M. M. NISSIM & CO . (Regd.)
CHARTERED ACCOUNTANTS

Barodawala Mansion, B-Wing, 3rd Floor,
81, Dr. Annie Besant Road,
Worli, Mumbai – 400 018.
Tel.: +91 22 2496 9900
Fax : +91 22 2496 9995
Email : mail@mmnissim.com
Website : www.mmnissim.com

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Standalone Ind AS Financial Statements

To the Members of Advanced Bio Agro Tech Limited

Opinion

We have audited the accompanying separate Ind AS financial statements of **Advanced Bio Agro Tech Limited**, (hereinafter referred to as "Company") which comprise the Balance Sheet as at 31st March, 2020, and 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 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 (financial position) of the Company as at 31st March, 2020, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements 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 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 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 Matters

We draw attention to Note 37 in the Notes to the Standalone Ind AS financial statements which describes the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company. In view of the highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report including annexure to Board's report, Management Discussion and Analysis, but does not include the financial statements and our auditor's report thereon

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Board report including Annexures to Board Report, Management Discussion and Analysis, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance

Responsibilities of Management for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the standalone financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is included in appendix A of this auditor's report.

Other Matters

Due to the COVID-19 related lock-down we were not able to participate in the physical verification of inventory that was carried out by the management subsequent to the year end. Consequently we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence –Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these Standalone Financial Statements.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B".**

g) With respect to the other matters to be included in the Auditor's report in accordance with the requirments of Section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has no pending litigations.

i. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses

ii. There were no amounts required to be transferred, to the Investor Education Protection Fund by the Company.

For M. M. NISSIM & CO
Chartered Accountants
(Firm Regn. No. 107122W)

(N. Kashinath)
Partner
Mem. No.: 036490
Mumbai, 13th May, 2020
UDIN:- 20036490AAAACA5720

Appendix A- **Auditor's Responsibilities for the Audit of the Financial Statements**

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

a) Identify and assess the risks of material misstatement of the 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.
b) 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.
c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
d) 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 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. Refer Note 37 to the Standalone Financial Statements which describes the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company. In view of the highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

ANNEXURE – A

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND-AS FINANCIAL STATEMENTS OF ADVANCED BIO-AGRO TECH LIMITED

Report on the Order issued under Section 143 (11) of the Companies Act, 2013

(i) In respect of its Fixed Assets:

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The fixed assets have been physically verified by the management in, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. As informed to us, no material discrepancy was noticed on such physical verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company the title deeds of immovable properties, as disclosed in Note 3 to the standalone financial statements, are held in the name of the Company.

(ii) As explained to us, the physical verification of inventory has been conducted at reasonable intervals by the management during the year. As informed to us, no material discrepancy was noticed on such physical verification conducted during those intervals. In view of COVID-19 related lock-down, management has carried out physical verification of inventory subsequent to year end. Refer Other Matter para above

(iii) According to the information and explanations given to us on the basis of our examination of the records of the Company, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered under the register maintained under section 189 of the Companies Act, 2013. Accordingly the clauses (iii) (a), (b) and (c) of the order are not applicable.

(iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Act. The Company has complied with the provisions of section 186 of the Act in respect of investments made during the year.

(v) According to the information and explanations given to us on the basis of our examination of the records of the Company, the Company has not accepted any deposits from the public, hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable.

(vi) According to the information and explanations given to us, Central Government has not prescribed maintenance of cost records under section 148 (1) of the Act.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income tax, goods and service tax, duty of customs, cess, professional tax and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us , no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, goods and service tax, duty of customs, cess, professional tax and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable

(b) According to the records of the Company, there are no dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax , goods and service tax, and cess on account of any dispute.

(viii) According to the information and explanations given to us on the basis of our examination of the records of the Company, the Company has not taken any loans or borrowings from any financial institution, bank or Government nor has it issued any debentures. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.

(ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.

(x) On the basis of our examination and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) The Company is not a nidhi Company and accordingly provisions of clause (xii) of Para 3 of the order are not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in Note 34 to the standalone financial statements as required by applicable Indian Accounting Standards.

(xiv) The Company has not made any preferential allotment or private placement of share or fully or partly convertible debentures during the year and accordingly provisions of clause (xiv) of Para 3 of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly provisions of clause (xv) of Para 3 of the Order are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company

For M. M. NISSIM & CO
Chartered Accountants
(Firm Regn. No. 107122W)

(N. Kashinath)
Partner
Mem. No.: 036490
Mumbai, 13th May, 2020
UDIN:- 20036490AAAACA5720

ANNEXURE – B

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ADVANCED BIO-AGRO TECH 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 **Advanced Bio-Agro Tech Limited** as of March 31, 2020 in conjunction with our audit of the 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 (the Guidance Note) 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 Act.

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 and the Standards on Auditing 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 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 my /our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles in India, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M. M. NISSIM & CO
Chartered Accountants
(Firm Regn. No. 107122W)

(N. Kashinath)
Partner
Mem. No.: 036490
Mumbai,13th May, 2020
UDIN:- 20036490AAAACA5720

Advanced Bio-Agro Tech Limited
CIN: U24100MH2004PLC149464
Balance Sheet
as at 31 March 2020

	Note	**As at 31 March 2020**	As at 31 March 2019
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	**20,021,369**	21,692,168
(b) Financial Assets			
(i) Loans	4	**370,000**	370,000
(c) Deferred tax assets (net)	5	**3,098,425**	3,506,591
(h) Income tax asset		**3,688,291**	5,942,636
(i) Other non-current assets			
Total non-current assets		**27,178,084**	31,511,396
(2) Current Assets			
(a) Inventories	6	**793,926**	7,301,830
(b) Financial Assets			
(i) Investments	7	**142,007**	40,151
(ii) Trade receivables	8	**147,516,130**	103,169,705
(iii) Cash and cash equivalents	9	**4,303,279**	40,873,646
(iv) Loans	10	**355,000**	420,000
(v) Others	11	**-**	69,452
(d) Other current assets	12	**2,821,306**	685,849
		155,931,648	152,560,635
(3) Non-current assets classified as held for sale			
Total current assets		**155,931,648**	152,560,635
Total assets		**183,109,732**	184,072,031
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	13	**1,000,000**	1,000,000
(b) Other equity			
(i) Reserves			
1.1 Other Reserves	14	**151,607,467**	141,856,552
		152,607,467	142,856,552
Total equity		**152,607,467**	142,856,552
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	**3,245,236**	5,191,319
(ii) Trade payables	16		
- Outstanding dues of micro enterprises and small enterprises		**113,400**	124,200
- Outstanding dues of creditors other than micro enterprises and small enterprises		**3,203,604**	10,889,548
(iii) Other financial Liabilities	17	**17,921,422**	19,792,125
(b) Other current liabilities	18	**820,299**	1,409,904
(c) Current provisions	19	**5,198,305**	3,808,383
Total Current liabilities		**30,502,265**	41,215,479
Total liabilities		**183,109,732**	184,072,031

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached
For **M. M. NISSIM & CO.**
Chartered Accountants
Firm Registration no. 107122W

For and on behalf of Board of Directors of
Advanced Bio-Agro Tech Limited
CIN No: U24100MH2004PLC149464

N Kashinath
Partner
M. No.: 36490
Place : Mumbai
Date : 13 May 2020

O. P. Singh	Mukund M. Kabra	Beni P. Rauka
Managing Director	Director	Director
DIN: 00015162	DIN: 00148294	DIN: 00295213
Place : Pune	Place: Nashik	Place : Mumbai
Date: 13 May 2020		

Advanced Bio-Agro Tech Limited
CIN: U24100MH2004PLC149464
Statement of Profit and Loss
for the year ended 31 March 2020

		Note	**31 March 2020**	31 March 2019
	Income:			
I.	Revenue from contracts with customers	*20*	**388,893,330**	395,385,186
II.	Other Income	*21*	**7,327,476**	9,894,492
III.	**Total Income (I + II)**		**396,220,805**	405,279,678
	Expenses:			
	Purchases of Stock-in-Trade	*22*	**223,338,467**	239,869,633
	Changes in inventories of Stock-in-Trade	*23*	**6,507,905**	(4,822,893)
	Employee benefits expense	*24*	**44,353,545**	43,945,453
	Finance costs	*25*	**206,928**	268,416
	Depreciation and amortization expense	*3*	**1,670,800**	2,138,730
	Other expenses	*26*	**43,935,532**	47,271,841
IV.	**Total expenses**		**320,013,176**	328,671,180
V.	**Profit before tax (III- IV)**		**76,207,629**	76,608,498
VI.	Tax expenses:	*31*		
	1. Current tax		**19,391,413**	18,966,338
	(Excess) / short provision for earlier years		**100,648**	-
	Net current tax		**19,492,061**	18,966,338
	2. Deferred tax		**444,080**	2,624,607
VII.	**Profit for the year (V - VI)**		**56,271,488**	55,017,553
VIII.	**Other comprehensive income**			
	A (i) Items that will not be reclassified to profit or loss - Remeasurement of Defined Benefit Plans		**142,696**	379,859
	(ii) Income tax related to items that will not be reclassified to profit or loss	*31*	**(35,914)**	(105,677)
	Other comprehensive income / (loss) for the year, net of tax		**106,782**	274,182
IX.	**Total comprehensive income for the period**		**56,164,705**	54,743,371
X.	**Earnings per equity share**	*29*		
	Basic earnings per share		**562.71**	550.18
	Diluted earnings per share		**562.71**	550.18

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For **M. M. NISSIM & CO.**

Chartered Accountants
Firm Registration no. 107122W

For and on behalf of Board of Directors of
Advanced Bio-Agro Tech Limited

CIN No: U24100MH2004PLC149464

N Kashinath
Partner
M. No.: 36490
Place : Mumbai
Date : 13 May 2020

O. P. Singh
Managing Director
DIN: 00015162
Place : Pune
Date : 13 May 2020

Mukund M. Kabra
Director
DIN: 00148294
Place : Nashik

Beni P. Rauka
Director
DIN: 00295213
Place : Mumbai

Advanced Bio-Agro Tech Limited
CIN: U24100MH2004PLC149464
Statement of Changes in Equity (SOCIE)
for the year ended 31 March 2020

(a) Equity share capital (refer note 13)

	As at 31 March 2020		As at 31 March 2019	
	No. of Shares	**Amount**	No. of Shares	Amount
Balance at the beginning of the year	**100,000**	**1,000,000**	100,000	1,000,000
Changes in equity share capital during the year	**-**	**-**	-	-
Balance at the end of the year	**100,000**	**1,000,000**	100,000	1,000,000

(b) Other equity (refer note 14)

Particulars	Reserves & Surplus		Other Comprehensive Income	Total Equity
	General reserve	Retained earnings		
Balance as at 01 April 2018	6,232,794	119,161,929	(306,623)	125,088,100
Profit for the year	-	55,017,553	-	55,017,553
Other comprehensive income for the year	-	-	(274,182)	(274,182)
Total comprehensive income for the year	-	55,017,553	(274,182)	54,743,371
Dividend Distribution Tax (DDT)	-	(6,474,919)	-	(6,474,919)
Dividends	-	(31,500,000)	-	(31,500,000)
Balance as at 31 March 2019	**6,232,794**	**136,204,563**	**(580,805)**	**141,856,552**
Profit for the year	-	56,271,488	-	56,271,488
Other comprehensive income for the year	-	-	(106,782)	(106,782)
Total comprehensive income for the year	-	56,271,488	(106,782)	56,164,705
Dividend Distribution Tax (DDT)	-	(7,913,790)	-	(7,913,790)
Dividends	-	(38,500,000)	-	(38,500,000)
Balance as at 31 March 2020	**6,232,794**	**146,062,260**	**(687,587)**	**151,607,467**

Nature and component of equity:

General Reserve

General Reserve represents accumulated profits and is created by transfer of profits from Retained Earnings and it is not an item of Other Comprehensive Income and the same shall not be subsequently reclassified to Statement of Profit and Loss

Remeasurements of Defined Benefit Plans

Gains / Losses arising on Remeasurements of Defined Benefit Plans are recognised in the Other Comprehensive Income as per IND AS-19 and shall not be reclassified to the Statement of Profit or Loss in the subsequent years.

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached
For M. M. NISSIM & CO.
Chartered Accountants
Firm Registration no. 107122W

For and on behalf of Board of Directors of Advanced Bio-Agro Tech Limited
CIN No: U24100MH2004PLC149464

N Kashinath
Partner
M. No.: 36490
Place : Mumbai
Date : 13 May 2020

O. P. Singh
Managing Director
DIN: 00015162
Place : Pune
Date : 13 May 2020

Mukund M. Kabra
Director
DIN: 00148294
Place : Nashik

Beni P. Rauka
Director
DIN: 00295213
Place : Mumbai

Advanced Bio-Agro Tech Limited
CIN: U24100MH2004PLC149464
Cash Flow Statement for the year ended 31 March 2020

In Rupees

		31 March 2020	31 March 2019
A.	**Cash flow from operating activities :**		
	Net profit before tax	**76,207,629**	76,608,498
	Adjustment for :		
	Depreciation	**1,670,800**	2,138,730
	Interest paid	**164,959**	211,124
	Excess provision written back	**(2,676,249)**	(7,635,487)
	Allowances/ (written back) for bad and doubtful trade receivables	**(745,024)**	(7,699,525)
	Bad and doubtful trade receivables written off	**-**	9,283,573
	Unrealised gain on fair value changes of Current Investments	**(1,656)**	(2,775)
	Actuarial gains and losses taken to OCI	**(142,696)**	(379,859)
	Interest income	**(1,194,084)**	(2,006,788)
		(2,923,951)	(6,091,008)
	Operating Cash Flows before Working Capital Changes	**73,283,678**	70,517,490
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Inventories	**6,507,905**	(4,822,893)
	Trade receivables	**(43,601,400)**	26,369,909
	Current loans	**65,000**	(390,000)
	Other current assets	**(2,135,457)**	518,791
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade Payables	**(7,696,744)**	1,265,955
	Other Current Financial liabilities	**805,546**	5,563,579
	Other Current Liabilities	**(589,605)**	84,494
	Short Term Provisions	**1,389,925**	(1,250,150)
		(45,254,832)	27,339,685
	Cash generated from operations	**28,028,846**	97,857,175
	Direct Taxes paid	**(17,237,716)**	(21,207,134)
	Net Cash Flow from Operating Activities	**10,791,130**	76,650,041
B.	**Cash flow from investing activities**		
	Purchase of current investments	(100,200)	-
	Purchase of tangible assets	**-**	(323,688)
	Interest received	1,263,536	1,937,336
	Net Cash (Used) / generated in Investing Activities	**1,163,336**	1,613,648
C.	**Cash flow from financing activities**		
	(Repayment of)/ proceeds from long-term borrowings (net)	**-**	(1,075,001)
	(Repayment of)/ proceeds from short-term borrowings (net)	**(1,946,083)**	(996,566)
	Interest paid	**(164,959)**	(211,124)
	Dividends paid (including dividend tax)	**(46,413,790)**	(37,974,919)
	Net Cash (Used) / generated in Financing Activities	**(48,524,832)**	(40,257,610)
	Net increase/(decrease) in cash and cash equivalents	**(36,570,366)**	38,006,079
	Cash and cash equivalents as at the beginning of the year	**40,873,645**	2,867,565
	Cash and cash equivalents as at the end of the year	**4,303,279**	40,873,645

1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Cash Flow Statements".

2 Reconciliation of Financing Liabilties

	31 March 2020	31 March 2019
Opening Balance	**5,191,319**	7,262,886
Cash inflow/ (outflow) of non-current borrowings	**-**	(1,075,001)
Cash inflow /(outflow) of current borrowings	**(1,946,083)**	(996,566)
Closing Balance	**3,245,236**	5,191,319

As per our attached Report of even date
For M. M. NISSIM & CO.
Chartered Accountants
Firm Registration no. 107122W

For and on behalf of Board of Directors of Advanced Bio-Agro Tech Limited
CIN No: U24100MH2004PLC149464

N Kashinath
Partner
M. No.: 36490
Place : Mumbai
Date : 13 May 2020

O. P. Singh
Managing Director
DIN: 00015162
Place : Pune
Date : 13 May 2020

Mukund M. Kabra
Director
DIN: 00148294
Place: Nashik

Beni P. Rauka
Director
DIN: 00295213
Place : Mumbai

Advanced Bio-Agro Tech Limited
CIN: U24100MH2004PLC149464
Notes to the Financial Statements for the year ended 31 March 2020

1 Overview of the Company

Advanced Bio-Agro Tech Limited ("the Company") was incorporated on 9 November 2004 and is primarily engaged in business of trading of poultry feed and agri products.

2 Basis of preparation of financial statements
Statement of compliance

The Financial statements of the Company comply with all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements of the Company for the year ended 31 March 2020 were authorised for issue in accordance with a resolution of the directors on 13 May 2020.

Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the Company's functional currency.

Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:
- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- net defined benefit (asset)/ liability that are measured at fair value of plan assets less present value of defined benefit obligations.

2A Use of estimates

The preparation of the financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2020 are as follows:

a. Property, plant and equipment

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalised. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

b. Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

c. Recognition of deferred tax assets

Deferred tax assets are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2B Significant accounting policies:

The accounting policies set out below have been applied consistently to the periods presented in the financial statements.

a. Revenue recognition

The company derives revenues primarily from sale of goods comprising of Animal Feed Supplements and Agri Supplies.

The following is a summary of significant accounting policies related to revenue recognition:

Revenue from contract with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, as specified in the contract with the customers.

Use of significant judgements in revenue recognition.

• Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as turnover/product/prompt payment discounts. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

• The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Interest income is recognized on a time proportionate basis, taking into account the amount outstanding and the rates applicable.

b. Property, plant and equipment and depreciation

i. Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses directly related to acquisition/construction and installation of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.

ii. Subsequent expenditure related to an item of tangible assets are added to its book value only if they increase the future benefits from the exisiting asset beyond its previously assessed standard of performance.

iii. Capital work-in-progress includes fixed assets not ready for their intended use and related incidental expenses and attributable interest.

iv. The estimated useful life of assets are as follows:

Building	30-60 years
Plant and equipment	15 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computer and data processing equipment	3 years

Depreciation on tangible assets other than plant and equipment has been provided on Written Down Value method and on plant and equipment on Straight Line Method. Depreciation is provided on a pro-rata basis, i.e. from the date on which asset is ready for use.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

v. An item of property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the Statement of Profit and Loss.

c. **Impairment of Property, plant and equipments**

The carrying values of assets at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.

d. **Inventories**

i. Stock in trade is valued at lower of cost and net reliasable value. Cost is determind on weighted average cost method, which is determined on their specific individual costs which includes only purchase cost.

e. **Employee benefits**

i. Employee benefits payable wholly within twelve months of receiving employees services are classified as short-term employee benefits. The short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

ii. **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts.
The Company contributes to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 that is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which the employee renders services.

Superannuation benefits, a defined contribution plan, has been funded with Life Insurance Corporation of India and the contribution is charged to Statement of profit and loss, when the contribution to the Fund is due.

iii. **Defined benefit plans**

The Company provides for gratuity benefit and compensated absences, which are defined benefit plans, covering all its eligible employees. Liability towards gratuity benefits and compensated absences expected to occur after twelve months, are determined using the Projected Unit Credit Method. Actuarial valuations are carried out at the balance sheet date. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. The gratuity benefit and compensated absences scheme is funded with the Life Insurance Corporation of India (LIC).

The short term provision for compensated absences has been calculated on undiscounted basis, based on the balance of leave available over and above the maximum accumulation allowed as per the Company policy.

f. Income taxes

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law), deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period)

Current tax

Current tax is computed and provided for in accordance with the applicable provisions of the Income Tax Act, 1961.

g. Deferred tax

Deferred 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 assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation.

Minimum Alternate Tax(MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

h. Borrowing costs

Borrowing costs incurred on constructing or acquiring a qualifying asset are capitalized as cost of that asset until it is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue and recognized as an expense in the Statement of Profit and Loss.

i. Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

j. Leases

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17

As a lessee The company recognises 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 re-measurements 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, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the following: – Fixed payments, including in-substance fixed payments; – Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; – Amounts expected to be payable under a residual value guarantee; and – The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets The company has elected not to recognise right-of-use assets and lease liabilities for shortterm leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Under Ind AS 17 In the comparative period, as a lessee the company classified leases that transfer substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent. Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset. Assets held under other leases were classified as operating leases and were not recognised in the company's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease

k. Cash and cash equivalents

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant Accounting Standard. For the purpose of presentation in the Statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However, Bank overdrafts are shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

l. Operating cycle

All assets and liabilities have been classified as current or non-current as per criteria set out in the Schedule III to the Companies Act, 2013.

m. Financial Instruments

a. Financial assets

i. Recognition and initial measurement

Trade receivables and debt instruments issued are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset is initially measured at fair value. In the case of financial assets which are recognised at fair value through profit and loss (FVTPL), the transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

ii. Classification

On initial recognition, a financial asset is classified as measured at

- amortised cost; or
- fair value through profit or loss (FVTPL); or
- fair value through other comprehensive income (FVOCI) - debt investment or equity investment

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

− the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

− the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

− the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

− the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment - by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.
Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

iii Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

iv. Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transactionin which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

v. Impairment of financial assets

In accordance with Ind AS 109, the company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

i. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities,deposits, and bank balance.

ii. Trade receivables.

The application of simplified approach does not require the company to track changes in credit risk. Rather,it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

b. Financial liabilities

i. Recognition and initial measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial liability is initially measured at fair value. In the case of financial liabilities which are recognised at fair value through profit and loss (FVTPL), the transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition or issue of financial liability.

ii Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL 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 FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or 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 profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. 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.

n. Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

o. Dividend Distribution to equity shareholders

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in other equity along with any tax thereon.

p. Foreign Currency Transactions

The Financial Statements of Company are presented in INR, which is also its functional currency. In preparing the Financial Statements, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling on the date of transaction.
Exchange differences on monetary items are recognised in the Statement of Profit & Loss in the period in which they arise.

Advanced Bio-Agro Tech Limited
CIN: U24100MH2004PLC149464
Notes to the Financial Statements for the year ended 31 March 2020

3 Property, Plant and Equipment

Gross block	Land Freehold	Plant	Buildings	Office Equipments	Furniture and fixtures	Vehicles	Computers	Total
Balance as at 31 March 2018	**1,446,313**	**-**	**20,549,866**	**491,048**	**3,152,326**	**2,894,041**	**548,664**	**29,082,257**
Additions	-	287,064	-	-	-	-	36,624	**323,688**
Balance as at 31 March 2019	**1,446,313**	**287,064**	**20,549,866**	**491,048**	**3,152,326**	**2,894,041**	**585,288**	**29,405,945**
Additions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 31 March 2020	**1,446,313**	**287,064**	**20,549,866**	**491,048**	**3,152,326**	**2,894,041**	**585,288**	**29,405,945**
Accumulated depreciation and amortisation								
Balance as at 31 March 2018	**-**	**-**	**2,140,271**	**317,240**	**1,425,988**	**1,527,729**	**163,819**	**5,575,047**
Depreciation and amortisation	-	12,104	980,154	62,603	448,839	418,389	216,641	**2,138,730**
Balance as at 31 March 2019	**-**	**12,104**	**3,120,425**	**379,844**	**1,874,827**	**1,946,118**	**380,459**	**7,713,777**
Depreciation and amortisation	-	18,181	927,049	19,718	331,570	287,475	86,807	**1,670,800**
Balance as at 31 March 2020	**-**	**30,285**	**4,047,474**	**399,562**	**2,206,397**	**2,233,593**	**467,266**	**9,384,577**
Net block								
Balance as at 31 March 2019	1,446,313	274,960	17,429,440	111,204	1,277,500	947,923	204,828	21,692,168
Balance as at 31 March 2020	**1,446,313**	**256,779**	**16,502,391**	**91,486**	**945,929**	**660,448**	**118,022**	**20,021,369**

		In Rupees	
		31 March 2020	31 March 2019
4	**Non- Current Loans**		
	Security Deposits		
	- Unsecured, considered good	**370,000**	370,000
		370,000	370,000
5	**Deferred Tax Asset (net)**		
	Deferred tax liabilities		
	Arising on account of timing difference in:		
	Property, plant and equipment	**189,481**	44,731
		189,481	44,731
	Deferred tax assets		
	Arising on account of timing difference in:		
	Deferred Income	**581,789**	563,671
	Employee benefits	**1,396,397**	1,332,659
	Trade receivables	**1,309,719**	1,654,992
		3,287,905	3,551,323
		3,098,425	3,506,591
6	**Inventories (Valued at lower of Cost and Net realisable value)**		
	Finished goods:		
	Stock-in-trade	**793,926**	7,301,830
		793,926	7,301,830
7	**Current Investments**		
	Investments in mutual funds at Fair Value through Profit and Loss		
	Unquoted fully paid-up		
	ICICI Prudential Mutual Fund- "ICICI Prudential Liquid - Growth"	**42,641**	40,151
	(No. of units 145.782, Face Value - Rs 292.5002/unit)		
	Franklin India Ultra Short Bond Fund Super Institutional Plan - Direct Growth	**99,366**	-
	(No. of units 3,593.245, Face Value - Rs 27.65349/unit)		
		142,007	40,151
8	**Trade Receivables**		
	Unsecured		
	- Considered good	**147,516,130**	103,169,705
	Credit impaired		
	- Considered doubtful	**5,203,905**	5,948,930
		152,720,035	109,118,635
	Less: Impairment position on Expected Credit Loss Model	**5,203,905**	5,948,930
		147,516,130	103,169,705
	(Refer note 32 for information about credit risk and market risk of trade receivables)		
9	**Cash and Cash Equivalents**		
	Cash and Cash Equivalents (as per IND AS-7 - "Statement of Cash Flows")		
	Balances with banks		
	- in current accounts	**4,269,689**	10,866,888
	- in deposit account (with maturity upto three months)	**-**	30,000,000
	Cash on hand	**33,590**	6,758
		4,303,279	40,873,646
10	**Loans - Current**		
	Security Deposits		
	- Unsecured, considered good	**30,000**	30,000
	Loan to employees	**325,000**	390,000
		355,000	420,000
11	**Other current financial assets**		
	Interest receivable	**-**	69,452
		-	69,452
12	**Other Current Assets**		
	Prepaid expenses	**311,301**	388,102
	Advance for expenses	**1,780,079**	115,442
	Balance with revenue authorities	**114,353**	160,500
	Others	**615,573**	21,805
		2,821,306	685,849

	In Rupees	
	31 March 2020	31 March 2019
13 Equity Share Capital		
Authorised		
1,00,000 Equity Shares of Rs.10/- each	**1,000,000**	1,000,000
Issued, Subscribed & Paid up		
1,00,000 Equity Shares of Rs.10/- each	**1,000,000**	1,000,000
Reconciliation of Equity share capital	**No. of shares**	No. of shares
Shares outstanding at the beginning of the Year	**100,000**	100,000
Shares Issued during the year	**-**	-
Shares outstanding at the end of the year	**100,000**	100,000

a) Rights, preferences and restrictions attached to shares;
The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except is 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.

b) 60,000 shares are held by Advanced Enzyme Technologies Ltd., the holding company.

c) Particulars of shareholders holding more than 5%

Name of Shareholder	**No. of Shares held**	**% of Holding**	No. of Shares held	% of Holding
M/s. Advanced Enzyme Technologies Ltd and its nominees	60,000	**60%**	60,000	60%
Mr. Omprakash B. Singh	40,000	**40%**	40,000	40%

	In Rupees	
	31 March 2020	31 March 2019
14 Other Equity		
General Reserve		
Balance as per last Balance Sheet.	**6,232,794**	6,232,794
Add : Transferred from Statement of Profit and Loss	-	-
Closing Balance	**6,232,794**	6,232,794
Retained earnings		
Balance as per last accounts.	**135,623,758**	118,855,306
Profit for the year	**56,164,705**	54,743,371
(-) Interim Dividend	**(38,500,000)**	(31,500,000)
(-) Tax on dividend distributed	**(7,913,790)**	(6,474,919)
	145,374,673	135,623,758
Total	**151,607,467**	141,856,552

	In Rupees	
	31 March 2020	31 March 2019
	Current	Current
15 Borrowings		
Secured		
Loans repayble on demand		
From banks	**3,245,236**	5,191,319
Total borrowings	**3,245,236**	5,191,319

a) Details of security for each type of borrowings

(i) Working Capital Loan from bank carries an interest rate of 9% to 12%. Loans repayable on demand from banks (Working Capital loans) are secured as under:

1. Negative lien on Land & Building situated at Gat No 551 , Off Nashik-Pune Road, Dapurwad Road, Mauje, Musalgaon, Taluka- Sinnar , Dist- Nashik, Sole Charge on Plant & Machniery located at the above address as and when procured.

2. First Exclusive charge on Stocks and Book Debts of the Company.

3. Personal guaranteed by the Managing Director.

	In Rupees	
	31 March 2020	31 March 2019
16 Trade Payables		
Total outsatnding dues to micro and small enterprises (Refer Note 36)	**113,400**	124,200
Total outstanding dues to others	**3,203,604**	10,889,548
	3,317,004	11,013,748
17 Current- Other Financial Liabilities		
Advances and security deposits from customers	**1,272,256**	1,707,794
Employee benefits payable	**9,093,839**	9,441,988
Other payables	**7,555,327**	8,642,343
	17,921,422	19,792,125
18 Other Current Liabilities		
Provident fund	**143,227**	131,984
Other statutory dues	**677,072**	1,277,920
	820,299	1,409,904
19 Current Provisions		
Provision for employee benefits (refer note 30)		
Gratuity (funded)	**2,789,434**	2,038,169
Compensated Absences (funded)	**2,408,871**	1,770,214
	5,198,305	3,808,383

Advanced Bio-Agro Tech Limited
CIN: U24100MH2004PLC149464
Notes to the Financial Statements for the year ended 31 March 2020

		In Rupees	
		Year ended 31 March 2020	Year ended 31 March 2019
20 Revenue from contracts with customers			
Sale of products	Domestic	**369,443,022**	378,648,104
	Exports	**19,450,308**	16,737,082
		388,893,330	395,385,186
Details of products sold			
- Traded goods			
- Animal feed supplements		**383,738,276**	394,112,286
- Agri Supplies		**5,155,054**	1,272,900
		388,893,330	395,385,186
21 Other Income			
Duty Drawback		**6,604**	8,878
Interest income		**1,194,084**	2,006,788
Interest on Income Tax Refund		**216,608**	-
Exchange fluctuation		**-**	240,565
Excess provision written back		**2,676,249**	7,635,487
Sundry balances written back		**229,739**	-
Discount received, claims etc		**385,505**	-
Income on Financial assets carried at fair value through profit or loss			
- Net gain on fair value changes of Current Investments		**1,656**	2,775
Bad Debts written back		**1,850,000**	-
Provision for doubtful debts reversed		**745,024**	-
Miscellaneous income		**22,006**	-
		7,327,476	9,894,492
22 Purchases of Stock-in-Trade			
Purchases - Animal Feed Supplies		**221,953,671**	238,797,933
Purchases - Agri Supplies		**1,384,796**	1,071,700
		223,338,467	239,869,633
23 Changes in inventories of finished goods and work-in-progress			
Closing Stock			
Stock-in-trade		**793,926**	7,301,830
Less: Opening Stock			
Stock-in-trade		**7,301,830**	2,478,938
		6,507,905	(4,822,893)
24 Employee Benefits Expense			
Salaries, Wages & Bonus		**39,439,362**	39,514,998
Contribution to provident and other funds		**1,779,544**	1,548,287
Retirement benefits expense		**818,405**	683,730
Staff welfare expenses		**2,316,234**	2,198,438
		44,353,545	43,945,453

Advanced Bio-Agro Tech Limited
CIN: U24100MH2004PLC149464
Notes to the Financial Statements for the year ended 31 March 2020

		In Rupees	
		Year ended 31 March 2020	Year ended 31 March 2019
25	**Finance Costs**		
	Interest expense	**164,959**	211,124
	Bank charges	**41,969**	57,292
		206,928	268,416
26	**Other Expenses**		
	Insurance	**565,928**	574,277
	Rent	**63,000**	80,000
	Rates and taxes	**1,256,182**	1,427,521
	Printing and stationery	**947,896**	669,657
	Legal and professional fees	**6,960,203**	9,418,722
	Auditors' remuneration		
	Audit fees	**123,900**	135,700
	Repairs and maintenance	**213,535**	341,604
	Exchange fluctuation	**120,839**	1,282
	Travel and conveyance expenses	**13,659,556**	14,351,664
	Communication	**1,251,832**	1,146,027
	Commission on sales	**80,267**	223,211
	Sales promotion and advertisement	**3,378,158**	2,922,638
	Freight outward and forwarding	**7,895,726**	8,089,337
	Other selling and distribution expenses	**5,218,583**	4,404,079
	Bad debts written off	**-**	9,283,573
	Less: Provision for doubtful debts	**-**	(7,699,525)
		-	1,584,047
	Corporate social responsibility expenses (refer note no 35)	**1,421,000**	1,375,000
	General expense	**778,928**	527,075
		43,935,532	47,271,841

27 Segment Reporting - Disclosures under Ind AS 108 - "Operating Segment":

i. Entity wide disclosure required by Ind AS 108 are as detailed below:

	Year ended 31 March 2020	Year ended 31 March 2019
Bio- chaemicals	**388,893,330**	395,385,186
Others	**-**	-
	388,893,330	395,385,186

ii. Geographic information

The geographic information analyses the Company's revenues and non-current assets by the Company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

	Year ended 31 March 2020	Year ended 31 March 2019
a. **Revenue from external customers**		
Within India	**369,443,022**	378,648,104
Outside India	**19,450,308**	16,737,082
	388,893,330	395,385,186

	31 March 2020	31 March 2019
b. **Non-current assets (other than financial instruments and deferred tax assets)**		
Within India	**20,391,369**	22,062,168
Outside India	**-**	-
	20,391,369	22,062,168

iii. Major customer

Revenue from one customer based in India represented Rs. 107.50 million (previous year Rs. 128.50 million) out of the total revenues.

28 Disaggregation of revenue

The management determines that the segment information reported under Note 27 Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no seperate disclosures of disaggregated revenues are reported.

29 Earnings per share (EPS)

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

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

i. Profit attributable to Equity holders

	31 March 2020	31 March 2019
Profit attributable to equity holders	**56,271,488**	55,017,553

ii. Weighted average number of ordinary shares

	31 March 2020	31 March 2019
Issued ordinary shares at 1 April	**100,000**	100,000
Effect of fresh issue of shares for cash	-	-
Weighted average number of shares at 31 March for basic EPS	**100,000**	100,000
Weighted average number of shares at 31 March for diluted EPS	**100,000**	100,000

Basic and Diluted earnings per share

	31 March 2020	31 March 2019
Basic earnings per share	**562.71**	550.18
Diluted earnings per share	**562.71**	550.18

30. Post-Employment Benefits

The Company contributes to the following post-employment plans in India.

Defined Benefit Plan:

The Company provides for gratuity benefit and compensated absences, which are defined benefit plans, covering all its eligible employees. The Company has taken a group gratuity and compensated absences policy for its employees with the Life Insurance Corporation of India (LIC). Under gratuity policy, the eligible employees are entitled to receive gratuity payments upon their resignation or death (subject to completion of 4.5 years of employment) in lumpsum after deduction of necessary taxes.

This plan exposes the Company to actuarial risks such as longetivity risk, interest rate risk and market (investment) risk.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

	31 March 2020		31 March 2019	
	Gratuity	**Compensated absences**	**Gratuity**	**Compensated absences**
Defined benefit obligation	(4,989,470)	(3,582,432)	(4,468,934)	(2,854,122)
Fair value of plan assets	2,200,036	1,173,561	2,430,765	1,083,908
Net defined benefit (obligation)/assets	**(2,789,434)**	**(2,408,871)**	**(2,038,169)**	**(1,770,214)**

i) Reconciliation in present value of obligations ('PVO') – defined benefit obligation:

	Defined benefit obligation			
	31 March 2020		31 March 2019	
	Gratuity	**Compensated absences**	**Gratuity**	**Compensated absences**
Opening balance	4,468,934	2,854,122	3,659,847	4,239,197
Included in profit or loss				
Current service cost	693,230	512,450	566,586	406,526
Interest cost	327,028	207,444	274,967	322,179
	5,489,192	3,574,016	4,501,400	4,967,902
Included in OCI	115,851	379,558	378,640	65,968
Remeasurement loss (gain):				
Actuarial loss (gain) arising from:				
Financial assumptions	335,476	235,627	69,434	44,151
Experience adjustment	(219,625)	143,931	309,206	21,817
	5,605,043	3,953,574	4,880,040	5,033,870
Benefits paid	(615,573)	(371,142)	(411,106)	(2,179,748)
Closing balance	4,989,470	3,582,432	4,468,934	2,854,122

ii) Change in fair value of plan assets

	Fair value of plan assets			
	31 March 2020		31 March 2019	
	Gratuity	**Compensated absences**	**Gratuity**	**Compensated absences**
Opening balance	2,430,765	1,083,908	1,835,192	1,005,319
Included in profit or loss				
Expected return on plan assets	201,853	102,500	157,823	96,082
	2,632,618	1,186,408	1,993,015	1,101,401
Included in OCI	(26,845)	(23,882)	(1,219)	(21,002)
Remeasurement loss (gain):				
Actuarial loss (gain) arising from:				
Experience adjustment	(26,845)	(23,882)	(1,219)	(21,002)
	2,605,773	1,162,526	1,991,796	1,080,399
Other				
Contributions paid by the employer	209,836	11,035	438,969	3,509
Benefits paid	(615,573)	-	-	-
Closing balance	2,200,036	1,173,561	2,430,765	1,083,908

iii) Expense recognised in the Statement of Profit and Loss:

	31 March 2020		31 March 2019	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Current service cost	693,230	512,450	566,586	406,526
Interest cost	125,175	104,944	117,144	226,097
Net value of remeasurements on the obligation and plan assets	-	403,440	-	86,970
Total expense recognised in the Statement of Profit and Loss	818,405	1,020,834	683,730	719,593

iv) Other Comprehensive Income:

	31 March 2020	31 March 2019
	Gratuity	Gratuity
Actuarial loss / (gain) from:		
-Financial assumptions	335,476	69,434
-Experience adjustment	(219,625)	309,206
Return on plan assets excluding net interest	26,845	1,219
Total amount recognised in OCI	142,696	379,859

v) Plan assets

Plan assets comprise the following

	31 March 2020	31 March 2019
Break-up not available	100%	100%
	100%	100%

vi) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages):

	31 March 2020		31 March 2019	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Policy of insurance (Investment Breakup not available)	100%	100%	100%	100%
Discount rate	6.55%	6.55%	7.40%	7.40%
Rate of return on plan assets	6.55%	6.55%	7.40%	7.40%
Salary Escalation	8.00%	8.00%	8.00%	8.00%
Withdrawal rates	5% at younger ages reducing to 1% at older ages		5% at younger ages reducing to 1% at older ages	
Leave availment rates	-	0.5%	-	0.5%
Retirement age	60 years		60 years	
Mortality rates	As published under the Indian assured lives mortality (2006-08) table			

Assumptions regarding future mortality have been based on published statistics and mortality tables.

vii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2020		31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	4,787,016	5,208,347	4,298,880	4,651,327
Future salary growth (0.5% movement)	5,200,434	4,792,517	4,649,412	4,299,038

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occuring at the end of the reporting period.

viii) Expected future cash flows

The expected future cash flows in respect of gratuity as at 31 March 2020 were as follows:
The expected contributions for defined benefit plan for the next financial year will be Rs. 6,93,230/-

Expected future benefit payments

31 March 2020	101,652
31 March 2021	106,329
31 March 2022	1,131,685
31 March 2023	78,354
31 March 2024	80,096
Therafter	1,367,685

Advanced Bio-Agro Tech Limited
CIN: U24100MH2004PLC149464
Notes to the Financial Statements for the year ended 31 March 2020

31 Income taxes

Tax expense

(a) Amounts recognised in profit and loss

	Year ended 31 March 2020	Year ended 31 March 2019
Current income tax	**19,391,413**	18,966,338
Changes in estimates related to prior period	**100,648**	-
	19,492,061	18,966,338
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	**444,080**	2,624,607
Deferred tax expense	**444,080**	2,624,607
Tax expense for the year	**19,936,141**	21,590,945

(b) Amounts recognised in other comprehensive income

	Year ended 31 March 2020			Year ended 31 March 2019		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurement of Defined Benefit Plans	142,696	(35,914)	106,782	379,859	(105,677)	274,182
	142,696	**(35,914)**	**106,782**	379,859	(105,677)	274,182

(c) Reconciliation of effective tax rate

	Year ended 31 March 2020	Year ended 31 March 2019
Profit before tax	**76,207,629**	76,608,498
Tax using the Company's domestic tax rate (31 March 2020 : 25.17%, 31 March 2019 : 27.82%)	**19,179,936**	21,312,484
Tax effect of:		
Permanent differences	**357,637**	382,408
Prior period tax	**100,648**	-
Others	**297,920**	(76,665)
Tax expense as per profit or loss	**19,936,141**	21,590,945

Income taxes (continued)

(d) Movement in deferred tax balances

	31 March 2020						
	Net balance 1 April 2019	**Recognised in profit or loss**	**Recognised in OCI**	**Others**	**Net deferred tax asset/liability**	**Deferred tax asset**	**Deferred tax liability**
Deferred tax asset							
Property, plant and equipment	(44,731)	(144,749)	-	-	(189,481)	-	(189,481)
Deferred Income	563,671	18,118	-	-	581,789	581,789	-
Employee benefits	1,332,659	27,824	35,914	-	1,396,397	1,396,397	-
Trade receivables	1,654,992	(345,273)	-	-	1,309,719	1,309,719	-
Tax assets (Liabilities)	**3,506,591**	**(444,080)**	**35,914**	**-**	**3,098,425**	**3,287,905**	**(189,481)**

(e) Movement in deferred tax balances

	31 March 2019						
	Net balance 1 April 2018	Recognised in profit or loss	Recognised in OCI	Others	Net deferred tax asset/liability	Deferred tax asset	Deferred tax liability
Deferred tax asset							
Property, plant and equipment	127,617	(172,349)	-	-	(44,731)	-	(44,731)
Deferred Income	547,566	16,105	-	-	563,671	563,671	-
Employee benefits	1,553,339	(326,356)	105,677	-	1,332,659	1,332,659	-
Trade receivables	3,797,000	(2,142,008)	-	-	1,654,992	1,654,992	-
Tax assets (Liabilities)	6,025,523	(2,624,608)	105,677	-	3,506,591	3,551,323	(44,731)

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

32. Financial instruments

1. Financial instruments – Fair values and risk management
A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below . It does not include the fair value information for financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value

		Carrying amount				Fair value			
31 March 2020	**Note No.**	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Financial assets									
Investments	7	142,007	-	-	142,007	142,007	-	-	142,007
Loans - Non current	4	-	-	370,000	370,000	-	370,000	-	370,000
Trade receivables	8	-	-	147,516,130	147,516,130	-	-	-	-
Cash and cash equivalents	9	-	-	4,303,279	4,303,279	-	-	-	-
Loans	10	-	-	355,000	355,000	-	-	-	-
		142,007	**-**	**152,544,409**	**152,686,416**	**142,007**	**370,000**	**-**	**512,007**
Financial liabilities									
Borrowings	15	-	-	3,245,236	3,245,236	-	-	-	
Trade payables	16	-	-	3,317,004	3,317,004	-	-	-	-
Other financial Liabilities	17	-	-	17,921,422	17,921,422	-	-	-	-
		-	**-**	**24,483,662**	**24,483,662**	**-**	**-**	**-**	**-**

Note: There have been no transfers among Level 1, Level 2 and Level 3 during the year

				Carrying amount				Fair value	
31 March 2019	**Note No.**	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Financial assets									
Investments	7	40,151	-	-	40,151	37,376	-	-	37,376
Loans - Non current	4	-	-	370,000	370,000	-	370,000	-	370,000
Trade receivables	8	-	-	103,169,705	103,169,705	-	-	-	-
Cash and cash equivalents	9	-	-	40,873,646	40,873,646	-	-	-	-
Loans	10	-	-	420,000	420,000	-	-	-	-
Others		-	-	69,452	69,452	-	-	-	-
		40,151	**-**	**144,902,803**	**144,942,954**	**37,376**	**370,000**	**-**	**407,376**
Financial liabilities									
Borrowings	15	-	-	5,191,319	5,191,319	-	-	-	-
Trade payables	16	-	-	11,013,748	11,013,748	-	-	-	-
Other financial Liabilities	17	-	-	19,792,125	19,792,125	-	-	-	-
		-	**-**	**35,997,193**	**35,997,193**	**-**	**-**	**-**	**-**

Note: There have been no transfers among Level 1, Level 2 and Level 3 during the year

B. Measurement of fair values
Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used:

Financial instruments measured at fair value

Type	Valuation technique
Non current financial assets / liabilities measured at amortised cost	Discounted cash flow technique : The valuation model considers present value of expected payments discounted using an appropriate discounting rate.

C. Financial risk management
The Company has exposure to the following risks arising from financial instruments:
- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company’s board of directors has overall responsibility for the establishment and oversight of the Company’s risk management framework.

Financial instruments – Fair values and risk management
ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

At 31 March 2020, the Company's most significant customer accounted for INR 79.50 million of the trade and other receivables carrying amount (31 March 2019 : INR 39.99 million).

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

		31 March 2020	
	Carrying Amount	**Weighted Average Loss Rate**	**Loss Allowance**
Not due	89,885,005	0.0%	24,859
0-90 days	44,855,566	0.1%	61,832
90-180 days	10,769,932	1.1%	113,221
180-270 days	1,487,550	2.8%	41,968
270-360 days	350,890	7.0%	24,649
More than 360 days	5,371,092	91.9%	4,937,376
	152,720,035		**5,203,905**

		31 March 2019	
	Carrying Amount	**Weighted Average Loss Rate**	**Loss Allowance**
Not due	92,731,605	0.1%	138,943
0-90 days	9,752,891	0.3%	30,162
90-180 days	2,800	5.3%	149
180-270 days	17,879	24.8%	4,438
270-360 days	346,250	31.4%	108,833
More than 360 days	6,267,210	90.4%	5,666,405
	109,118,635		**5,948,930**

Expected credit loss assessment for customers as at 31 March 2019 and 31 March 2020

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgement.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

Particulars	**Amount**
Balance as at 31 March 2018	**13,648,455**
Impairment loss recognised	1,584,047
Amounts written off	9,283,573
Balance as at 31 March 2019	**5,948,930**
Impairment loss reversed	**(745,024)**
Amounts written off	**-**
Balance as at 31 March 2020	**5,203,906**

The impairment loss at 31 March 2020 related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

Cash and cash equivalents

The Company held cash and cash equivalents of INR 4.30 million at 31 March 2020 (31 March 2019: INR 40.87 million). The cash and cash equivalents are held with bank and financial institution counterparties with good credit ratings.

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.
Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired

Advanced Bio-Agro Tech Limited
CIN: U24100MH2004PLC149464
Notes to the Financial Statements for the year ended 31 March 2020

Financial instruments – Fair values and risk management
iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposit which carry no/low mark to market risks. The Company monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility
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 estimated interest payments

			Contractual cash flows			
31 March 2020	**Carrying amount**	**Total**	**Upto 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Short term borrowings	3,245,236	3,245,236	3,245,236	-	-	-
Trade payable	3,317,004	3,317,004	3,317,004	-	-	-
Other financial liabilities	17,921,422	17,921,422	17,921,422	-	-	-

			Contractual cash flows			
31 March 2019	**Carrying amount**	**Total**	**Upto 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Short term borrowings	5,191,319	5,191,319	5,191,319	-	-	-
Trade payable	11,013,748	11,013,748	11,013,748	-	-	-
Other financial liabilities	19,792,125	19,792,125	19,792,125	-	-	-

Financial instruments – Fair values and risk management (continued)

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Financial instruments – Fair values and risk management (continued)
Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

	31 March 2020	31-Mar-19
Fixed-rate instruments		
Financial liabilities - measured at amortised cost		
Vehicle Loan	-	-
Floating-rate instruments		
Financial liabilities - measured at amortised cost		
From banks in rupees	3,245,236	5,191,319
Total	**3,245,236**	**5,191,319**

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

The risk estimates provided assume a change of 25 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date assuming that all other variables, in particular foreign currency exchange rates, remain constant.. The period end balances are not necessarily representative of the average debt outstanding during the period.

Cash flow sensitivity (net)	**Profit or loss**	
	25 bp increase	**25 bp decrease**
31 March 2020		
Variable-rate loan instruments	(8,113)	8,113
Cash flow sensitivity (net)	**(8,113)**	**8,113**
31 March 2019		
Variable-rate loan instruments	(12,978)	12,978
Cash flow sensitivity (net)	**(12,978)**	**12,978**

33. Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves . The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

	31 March 2020	31 March 2019
Current borrowings	3,245,236	5,191,319
Current maturity of long term debt	-	-
Gross debt	3,245,236	5,191,319
Less - Cash and cash equivalents	4,303,279	40,873,646
Adjusted net debt	**(1,058,043)**	**(35,682,326)**
Total equity	152,607,467	142,856,552
Adjusted net debt to equity ratio*	(0.01)	(0.25)

*Negative figure indicates excess of cash and cash equivalent over gross debt

Explanatory Information to the financial statement for the period ended 31 March 2020 contd

In Rupees

34 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below:

A Relationships:

I Holding Company

Advanced Enzyme Technologies Limited

II Fellow Subsidiaries

Advanced Enzytech Solutions Limited
JC Biotech Private Limited
Advanced Enzymes, USA
Cal India Food International, USA (subsidiary of Advanced Enzymes USA, Inc.)
Advanced Supplementary Technologies Corporation, USA (Wholly owned subsidiary of Advanced Enzymes USA, Inc.)
Dynamic Enzymes Inc., USA (Wholly owned subsidiary of Advanced Enzymes USA)
Enzyme Innovation Inc., USA (Wholly owned subsidiary of Cal India Foods International)
Advanced Enzymes, Malaysia Sdn. Bhd., Malaysia (Wholly owned subsidiary of Advanced Enzyme Technologies Limited w.e.f. 12 March 2018)
Advanced Enzymes Europe B.V., Netherland
Evoxx Technologies GMBH, Germany (Wholly owned subsidiary of Advanced Enzymes Europe B. V.)

III Key Management Personnel

Managing Director :

Mr. Omprakash B. Singh

B. Nature of transactions:

The following transactions were carried out with the related parties mentioned in A above, in the ordinary course of business.

		Holding Company		KMP	
		31 March 2020	31 March 2019	**31 March 2020**	31 March 2019
1	**Purchases of Goods**				
	Advanced Enzyme Technologies Ltd	**221,037,577**	237,494,043	**-**	-
2	**Reimbursement of expenses**				
	Advanced Enzyme Technologies Ltd	**-**	49,941	-	-
3	**Remuneration to Directors & their Relatives**				
	Mr. Omprakash B. Singh	-	-	**7,779,514**	7,203,357
		31 March 2020	31 March 2019		
4	**Accounts Payable**				
	Advanced Enzyme Technologies Ltd	**2,184,218**	**10,871,548**	**-**	-
5	**Dividend Paid**	**31 March 2020**	31 March 2019		
	Advanced Enzyme Technologies Ltd	**23,100,000**	18,900,000	**-**	-
	Mr. Omprakash B. Singh	**-**	**-**	**15,400,000**	12,600,000

6 Managing Director of the Copmany has given personal guarantee in respect of Cash Credit facility taken from Citi Bank. (refer note 15)

No amount has been provided as doubtful debts or advances / written off or written back in the year under audit in respect of debts due from / to above related parties.

35 As required by section 135 of Companies Act, 2013 and Rules therein, a Corporate social responsibility committee has been formed by the Company. The Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013.

a. Gross amount required to be spent by the Company during the financial year Rs. 14,20,341/- (previous year Rs. 13,71,074/-).

b. Amount spent by the Company during the year on purpose other than construction/ acquisition of assets is Rs. 14,21,000/- (previous year Rs. 13,75,000/-)

36 Dues to Micro and Small enterprises under Micro, Small and Medium Enterprise Development Act, 2006; (MSMED)

The information given below and included in Trade Payable (Note 16) and Other Current Liabilities (Note 17) regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company.

	31 March 2020	31 March 2019
Principal amount due to suppliers under MSMED	**113,400**	124,200

Note: Other information/ disclosures relating to payments made beyond appointed date, interest accrued & paid and cumulative intrest are not applicable, being NIL.

37 In view of the unprecedented COVID-19 pandemic and economic forecasts, the Management has assessed the recoverability of its assets including receivables & inventories. In such assessment, the Company has considered internal and external information upto the date of approval of these financial statements including economic forecasts. The Company has performed analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

For M. M. NISSIM & CO. **Chartered Accountants** **Firm Registration no. 107122W**	**For and on behalf of Board of Directors of** **Advanced Bio-Agro Tech Limited** CIN No: U24100MH2004PLC149464		
N Kashinath Partner M. No.: 36490 Place : Mumbai Date : 13 May 2020	O. P. Singh Managing Director DIN: 00015162 Place : Pune Date : 13 May 2020	Mukund M. Kabra Director DIN: 00148294 Place : Nashik	Beni P. Rauka Director DIN: 00295213 Place : Mumbai