | 7.63 | 25.07 |

As per our report of even date attached

For HMA and Associates

Chartered Accountants
Firms Registration No.: 100537W

Anand D Joshi

Partner

Membership No.: 113805

Place: Pune

Date: 20th May 2024



For and on behalf of the Board of Directors
Mahadhan Farm Technologies Private Limited

Ashok Shah
Director
DIN:00196506

Place: Pune

Date: 20th May 2024

Arvind Kulkarni
Director
DIN:06557767

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2024

A. EQUITY SHARE CAPITAL

2023-24

| Balance as at 1 April 2023 | Change in Equity Share capital due to prior period errors | Restated balance as at 1 April 2023 | Change in Equity Share capital during the year | Balance as at 31 March 2024 |
|-------------------------------|---|--|---|--------------------------------|
| 1.00 | - | 1.00 | - | 1.00 |

2022-23

| Balance as at 1 April 2022 | Change in Equity Share capital due to prior period errors | Restated balance as at 1 April 2022 | Change in Equity Share capital during the year | Balance as at 31 March 2023 |
|-------------------------------|---|--|---|--------------------------------|
| 1.00 | - | 1.00 | - | 1.00 |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

B. OTHER EQUITY

| Particular | Reserve and Surplus | | Items of Other Comprehensive Income | Total Equity |
|--|---------------------|----------------------|---|---------------|
| | General Reserve | Retained Earnings | | |
| Balance as at 1 April 2023 | 137.51 | 191.67 | - | 329.18 |
| Profit for the year | - | 143.71 | - | 143.71 |
| Other comprehensive income/ (Losses) | - | - | - | - |
| Total comprehensive income | 137.51 | 335.38 | - | 472.89 |
| Dividend | - | - | - | - |
| (Excess)/Short provision of income tax | - | (0.16) | - | (0.16) |
| Balance as at 31 March 2024 | 137.51 | 335.54 | - | 473.05 |
| Balance as at 1 April 2022 | 137.51 | 95.19 | - | 232.70 |
| Profit for the year | - | 96.17 | - | 96.17 |
| Other comprehensive income/ (Losses) | - | - | - | - |
| Total comprehensive income | 137.51 | 191.36 | - | 328.87 |
| Dividend | - | - | - | - |
| (Excess)/Short provision of income tax | - | (0.32) | - | (0.32) |
| Balance as at 31 March 2023 | 137.51 | 191.67 | - | 329.19 |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Nature and Purpose of Reserve

a) General Reserve

As per Companies Act General reserve has been created out of the profit of the earlier year. The same has been continue over the years.

b) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividend or other distribution paid to shareholders.

For HMA and Associates

Chartered Accountants

Firms Registration No.: 100537W



Anand D Joshi

Partner

Membership No.: 113805

Place: Pune

Date: 20th May 2024

For and on behalf of the Board of Directors

Mahadhan Farm Technologies Private Limited

Ashok Shah

Director

DIN:00196506

Place: Pune

Date: 20th May 2024

Arvind Kulkarni

Director

DIN:06557767

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(CIN- U01110MH2003PTC140539)

Notes to the financial Statements for the year ended 31 March 2024

CORPORATE INFORMATION

Mahadhan Farm Technologies Private Limited (the Company) was incorporated on 22nd May 2003. The Company is primarily engaged in the manufacturing of water-soluble fertilizers. The Company has its registered office at Flat No. 10-B, 10th Floor, Bakhtawar, Nariman Point, Mumbai 400 021 and plant is located at Sanaswadi, Pune.

1. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise

Basis of Preparation

The Standalone financial statements of the company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the companies (Indian Accounting Standards) Rule, 2015 notified under section 133 of the Companies Act, 2013("the Act"), as amended thereafter and other relevant provision of the act.

The Standalone financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instrument)

The Standalone financial statements are presented in Indian Rupees ("INR"), which is also company's functional currency, and all values are rounded off to the nearest lacs, except when otherwise indicated. Wherever, an amount is presented AS INR '0' it construes value less than Rs. 50,000.

Significant accounting estimates, assumptions, and judgements

The preparation of the Standalone financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities effected in future periods.

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 amount of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the Standalone 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.

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(CIN- U01110MH2003PTC140539)

Notes to the financial Statements for the year ended 31 March 2024

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provision in the period in which the tax determination is made. The assessment of probability involves estimation of several factors including future taxable income.

Useful lives of Property, plant, and equipment ('PPE')

The Management reviews the estimated useful lives and residual value of PPE at the end of each reporting period. Factors such as changes in the expected level of usage, number of shifts of production, technological developments and product life cycle, could significantly impact the economic useful lives and the residual values of PPE, consequently leading to a change in the future depreciation charge.

Provision for Litigations and claims

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made, and the amount of the charge/ expense can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcomes and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions are made for the changes in facts and circumstances.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash flow ("DCF") model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing their fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair values of financial

Impairment of financial assets

The Company assesses impairment based on the expected credit loss ("ECL") model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(CIN- U01110MH2003PTC140539)

Notes to the financial Statements for the year ended 31 March 2024

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the assets' recoverable amount. An assets' recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired, and it is written down to its recoverable amount. In assessing value in use, the estimated future cashflows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken in account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded entities or other available fair value indicators.

Summary of significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as noncurrent.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

**MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED
(CIN- U01110MH2003PTC140539)**

Notes to the financial Statements for the year ended 31 March 2024

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current non-current classification of assets and liabilities.

(b) Revenue Recognition

Ind AS 115 specifies a uniform, five-step model for revenue recognition, which is generally to be applied to all contracts with customers.

Sale of Goods:

The Company recognizes revenue from sale of goods measured at the fair value of the consideration received or receivable, upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods (at our factory gate). Depending on the terms of the contract, which differs from contract to contract, the goods are sold on a reasonable credit term. As per the terms of the contract, consideration that is variable, according to Ind AS 115, is estimated at contract inception and updated thereafter at each reporting date or until crystallization of the amount.

Sale of Services:

Sale of services are recognised on satisfaction of performance obligation towards rendering of such services.

Interest and dividend income:

Interest Income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable and dividend income from investments in shares is recognised when the owner's right to receive the payment is established.

(c) Property, plant, and equipment

Items of property, plant and equipment including capital work-in-progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bring the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repairs and maintenance costs are recognized in the statement of profit or loss, as incurred. In respect of additions to/ deletions from fixed assets, depreciation is provided on a pro-rata basis with reference to the month of addition/ deletion of the assets. Freehold land is carried at historical cost.

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED
(CIN- U01110MH2003PTC140539)

Notes to the financial Statements for the year ended 31 March 2024

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed in Schedule II of the Companies Act, 2013. As per requirements of the Companies Act, 2013 the Company has also identified significant components of assets and their useful life and depreciation charge is based on an internal technical evaluation.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Capital work in progress (CWIP)

Projects under commissioning and other CWIP are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost. Subsequent expenditures relating to property, plant and equipment are capitalised

(d) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction, or production of an asset, that necessarily takes a substantial period of time to get ready for its intended use, are capitalised as a part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Investment income earned on the temporary investment of specific borrowings is deducted from the borrowing costs eligible for capitalization.

(e) Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets: Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives, and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED
(CIN- U01110MH2003PTC140539)

Notes to the financial Statements for the year ended 31 March 2024

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and b) contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and b) The asset's contractual cash flows represent SPPI. Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL.

However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED
(CIN- U01110MH2003PTC140539)

Notes to the financial Statements for the year ended 31 March 2024

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when;

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Financial liabilities are classified and measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative financial instruments

The Company uses various types of derivative financial instruments to hedge its currency and interest risk etc. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(CIN- U01110MH2003PTC140539)

Notes to the financial Statements for the year ended 31 March 2024

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(f) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of the provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursements.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

(g) Employee benefit obligations

Provision for un-availed leave benefits payable to employee as per the scheme of the company is made on actual basis. All assumptions are reviewed at each reporting period.

(h) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

(i) Income taxes

Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED
(CIN- U01110MH2003PTC140539)

Notes to the financial Statements for the year ended 31 March 2024

Deferred income tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset or liability is settled based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

(j) Lease

The Company has adopted Ind AS 116 effective from 1 April 2020 using the modified retrospective approach. For the purpose of preparation of standalone financial statements, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 for year ended 31 March 2021. Accordingly, the Company has not restated comparative information. There is no adjustment to the opening balance of retained earnings as on 1 April 2020.

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 define period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contact 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.

As a lessee, the Company recognizes a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED
(CIN- U01110MH2003PTC140539)

Notes to the financial Statements for the year ended 31 March 2024

For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. The Company has elected not to recognize right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Company has applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(k) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purposes of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(l) Significant events

During the Financial Year 2022-23, the Board of Directors of company and its holding company Mahadhan Agritech Ltd. (formerly known as Smartchem Technologies Limited) at its meeting held on 15th December 2022 approved Composite Scheme of Arrangement (Scheme) with objective of unlocking growth potential of each business. The scheme provides amalgamation of Mahadhan Farm Technologies Private Limited with its holding company Mahadhan Agritech Ltd. (formerly known as Smartchem Technologies Limited). The appointed date as per the scheme is 1st January, 2022. The Scheme of Arrangement has been approved by National Company Law Tribunal (NCLT) on 17th January, 2024. Final Order copy is still awaited.

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Note 2 - Property, plant, and equipment & Intangible assets

| Particular | Property, plant, and equipment | | | | | Intangible assets | |
|---|--------------------------------|-----------------------|-------------|--------------|---------------|-------------------|-------------|
| | Plant and Equipment | Furniture and Fixture | Computer | Vehicles | Total | Software | Total |
| Cost as at 1st April 2023 | 50.93 | 1.38 | 2.48 | 60.91 | 115.69 | 0.63 | 0.63 |
| Addition | 34.82 | - | - | - | 34.82 | - | - |
| Disposal/Sale | (7.52) | (0.57) | (0.34) | (60.91) | (69.33) | - | - |
| Cost as at 31st March 2024 | 78.22 | 0.81 | 2.14 | - | 81.17 | 0.63 | 0.63 |
| Accumulated depreciation as at 1st April 2023 | 10.24 | 0.89 | 1.09 | 60.91 | 73.12 | 0.63 | 0.63 |
| Depreciation during the year | 4.16 | 0.06 | 0.54 | - | 4.76 | - | - |
| Disposal | (6.06) | (0.57) | (0.34) | (60.91) | (67.87) | - | - |
| Accumulated depreciation as at 31st March 2024 | 8.34 | 0.38 | 1.29 | - | 10.02 | 0.63 | 0.63 |
| Net carrying amount as at 31st March 2024 | 69.89 | 0.43 | 0.85 | - | 71.16 | - | - |
| Cost as at 1st April 2022 | 27.91 | 1.28 | 0.89 | 60.91 | 90.99 | 0.63 | 0.63 |
| Addition | 23.01 | 0.10 | 1.59 | - | 24.70 | - | - |
| Disposal | - | - | - | - | - | - | - |
| Cost as at 31st March 2023 | 50.93 | 1.38 | 2.48 | 60.91 | 115.69 | 0.63 | 0.63 |
| Accumulated depreciation as at 1st April 2022 | 7.54 | 0.84 | 0.85 | 52.82 | 62.04 | 0.62 | 0.62 |
| Depreciation during the year | 2.70 | 0.05 | 0.24 | 8.09 | 11.08 | 0.01 | 0.01 |
| Disposal | - | - | - | - | - | - | - |
| Accumulated depreciation as at 31st March 2023 | 10.24 | 0.89 | 1.09 | 60.91 | 73.12 | 0.63 | 0.63 |
| Net carrying amount as at 31st March 2023 | 40.69 | 0.48 | 1.39 | - | 42.56 | - | - |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Note 3 - Capital work in progress

| Particular | 31 March 2024 | 31 March 2023 |
|--------------------------|---------------|---------------|
| Capital work in progress | - | 1.93 |
| Total | - | 1.93 |

Note 4 - Right to use asset - Non Current

| Particular | 31 March 2024 | 31 March 2023 |
|---|---------------|---------------|
| Gross carrying amount | | |
| Balance as at 1 April 2023 | 88.82 | 88.82 |
| Add: Reclassification on account of Ind AS 116 | - | - |
| Add: Additions | - | - |
| Less: Disposals | - | - |
| Gross carrying amount as at 31 March 2024 | 88.82 | 88.82 |
| Accumulated amortization | | |
| Balance as at 1 April 2023 | 43.80 | 26.05 |
| Amortisation for the year | 17.75 | 17.75 |
| Accumulated depreciation as at 31 March 2024 | 61.55 | 43.80 |
| Net carrying amount as at 31 March 2024 | 27.28 | 45.02 |

Note 5 - Other financial assets - Non Current

| Particular | 31 March 2024 | 31 March 2023 |
|---|---------------|---------------|
| Security deposit on lease | 2.61 | 2.38 |
| Bank deposits with more than 12 months maturity | 0.27 | 0.25 |
| Interest Accured but not received | 0.00 | 0.00 |
| Total | 2.88 | 2.64 |

Note 6 - Income tax asset - Non Current

| Particular | 31 March 2024 | 31 March 2023 |
|------------------------------|---------------|---------------|
| Income tax refund receivable | (7.63) | 58.91 |
| Total | (7.63) | 58.91 |

Note 7 - Deferred tax asset - Non Current

| Particular | 1 April 2023 | Recognised in profit and loss | Recognised in Other Comprehensive Income | 31 March 2024 |
|---|--------------|-------------------------------|--|---------------|
| Property, plant and equipment and investment property | 4.80 | 1.25 | - | 6.05 |
| Net deferred tax Assets | 4.80 | 1.25 | - | 6.05 |

| Particular | 1 April 2022 | Recognised in profit and loss | Recognised in Other Comprehensive Income | 31 March 2023 |
|---|--------------|-------------------------------|--|---------------|
| Property, plant and equipment and investment property | 4.07 | 0.73 | - | 4.80 |
| Net deferred tax Assets | 4.07 | 0.73 | - | 4.80 |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Note 8 - Inventories

| Particular | 31 March 2024 | 31 March 2023 |
|--------------------------|---------------|---------------|
| Raw materials | 212.11 | 310.39 |
| Packing materials | 15.97 | 21.91 |
| Finished goods | 22.33 | 2.63 |
| Total Inventories | 250.41 | 334.94 |

Note 9 - Investment current

| Particular | 31 March 2024 | 31 March 2023 |
|-----------------------------|---------------|---------------|
| Investment in mutual funds* | 62.01 | 28.32 |
| Total | 62.01 | 28.32 |

* above investment is shown at market value as on 31st March 2024.

Note 10 : Cash & Cash Equivalents

| Particular | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Balances with banks | | |
| In current accounts | 7.63 | 25.07 |
| Deposit with less than 3 months maturity from reporting date | - | - |
| Cash in hand | - | - |
| Total | 7.63 | 25.07 |

Note 11: Other Current Assets

| Particular | 31 March 2024 | 31 March 2023 |
|--------------------------------------|---------------|---------------|
| Prepaid expenses | 0.19 | 0.44 |
| Balances with government authorities | 113.42 | 435.89 |
| Advances to supplier | 33.99 | 24.16 |
| Total | 147.60 | 460.49 |

Note 12: Trade Receivables current

| Particular | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Considered good - Secured | - | - |
| Considered good - Unsecured | 105.29 | - |
| Receivables which have significant increase in credit risk | - | - |
| Less- Credit Impaired | - | - |
| Total | 105.29 | - |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Aging of Trade receivable as at 31 March 2024 is as follow:

| Particular | Outstanding for the following period from the due date of payment | | | | Total |
|---|---|--------------------|-----------|-----------|--------|
| | Less than 6 months | 6 months to 1 year | 1-2 Years | 2-3 Years | |
| Undisputed trade receivables - considered good | 105.29 | - | - | - | - |
| Undisputed trade receivables - which have significant increase in credit risk | - | - | - | - | - |
| Undisputed trade receivables - credit impaired | - | - | - | - | - |
| Disputed trade receivables - considered good | - | - | - | - | - |
| Disputed trade receivables - which have significant increase in credit risk | - | - | - | - | - |
| Disputed trade receivables - credit impaired | - | - | - | - | - |
| | | | | | 105.29 |

Aging of Trade receivable as at 31st March 2023 is as follow:

| Particular | Outstanding for the following period from the due date of payment | | | | Total |
|---|---|--------------------|-----------|-----------|-------|
| | Less than 6 months | 6 months to 1 year | 1-2 Years | 2-3 Years | |
| Undisputed trade receivables - considered good | - | - | - | - | - |
| Undisputed trade receivables - which have significant increase in credit risk | - | - | - | - | - |
| Undisputed trade receivables - credit impaired | - | - | - | - | - |
| Disputed trade receivables - considered good | - | - | - | - | - |
| Disputed trade receivables - which have significant increase in credit risk | - | - | - | - | - |
| Disputed trade receivables - credit impaired | - | - | - | - | - |
| | | | | | |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Note 13: Share capital

The Authorized, issued subscribed and fully paid up share capital consist of the following

| | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Authorised | | |
| 10,000 equity shares of Rs. 10/- each. | 1.00 | 1.00 |
| (31 March 2023 : 10,000 equity shares of Rs 10/- each) | | |
| | 1.00 | 1.00 |
| Issued, subscribed and fully paid share capital | | |
| 10,000 equity shares of Rs. 10/- each. | 1.00 | 1.00 |
| (31 March 2023 : 10,000 equity shares of Rs 10/- each) | | |
| Fully Paid Share Capital | 1.00 | 1.00 |

Reconciliation of the number of Equity Shares

| | 31 March 2024 | | 31 March 2023 | |
|--|---------------|-----------------|---------------|-----------------|
| | No of Shares | Amount in Rs. | No of Shares | Amount in Rs. |
| Equity Shares | | | | |
| Balance as at the beginning of the year | 10,000 | 1,00,000 | 10,000 | 1,00,000 |
| Add: Issued during the year | - | - | - | - |
| Balance as at the end of the year | 10,000 | 1,00,000 | 10,000 | 1,00,000 |

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

| | 31 March 2024 | | 31 March 2023 | |
|---|------------------|-----------|------------------|-----------|
| | Number of shares | % Holding | Number of shares | % Holding |
| Name of shareholder | | | | |
| Mahadhan Agritech Ltd. (formerly known as Smartchem Technologies Ltd) | 10,000 | 100% | 10,000 | 100% |

The Company has only one class of issue Equity Shares having par value of Rs. 10 per Share. Each holder of Equity Shares is entitled to one vote per Share and carry a right to dividend. The dividend proposed by Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Disclosure of Shareholding of Promoters

Disclosure of Shareholding of Promoters as at 31st March 2024 is as follow:

| Name of Promoter | Share held by Promoters | | | | | | % change during the year |
|---|-------------------------|-------------------|-----------------------|-------------------|-------------------|-------------------|--------------------------|
| | As at 31st March 2024 | | As at 31st March 2023 | | % of total shares | % of total shares | |
| | No. of shares | % of total shares | No. of shares | % of total shares | | | |
| Mahadhan Agritech Ltd. (formerly known as Smartchem Technologies Ltd) | 10,000 | 100 | 10,000 | 100 | 100 | - | |
| Total | 10,000 | 100 | 10,000 | 100 | 100 | | |

Disclosure of Shareholding of Promoters as at 31st March 2023 is as follow:

| Name of Promoter | Share held by Promoters | | | | | | % change during the year |
|---|-------------------------|-------------------|-----------------------|-------------------|-------------------|-------------------|--------------------------|
| | As at 31st March 2024 | | As at 31st March 2023 | | % of total shares | % of total shares | |
| | No. of shares | % of total shares | No. of shares | % of total shares | | | |
| Mahadhan Agritech Ltd. (formerly known as Smartchem Technologies Ltd) | 10,000 | 100 | 10,000 | 100 | 100 | - | |
| Total | 10,000 | 100 | 10,000 | 100 | 100 | | |

Note 14: Other equity

| Particular | 31 March 2024 | 31 March 2023 |
|---------------------------|---------------|---------------|
| General Reserve | 137.51 | 137.51 |
| Retained earnings | 335.54 | 191.67 |
| Total other equity | 473.05 | 329.18 |

(i) General Reserve

| Particular | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Opening Balance | 137.51 | 137.51 |
| Add:- Transfer during the year from retained earning | - | - |
| Closing Balance | 137.51 | 137.51 |

(ii) Retained Earnings

| Particular | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Opening balance | 191.67 | 95.19 |
| Add: Net profit for the year | 143.71 | 96.16 |
| Add : Items of other comprehensive income recognised directly in retained earnings | - | - |
| Add: Excess/(short) provision of income tax | 0.16 | 0.32 |
| Closing Balance | 335.54 | 191.67 |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Note 15: Lease liabilities non current

| Particular | 31 March 2024 | 31 March 2023 |
|--------------|---------------|---------------|
| Current | - | - |
| Non Current | 32.86 | 51.25 |
| Total | 32.86 | 51.25 |

Note 16: Provisions non current

| Particular | 31 March 2024 | 31 March 2023 |
|---------------------------------|---------------|---------------|
| Provision for employee benefits | 10.20 | 9.17 |
| Total | 10.20 | 9.17 |

Note 17: Short term borrowings current

| Particular | 31 March 2024 | 31 March 2023 |
|--------------------------|---------------|---------------|
| Loan repayable on demand | 122.00 | 122.00 |
| Total | 122.00 | 122.00 |

Note 18: Trade payable current

| Particular | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Due to Micro, Small & Medium Enterprises | 1.32 | 1.86 |
| Due to Others | 8.06 | 476.84 |
| Total | 9.38 | 478.70 |

Dues to Micro, small & medium enterprises

| Particular | 31 March 2024 | 31 March 2023 |
|---|---------------|---------------|
| Principal amount due at year end | 1.32 | 1.86 |
| Interest provided but not paid at year end on above | - | - |
| Interest due on principal amount already paid | - | - |
| Delayed Principal amount paid during the year | - | - |
| Interest paid on delayed principal payment | - | - |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Aging of Trade payable as at 31 March 2024 is as follow:

| Particular | Outstanding for the following period from the due date of payment | | | | Total |
|-----------------------|---|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Trade payables | | | | | |
| MSME* | 1.32 | - | - | - | 1.32 |
| Others | 8.06 | - | - | - | 8.06 |
| Disputed dues - MSME* | - | - | - | - | - |
| Disputed dues - Other | - | - | - | - | - |

Aging of Trade payable as at 31st March 2023 is as follow:

| Particular | Outstanding for the following period from the due date of payment | | | | Total |
|-----------------------|---|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Trade payables | | | | | |
| MSME* | 1.86 | - | - | - | 1.86 |
| Others | 476.84 | - | - | - | 476.84 |
| Disputed dues - MSME* | - | - | - | - | - |
| Disputed dues - Other | - | - | - | - | - |

*MSME as per the Micro, small and Medium Enterprises Development Act, 2006.

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Note 19: Other financial liabilities current

| Particular | 31 March 2024 | 31 March 2023 |
|------------------|---------------|---------------|
| Interest accrued | 21.16 | 10.49 |
| Other payable | 1.46 | 1.14 |
| Total | 22.64 | 11.63 |

Note 20: Other current liabilities

| Particular | 31 March 2024 | 31 March 2023 |
|-----------------------|---------------|---------------|
| Statutory tax payable | 1.55 | 1.75 |
| Total | 1.55 | 1.75 |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Note 21: Revenue from operations

| Particular | 31 March 2024 | 31 March 2023 |
|------------------------|-----------------|-----------------|
| Sale of finished goods | 4,521.69 | 4,012.50 |
| Other operating income | 0.72 | 4.88 |
| Total | 4,522.42 | 4,017.38 |

Note 22: Other income

| Particular | 31 March 2024 | 31 March 2023 |
|---|---------------|---------------|
| Interest income from financial assets mandatorily measured at fair value through profit or loss | 0.23 | 0.21 |
| Net gain on sale of investments | 1.19 | 4.35 |
| Fair Value of investments | 2.72 | 0.56 |
| Profit on Sale of Fixed Assets. | 10.96 | - |
| Interest on TDR with Bank | 0.02 | 0.00 |
| Interest income on IT refund | 0.90 | - |
| Sundry Balances Written Back | - | 1.29 |
| Total | 16.02 | 6.41 |

Note 23: Cost of material consumed

| Particular | 31 March 2024 | 31 March 2023 |
|--|-----------------|-----------------|
| Raw material | 4,170.67 | 3,700.17 |
| Packing material | 31.33 | 27.95 |
| Total Cost of material consumed | 4,202.01 | 3,728.13 |

Cost of material consumed - Raw material

| Particular | 31 March 2024 | 31 March 2023 |
|---|-----------------|-----------------|
| Raw materials as at the beginning of the year | 310.39 | 156.70 |
| Add: Purchases during the year | 4,072.39 | 3,853.86 |
| Less: Raw material as at the end of the year | 212.11 | 310.39 |
| Total Cost of material consumed - Raw material | 4,170.67 | 3,700.17 |

Cost of material consumed - Packing material

| Particular | 31 March 2024 | 31 March 2023 |
|---|---------------|---------------|
| Raw materials as at the beginning of the year | 21.91 | 20.77 |
| Add: Purchases during the year | 25.39 | 29.09 |
| Less: Raw material as at the end of the year | 15.97 | 21.91 |
| Total Cost of material consumed - Packing material | 31.33 | 27.95 |

Note 24: Changes in inventories of finished goods

| Particular | 31 March 2024 | 31 March 2023 |
|---|----------------|---------------|
| Finished goods at the beginning of the year | 2.63 | 2.00 |
| Finished goods at the end of the year | 22.33 | 2.63 |
| Total changes in inventories of work-in-progress, stock-in-trade and finished goods | (19.70) | (0.63) |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Note 25: Employee benefit expenses

| Particular | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Salaries, wages and bonus | 40.65 | 36.47 |
| Leave encashment provision for the period | 0.92 | 0.78 |
| Gratuity provision for the period | 0.87 | 0.99 |
| Contribution to provident fund & other funds | 2.22 | 1.97 |
| Staff welfare expenses | 1.63 | 1.33 |
| Total | 46.30 | 41.55 |

Note 26: Finance cost

| Particular | 31 March 2024 | 31 March 2023 |
|-------------------------------|---------------|---------------|
| Interest and finance charges | 11.92 | 11.75 |
| Interest on lease liabilities | 4.09 | 5.71 |
| Total | 16.00 | 17.46 |

Note 27: Depreciation

| Particular | 31 March 2024 | 31 March 2023 |
|------------------------------------|---------------|---------------|
| Depreciation | 4.76 | 11.08 |
| Amortization of right to use asset | 17.75 | 17.75 |
| Total | 22.50 | 28.83 |

Note 28: Other expenses

| Particular | 31 March 2024 | 31 March 2023 |
|---|---------------|---------------|
| Labour Charges | 49.86 | 42.91 |
| Legal and Professional Fees | 4.47 | 1.67 |
| Security Services | 11.39 | 10.17 |
| Sales and promotion expenses | - | 6.75 |
| Electricity Charges | 4.68 | 2.89 |
| Auditors' Remuneration -Statutory Audit | 1.23 | 1.73 |
| Repairs and Maintenance | 2.02 | 2.32 |
| Insurance Premium | 0.48 | 1.02 |
| Factory Expenses | 0.78 | 1.46 |
| Consumable | 3.69 | 1.47 |
| Conveyance Expenses | 0.79 | 0.52 |
| Packing Expenses | 0.03 | 0.21 |
| Printing & Stationary Expenses | 0.19 | 0.25 |
| Telephone / Telex Expenses | 0.30 | 0.17 |
| Testing Charges | 0.57 | - |
| Postage & Telegram expenses | 0.14 | 0.04 |
| Lease rent | 0.32 | 0.05 |
| Rates and taxes | 6.58 | 5.11 |
| Total | 87.54 | 78.75 |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Note 29: Fair value measurements

Financial instruments by category

| Particular | 31 March 2024 | | | 31 March 2023 | | |
|------------------------------------|--|---|----------------|--|---|----------------|
| | Fair value through profit and loss account | Fair value through other comprehensive income | Amortised cost | Fair value through profit and loss account | Fair value through other comprehensive income | Amortised cost |
| Financial assets | | | | | | |
| Investments | | | | | | |
| Mutual funds | 62.01 | - | - | 28.32 | - | - |
| Trade receivables | - | - | 105.29 | - | - | - |
| Loans | - | - | - | - | - | - |
| Cash and cash equivalents | - | - | 7.63 | - | - | 25.07 |
| Security deposits non current | - | - | 2.88 | - | - | 2.64 |
| Other financial assets | - | - | - | - | - | - |
| Total financial assets | 62.01 | - | 115.81 | 28.32 | - | 27.71 |
| Financial liabilities | | | | | | |
| Borrowings | - | - | 122.00 | - | - | 122.00 |
| Trade payables | - | - | 9.38 | - | - | 478.70 |
| Other financial liabilities | - | - | 55.50 | - | - | 62.88 |
| Total financial liabilities | - | - | 186.88 | - | - | 663.58 |

(i) Fair value hierarchy

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:

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.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities that are measured at fair value or where fair value disclosure is required:

| Financial assets and liabilities measured at fair value | 31 March 2024 | | | 31 March 2023 | | | | |
|---|---------------|---------|---------|---------------|--------------|---------|---------|--------------|
| | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total |
| At 31 March 2024 | | | | | | | | |
| Financial Investments at FVPL | | | | | | | | |
| Mutual funds - Growth plan | 62.01 | - | - | 62.01 | 28.32 | - | - | 28.32 |
| Total financial assets | 62.01 | - | - | 62.01 | 28.32 | - | - | 28.32 |

(ii) Valuation process to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

- The carrying amounts of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.
- The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. In the case of the investment measured at fair value and falling under fair value hierarchy Level 3, cost has been considered as an appropriate estimate of fair value. The carrying value of those investments are individually immaterial.

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Note 30: Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the management is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

a) Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company.

During the year, the Company is not exposed to any foreign currency exchange rate risk.

b) Interest rate risk

The Company's investments are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets

The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 177.81 and Rs.56.03 Lakhs as at March 31, 2024 and March 31, 2023, respectively, being the total of the carrying amount of balances with banks, bank deposits, investments excluding equity and preference investments, trade receivables, loans, contract assets and other financial assets.

None of the financial instruments of the Company result in material concentration of credit risk.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

| 31 March 2024 | Carrying Amount | Payable within 1 year | Between 1 and 5 years | Between 2 and 5 years | More than 5 years |
|--|-----------------|-----------------------|-----------------------|-----------------------|-------------------|
| Non-derivatives financial liabilities | | | | | |
| Borrowings | 122.00 | 122.00 | - | - | - |
| Trade payables | 9.38 | 9.38 | - | - | - |
| Interest accrued | 21.16 | 21.16 | - | - | - |
| Other financial liabilities | 1.46 | 1.46 | - | - | - |
| Total non-derivative liabilities | 132.84 | 132.84 | - | - | - |

| 31 March 2023 | Carrying Amount | Payable within 1 year | Between 1 and 5 years | Between 2 and 5 years | More than 5 years |
|--|-----------------|-----------------------|-----------------------|-----------------------|-------------------|
| Non-derivatives financial liabilities | | | | | |
| Borrowings | 122.00 | 122.00 | - | - | - |
| Trade payables | 478.70 | 478.70 | - | - | - |
| Interest accrued | 10.49 | 10.49 | - | - | - |
| Other financial liabilities | 1.14 | 1.14 | - | - | - |
| Total non-derivative liabilities | 601.84 | 601.84 | - | - | - |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Note 31: Related Party transactions

Names of the related parties and relationships

A. Holding Company

Mahadhan AgriTech Limited (formerly known as Smartchem Technologies Limited (STL))

B. Ultimate Holding Company

Deepak Fertilisers and Petrochemicals Corporation Limited

C. Key Management Personnel

Shri Ashok Shah
Shri Arvind Kulkarni

D. Fellow Subsidiary Companies

| | |
|--------------------------------------|------------------------------------|
| Platinum Blasting Services Pty Ltd. | SCM Fertichem Ltd. |
| Australian Mining Explosives Pty Ltd | Deepak Nitrochem Pty Ltd |
| Performance Chemiserve Limited | Ishanya Brand Services Limited |
| Deepak Mining Solutions Limited | Ishanya Realty Corporation Limited |

E. Jointly Controlled Entity of Ultimate Holding Company

Yerrowda Investments Ltd.

F. Entities over which key managerial personnel are able to exercise significant influence

| | |
|---------------------------------------|----------------------------|
| Robust Marketing Services Pvt Ltd | Ishanya Foundation |
| Pristine Property Management Pvt Ltd. | Nova Synthetic Pvt Limited |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Note 31: Related Party transactions

| Sr. No. | Nature of Transactions | 31 March 2024 | | 31 March 2023 | | |
|---------|---|------------------|--------------------------|------------------|--------------------------|------------------|
| | | Holding Entity | Key Management Personnel | Holding Entity | Key Management Personnel | Total |
| 1 | Sale of goods/Services Mahadhan AgriTech Limited (formerly known as Smartchem Technologies Limited) | 4,515.78 | - | 4,012.50 | - | 4,012.50 |
| 2 | Purchase of Goods and Services Mahadhan AgriTech Limited (formerly known as Smartchem Technologies Limited) Deepak Fertilisers and Petrochemical Corporation Ltd | 3,841.40 0.32 | - | 2,029.40 0.05 | - | 2,029.40 0.05 |
| 3 | Interest on Loan taken Mahadhan AgriTech Limited (formerly known as Smartchem Technologies Limited) | 11.87 | - | 11.65 | - | 11.65 |
| 4 | Amount outstanding as on 31 March 2024 Unsecured Loan Mahadhan AgriTech Limited (formerly known as Smartchem Technologies Limited) - Principal Mahadhan AgriTech Limited (formerly known as Smartchem Technologies Limited) - Interest Payable | 122.00 21.16 | - | 122.00 10.49 | - | 122.00 10.49 |
| | Trade Receivables Mahadhan AgriTech Limited (formerly known as Smartchem Technologies Limited) | 105.29 | - | 474.14 | - | 474.14 |

Note:

All transaction are in ordinary course and on an arm's length basis

Note 32: Contingent Liabilities Commitments - Nil

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Note 33: Income Taxes

| Components of Income Tax Expenses | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| I. Tax expense recognised in the Statement of Profit and Loss | | |
| Current Tax | 41.32 | 34.27 |
| Total (A) | 41.32 | 34.27 |
| Deferred tax charge/(credit) | 1.25 | 0.73 |
| Total (B) | 1.25 | 0.73 |
| Total (A+B) | 42.57 | 35.00 |
| II. Tax on Other Comprehensive Income | | |
| Deferred Tax | | |
| (Gain)/Loss on remeasurement of net defined benefit plans | - | - |
| (Gain)/Loss on cashflow hedge | - | - |
| Total | - | - |

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate 31 March 2024 and 31 March 2023

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---------------|---------------|
| Accounting profit before tax | 183.78 | 129.71 |
| At India's statutory income tax rate of 25.168% (31 March 2023: 25.168%) (A) | 46.25 | 32.65 |
| Impact on current and deferred tax of earlier years | - | - |
| Deferred tax recognised on reasonable certainty | 1.25 | 0.73 |
| Others | 2.43 | (3.08) |
| Total (B) | 3.68 | (2.35) |
| Income Tax expense reported in the statement of profit or loss (A+B) | 42.57 | 35.00 |

MAHADHAN FARM TECHNOLOGIES PRIVATE LIMITED

(All Amounts in INR Lakhs unless otherwise stated)

Note 34: Additional regulatory information

| Ratios | Numerator | Denominator | Current Year | Previous Year | % Variance | Reason for variance |
|---|---|--|--------------|---------------|------------|---|
| Current ratio (in times) | Total current assets | Total current liabilities | 17.07 | 1.72 | 889.58% | As the increase in Current Liabilities is not proportionate to increase in Current Assets, the Current ratio has increased. |
| Debt-Equity ratio (in times) | Debt consists of borrowings and lease liabilities | Total equity | 0.33 | 0.52 | -37.74% | During the year, borrowings have been increased even though total equity have also increased. |
| Debt service coverage ratio (in times) | Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments | Debt service = Interest and lease payments + Principal repayments | 6.75 | 5.31 | 27.17% | Due to decrease in cash profit, repayment of borrowing is lower as compared to earlier year. |
| Return on equity ratio (in times) | Profit for the year less Preference dividend (if any) | Average total equity | 0.36 | 0.34 | 4.77% | No significant changes |
| Inventory turnover ratio (in times) | Cost of goods sold | Average inventory | 14.29 | 14.49 | -1.39% | No significant changes |
| Trade receivables turnover ratio (in times) | Revenue from operations | Average trade receivables | 85.90 | N.A. | 85.90% | During the year, receivables are remain outstanding as compared to last year where there is no outstanding trade receivables. |
| Trade payables turnover ratio (in times) | Cost of purchases + Other expenses | Average trade payables | 17.15 | 6.34 | 170.51% | During the year, purchases has made at higher rate as compared to last year due to inflation effect in raw material cost. |
| Net capital turnover ratio (in times) | Revenue from operations | Working capital (i.e. Total current assets less Total current liabilities) | 8.38 | 11.26 | -25.55% | No significant changes |
| Net profit ratio (in %) | Profit for the year | Revenue from operations | 3.18% | 2.39% | 32.75% | Due to increase in operating cost resulted in lower net profit ratio. |
| Return on capital employed (in %) | Profit before tax and finance costs | Capital employed = Net worth + Total Debt + Deferred tax liabilities | 31.77% | 29.23% | 8.66% | No significant changes |
| Return on investment (in %) | Income generated from invested fund | Average invested fund | 2.64% | 2.19% | 20.67% | No significant changes |

As per our report of even date attached

For HMA and Associates
Chartered Accountants
Firms Registration No.: 100537W




Anand D Joshi
Partner
Membership No.: 113805
Place: Pune
Date: 20th May, 2024

For and on behalf of the Board of Directors
Mahadhan Farm Technologies Private Limited



Ashok Shah
Director
DIN:00196506



Arvind Kulkarni
Director
DIN:06557767
Place: Pune
Date: 20th May, 2024