

## **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 separate financial statements (also known as Standalone Financial Statements) of **Advanced Bio Agro Tech Limited**, (hereinafter referred to as "Company") which comprise the Balance Sheet as at 31st March, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March 2022, and its profit(financial performance including Other Comprehensive Income), the Changes in Equity and its Cash Flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

### **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 Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, Changes in Equity and Cash Flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Company's financial reporting process

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion, The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from



error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone 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 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) As required by section 197(16) of the Act, based on our audit, we report that the Company has paid and provided for remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us
- i. The Company has 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.
  - iii. (a) As represented to us by the management and to the best of its knowledge and belief, no funds have been advanced or lend or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (Intermediaries"), with the understanding whether recorded in writing or otherwise that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (b) As represented to us by the management and to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the



understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

iv. The Company has complied with the provisions with respect to Section 123 of the Companies Act, 2013 in respect of declaration and/or payment of dividend during the year

**For M M NISSIM & CO LLP**  
Chartered Accountants  
(Firm Regn. No. 107122W/W100672)

(N. Kashinath)

Partner

Mem. No.: 036490

Mumbai, 12th May, 2022

UDIN:- 22036490AIWJPD3829



**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) a) A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- B) The company does not have intangible assets and hence provisions of clause (iaB) of Para 3 of the Order are not applicable to the Company
- b) The Property, Plant & equipment have been physically verified by the management in accordance with a regular programme of verification, which in our opinion is reasonable, considering the size and the nature of its business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification;
- c) Based on our examination of the registered sale deed / transfer deed / conveyance deed / property tax paid documents (which evidences title) provided to us, we report that, the title deeds of all the immovable properties disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.
- d) The company has not revalued its Property, Plant & Equipment during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March 2022 for holding any benami property under the Benami Transaction (Prohibition) Act, 1988, as amended and rules made thereunder.
- ii) a) The inventory has been physically verified by the management during the year at reasonable intervals. In our opinion, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operation. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventory when compared with books of account.
- b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable to the Company.



- iv) In our opinion, in respect of investments made, the Company has complied with the provisions of Section 185 and 186 of the Act.
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended. Accordingly, the provisions of clause 3(v) of Para 3 of the Order are not applicable to the Company.
- vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii)(a) 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 2022 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) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

- ix) a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.



- e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) The Company has not made any preferential allotment or private placement of share or fully convertible debentures (fully, partially or optionally convertible) during the year and accordingly provisions of clause (x)(b) of Para 3 of the Order are not applicable to the Company.
- xi) a) On the basis of our examination and according to the information and explanations given to us, no fraud by the Company or any material fraud on the Company has been noticed or reported during the year, nor have we been informed of any such case by the management.
- b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year
- 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) On the basis of our examination and according to the information and explanations given to us, we report that all the transaction with the related parties are in compliance with Section 177 and 188 of the Act, to the extend applicable, and the details have been disclosed in the Standalone Financial statements in Refer Note 28(f) as required by the applicable accounting standards.
- xiv) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013. Accordingly, provisions of clause (xiv)(b) of Para 3 of the Order are not applicable to the company.
- xv) 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 the directors. Accordingly, provisions of clause (xv) of Para 3 of the Order are not applicable to the company.
- xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, provisions of clause (xvi) of Para 3 of the Order are not applicable to the Company.




- (b) During the year, the Company has not conducted any Non-Banking Financial or Housing Finance activities and accordingly, provisions of clause (xvi)(b) of Para 3 of the Order are not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the Regulations made by the Reserve Bank of India and accordingly the provisions of clause (xvi) of Para 3 of the Order is not applicable to the Company.
- (d) The group does not have any CIC as a part of the group and accordingly reporting under clause (xvi)(d) of Para 3 of the Order is not applicable to the Company.
- xvii) The Company has not incurred cash losses during the Financial Year covered by our audit and in the immediately preceding Financial Year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year
- b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act



xxi) The Company has no subsidiaries, associates and joint ventures and accordingly reporting under Para 3(xxi) is not applicable to the Company.

**For M M NISSIM & CO LLP**  
Chartered Accountants  
(Firm Regn. No. 107122W/W100672)

  
(N. Kashinath)

Partner

Mem. No.: 036490

Mumbai, 12<sup>th</sup> May, 2022

UDIN:- 22036490AIWJPD3829



**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")**

**Opinion**

We have audited the internal financial controls with reference to Financial Statements of **Advanced Bio-Agro Tech Limited** as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such controls were operating effectively as at March 31, 2022, 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 issued by the Institute of Chartered Accountants of India(ICAI).

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements were 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 with reference to Financial Statements and their operating effectiveness. Our audit



of internal financial controls with reference to Financial Statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Financial Statements.

### Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to Financial Statements 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 with reference to Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements

### Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M M NISSIM & CO LLP  
Chartered Accountants  
(Firm Regn. No. 107122W/W100672)

(N. Kashinath)

Partner

Mem. No.: 036490

Mumbai, 12<sup>th</sup> May, 2022

UDIN:- 22036490AIWJPD3829



**Advanced Bio-Agro Tech Limited**  
CIN: U24100MH2004PLC149464  
**Balance Sheet as at 31 March 2022**

	Note	As at 31 March 2022	As at 31 March 2021
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	3	2,57,47,426	1,88,32,602
(b) Financial Assets			
(i) Loans	4	-	70,000
(c) Deferred tax assets (net)	5	16,41,267	22,58,112
(h) Income tax asset		61,26,939	84,91,454
(i) Other non-current assets	6	3,00,000	3,00,000
<b>Total non-current assets</b>		<b>3,38,15,632</b>	<b>2,99,52,168</b>
<b>(2) Current Assets</b>			
(a) Inventories	7	62,71,623	72,78,898
(b) Financial Assets			
(i) Investments	8	4,40,78,732	97,591
(ii) Trade receivables	9	11,41,08,834	8,94,47,386
(iii) Cash and cash equivalents	10	91,06,009	2,34,91,286
(iv) Bank balances other than (iii) above	10	1,80,00,000	5,49,00,000
(v) Loans	4	6,92,729	3,40,000
(vi) Others	11	1,479	9,54,179
(d) Other current assets	12	24,11,601	28,19,182
		<b>19,46,71,008</b>	<b>17,93,28,522</b>
<b>Total assets</b>		<b>22,84,86,640</b>	<b>20,92,80,690</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity share capital	13	10,00,000	10,00,000
(b) Other equity	14	18,60,59,921	16,52,23,674
		<b>18,70,59,921</b>	<b>16,62,23,674</b>
<b>Total equity</b>		<b>18,70,59,921</b>	<b>16,62,23,674</b>
<b>(2) Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15	55,65,047	-
<b>Total non current liabilities</b>		<b>55,65,047</b>	<b>-</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15	11,70,953	-
(ii) Trade payables	16		
- Outstanding dues of creditors other than micro enterprises and small enterprises		1,38,89,000	1,55,57,621
(iii) Other financial Liabilities	17	64,77,590	97,75,625
(b) Other current liabilities	18	96,53,244	1,43,61,552
(c) Current provisions	19	36,96,940	33,62,216
(d) Liabilities for current tax (net)		9,73,945	-
<b>Total Current liabilities</b>		<b>3,58,61,672</b>	<b>4,30,57,015</b>
<b>Total liabilities</b>		<b>22,84,86,640</b>	<b>20,92,80,690</b>

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

As per our report of even date attached  
For **M M Nissim & Co LLP**  
Chartered Accountants  
Firm Registration no. 107122W/W100672

N Kashinath  
Partner  
M. No.: 36490  
Place : Mumbai  
Date : 12 May, 2022  
UDIN - 22036490AIWJPD3829



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

CIN No: U24100MH2004PLC149464

O. P. Singh  
Managing Director  
DIN: 00015162  
Place: Pune  
Date: 12 May, 2022

Beni L. Rauka  
Director  
DIN: 00295213  
Place: Thane  
Date: 12 May, 2022

Advanced Bio-Agro Tech Limited  
CIN: U24100MH2004PLC149464  
Statement of Profit and Loss  
for the year ended 31 March 2022

	Note	31 March 2022	31 March 2021
<b>Income:</b>			
I. Revenue from contracts with customers	20	40,41,03,698	31,17,96,499
II. Other Income	21	1,21,70,861	70,36,001
<b>III. Total Income (I + II)</b>		<b>41,62,74,559</b>	<b>31,88,32,500</b>
<b>Expenses:</b>			
Purchases of Stock-in-Trade	22	23,23,18,863	18,89,14,207
Changes in inventories of Stock-in-Trade	23	10,07,275	(64,84,972)
Employee benefits expense	24	4,48,48,620	4,02,95,037
Finance costs	25	1,70,648	85,663
Depreciation and amortization expense	3	15,74,840	13,72,228
Other expenses	26	4,51,41,706	3,39,49,726
<b>IV. Total expenses</b>		<b>32,50,61,952</b>	<b>25,81,31,889</b>
<b>V. Profit before tax (III- IV)</b>		<b>9,12,12,607</b>	<b>6,07,00,611</b>
<b>VI. Tax expenses:</b>	31		
1. Current tax		2,26,65,602	1,48,14,466
(Excess) / short provision for earlier years		23,61,309	-
Net current tax		2,50,26,911	1,48,14,466
2. Deferred tax		5,49,546	6,96,761
<b>VII. Profit for the year (V - VI)</b>		<b>6,56,36,150</b>	<b>4,51,89,384</b>
<b>VIII. Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss - Remeasurement of Defined Benefit Plans		(2,67,394)	(5,70,376)
(ii) Income tax related to items that will not be reclassified to profit or loss		67,298	1,43,552
<b>Other comprehensive income / (loss) for the year, net of tax</b>	31	<b>(2,00,096)</b>	<b>(4,26,824)</b>
<b>IX. Total comprehensive income for the period</b>		<b>6,58,36,246</b>	<b>4,56,16,208</b>
<b>X. Earnings per equity share</b>	29		
Basic earnings per share		656.36	451.89
Diluted earnings per share		656.36	451.89

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

As per our report of even date attached

**For M M Nissim & Co LLP**

Chartered Accountants

Firm Registration no. 107122W/W100672

**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 : 12 May, 2022

UDIN - 22036490AIWJPD3829



O. P. Singh  
Managing Director  
DIN: 00015162  
Place: Pune  
Date: 12 May, 2022

Ben P. Rauka  
Director  
DIN: 00295213  
Place: Thane  
Date: 12 May, 2022

	In Rupees	
	31 March 2022	31 March 2021
<b>A. Cash flow from operating activities :</b>		
Net profit before tax	9,12,12,607	6,07,00,611
Adjustment for :		
Depreciation	15,74,840	13,72,228
Interest paid	20,326	30,829
Excess provision written back	(72,62,828)	(28,04,447)
Allowances/ (written back) for bad and doubtful trade receivables	2,76,867	(6,09,931)
Net gain on fair value changes of Current Investments	(10,32,405)	(4,797)
Net gain on sale of Current Investments	(1,402)	(3,450)
Actuarial gains and losses taken to OCI	2,67,394	5,70,376
Interest income	(13,95,896)	(16,38,434)
Sundry Balance written off	70,000	-
<b>Operating Cash Flows before Working Capital Changes</b>	<b>(74,83,104)</b>	<b>(30,87,628)</b>
Changes in working capital:	8,37,29,503	5,76,12,983
Adjustments for (increase) / decrease in operating assets:		
Inventories	10,07,275	(64,84,972)
Trade receivables	(2,49,38,315)	5,86,78,675
Other current financial assets	30,000	-
Other current assets	4,07,581	2,124
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(16,68,620)	1,22,40,617
Other Current Financial liabilities	39,64,793	17,21,408
Other Current Liabilities	(47,08,308)	64,78,494
Provisions	3,34,724	(18,36,089)
<b>Cash generated from operations</b>	<b>(2,55,70,871)</b>	<b>7,08,00,257</b>
Direct Taxes paid	5,81,58,632	12,84,13,240
<b>Net Cash Flow from Operating Activities</b>	<b>(2,16,88,453)</b>	<b>(1,96,17,627)</b>
<b>B. Cash flow from investing activities</b>	<b>3,64,70,179</b>	<b>10,87,95,614</b>
Purchase of Current Investment	(9,10,00,000)	-
Sale of Current Investment	4,80,52,667	52,663
Purchase of tangible assets	(84,89,664)	(1,83,461)
(Increase)/Decrease in Loans	(3,52,729)	(15,000)
(Increase)/Decrease in bank deposits with maturity more than 3 months but less than 12 months	3,69,00,000	(5,49,00,000)
Interest received	23,18,596	7,14,256
<b>Net Cash (Used) / generated in Investing Activities</b>	<b>(1,25,71,130)</b>	<b>(5,43,31,542)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from Term Loan	67,36,000	-
(Repayment of)/ proceeds from short-term borrowings (net)	-	(32,45,236)
Interest paid	(20,326)	(30,829)
Dividends paid	(4,50,00,000)	(3,20,00,000)
<b>Net Cash (Used) / generated in Financing Activities</b>	<b>(3,82,84,326)</b>	<b>(3,52,76,065)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,43,85,277)</b>	<b>1,91,88,007</b>
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>2,34,91,286</b>	<b>43,03,279</b>
<b>Cash and cash equivalents as at the end of the year</b>	<b>91,06,009</b>	<b>2,34,91,286</b>

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 Liabilities

	31 March 2022	31 March 2021
Opening Balance	-	51,91,319
Inflow from Long Term Borrowings	67,36,000	-
Cash inflow / (outflow) of current borrowings	-	(51,91,319)
Closing Balance	67,36,000	-

As per our attached Report of even date

For M M Nissim & Co LLP

Chartered Accountants

Firm Registration no. 107122W/W100672

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 : 12 May, 2022

UDIN - 22036490AIWJPD3829

O. P. Singh

Managing Director

DIN: 00015162

Place: Pune

Date: 12 May, 2022

Beni P. Chauhan

Director

DIN: 00295213

Place: Thane

Date: 12 May, 2022

**Advanced Bio-Agro Tech Limited**  
CIN: U24100MH2004PLC149464  
**Statement of Changes in Equity (SOCIE)**  
for the year ended 31 March 2022

(a) Equity share capital (refer note 13)

	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	1,00,000	10,00,000	1,00,000	10,00,000
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting year	1,00,000	10,00,000	1,00,000	10,00,000
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the year	1,00,000	10,00,000	1,00,000	10,00,000

(i) Out of the total 1,00,000 shares, 60,000 shares are held by Advanced Enzyme Technologies Ltd, the holding company

(ii) 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%

(b) Other equity (refer note 14)

Particulars	Reserves & Surplus		OCI- Remeasurement of defined benefit obligation	Total Equity
	General reserve	Retained earnings		
Balance as at 31 March 2020	62,32,794	14,53,74,673	-	15,16,07,467
Profit for the year	-	4,51,89,384	-	4,51,89,384
Other comprehensive income for the year	-	-	4,26,824	4,26,824
Total comprehensive income for the year	-	4,51,89,384	4,26,824	4,56,16,208
Dividend Distribution Tax (DDT)	-	-	-	-
Dividends	-	(3,20,00,000)	-	(3,20,00,000)
Balance as at 31 March 2021	62,32,794	15,85,64,057	4,26,824	16,52,23,674
Profit for the year	-	6,56,36,150	-	6,56,36,150
Other comprehensive income for the year	-	-	2,00,096	2,00,096
Total comprehensive income for the year	-	6,56,36,150	2,00,096	6,58,36,246
Dividends	-	(4,50,00,000)	-	(4,50,00,000)
Balance as at 31 March 2022	62,32,794	17,92,00,207	6,26,920	18,60,59,921

**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

**Retained Earnings**

Retained Earnings are Profits that the company has earned till date less any transfers to General Reserves and Dividends.

**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 LLP**

Chartered Accountants

Firm Registration no. 107122W/W100672

**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 : 12 May, 2022

UDIN - 22036490/AIW/JPD3829



O. P. Singh

Managing Director

DIN: 00015162

Place: Pune

Date: 12 May, 2022

Beni P. Baskin

Director

DIN: 00295213

Place: Thane

Date: 12 May, 2022

Notes to the Standalone Financial Statements for the year ended 31 March 2022

**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 2022 were authorised for issue in accordance with a resolution of the directors on 12 May, 2022.

**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. Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2022 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 fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

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 are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- 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

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.

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

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

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.

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**

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

#### **e. Employee benefits**

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.

#### **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 or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.



#### 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 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 transaction in 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

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Notes to the Standalone Financial Statements for the year ended 31 March 2022

## 3 Property, Plant and Equipment

Gross block	Land Freehold	Buildings	Plant	Office Equipments	Furniture and fixtures	Vehicles	Computers	Total
Balance as at 31 March 2020	14,46,313	2,05,49,866	2,87,064	4,91,048	31,52,326	28,94,041	5,85,288	2,94,05,946
Additions	-	-	-	49,600	-	-	1,33,861	1,83,461
Balance as at 31 March 2021	14,46,313	2,05,49,866	2,87,064	5,40,648	31,52,326	28,94,041	7,19,149	2,95,89,407
Additions	-	-	-	1,09,576	-	81,55,698	2,24,390	84,89,664
Balance as at 31 March 2022	14,46,313	2,05,49,866	2,87,064	6,50,224	31,52,326	1,10,49,739	9,43,539	3,80,79,071
Accumulated depreciation and amortisation								
Balance as at 31 March 2020	-	40,47,474	30,285	3,99,562	22,06,397	22,33,593	4,67,266	93,84,577
Depreciation and amortisation	-	8,72,270	18,181	1,949	2,41,642	1,94,785	43,401	13,72,228
Balance as at 31 March 2021	-	49,19,744	48,466	4,01,511	24,48,039	24,28,378	5,10,667	1,07,56,805
Depreciation and amortisation	-	8,23,366	18,181	63,641	1,78,821	3,31,627	1,59,205	15,74,840
Balance as at 31 March 2022	-	57,43,110	66,647	4,65,152	26,26,860	27,60,005	6,69,871	1,23,31,645
Net block								
Balance as at 31 March 2021	14,46,313	1,56,30,121	2,38,599	1,39,138	7,04,287	4,65,663	2,08,482	1,88,32,602
Balance as at 31 March 2022	14,46,313	1,48,06,755	2,20,418	1,85,073	5,25,466	82,89,734	2,73,667	2,57,47,426



4 Loans

Unsecured, considered good  
Security Deposits  
Loans to Employees

5 Deferred Tax Asset (net)

Deferred tax liabilities

Arising on account of timing difference in:  
Property, plant and equipment  
Fair Value Changes

Deferred tax assets

Arising on account of timing difference in:  
Deferred Income  
Employee benefits  
Trade receivables

Deferred Tax Assets (Net)

6 Non-current assets

Unsecured, considered good  
Security Deposit

7 Inventories

At lower of cost and net realisable value  
Stock-in-trade

8 Current Investments

Investments in mutual funds at Fair Value through Profit and Loss  
Unquoted fully paid-up  
Income Plan: Growth Option

9 Trade Receivables

Unsecured  
- Considered good  
Credit impaired  
- Considered doubtful

Less: Impairment provision on Expected Credit Loss Model

In Rupees  
31 March 2022 31 March 2021 31 March 2022 31 March 2021

Non-Current

Current

	70,000		
		6,92,729	3,40,000
	70,000	6,92,729	3,40,000

	8,93,392	3,50,249
	2,59,836	-
	11,53,228	3,50,249

	6,38,156	6,05,947
	9,30,446	8,46,203
	12,25,893	11,56,211
	27,94,495	26,08,361
	16,41,267	22,58,112

	3,00,000	3,00,000
	3,00,000	3,00,000

	62,71,623	72,78,898
	62,71,623	72,78,898

	4,40,78,732	97,591
	4,40,78,732	97,591

	11,41,08,834	8,94,47,386
	48,70,841	45,93,974
	11,89,79,675	9,40,41,360

	48,70,841	45,93,974
	11,41,08,834	8,94,47,386

	11,41,08,834	8,94,47,386
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(Refer note 32 for information about credit risk and market risk of trade receivables)

Trade Receivables ageing schedule-

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	> 3 years	
As at March 31, 2022							
(i) Undisputed Trade receivables – considered good	8,68,34,997	2,03,90,660	39,07,425	28,62,403	1,13,349	-	11,41,08,834
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	3,97,141	44,73,700	48,70,841
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	8,68,34,997	2,03,90,660	39,07,425	28,62,403	5,10,490	44,73,700	11,89,79,675
As at March 31, 2021							
(i) Undisputed Trade receivables – considered good	8,50,40,669	31,53,501	3,25,000	2,68,000	6,60,216	-	8,94,47,386
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	1,20,274	44,73,700	45,93,974
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	8,50,40,669	31,53,501	3,25,000	2,68,000	7,80,490	44,73,700	9,40,41,360



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Notes to the Standalone Financial Statements for the year ended 31 March 2022

10 Cash and Cash Equivalents

Cash and Cash Equivalents (as per IND AS-7 - "Statement of Cash Flows")

Balances with banks

Term deposit accounts

Cash on hand

Other bank balances

Deposits with maturity more than three months but less than twelve months

11 Other current financial assets

Interest receivable

Security deposit

12 Other Current Assets

Prepaid expenses

Advance to suppliers

Balance with revenue authorities

Others

In Rupees  
31 March 2022 31 March 2021 31 March 2022 31 March 2021

90,93,142	2,34,68,401
12,867	22,885
91,06,009	2,34,91,286

1,80,00,000	5,49,00,000
1,80,00,000	5,49,00,000

2,71,06,009	7,83,91,286
-------------	-------------

1,479	9,24,179
-	30,000
1,479	9,54,179

6,50,944	1,55,774
10,77,424	25,50,389
1,14,353	1,13,019
5,68,880	-
24,11,601	28,19,182



Notes to the Standalone Financial Statements for the year ended 31 March 2022

	In Rupees	
	31 March 2022	31 March 2021
<b>13 Equity Share Capital</b>		
Authorised		
1,00,000 Equity Shares of Rs 10/- each	10,00,000	10,00,000
Issued, Subscribed & Paid up		
1,00,000 Equity Shares of Rs 10/- each	10,00,000	10,00,000
<b>Reconciliation of Equity share capital</b>		
Shares outstanding at the beginning of the Year	No. of shares 1,00,000	No. of shares 1,00,000
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	1,00,000	1,00,000

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 in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

b) Out of the total 1,00,000 shares, 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%

**14 Other Equity**

	In Rupees	
	31 March 2022	31 March 2021
<b>General Reserve</b>		
Balance as per last Balance Sheet	62,32,794	62,32,794
Add : Transferred from Statement of Profit and Loss	-	-
Closing Balance	62,32,794	62,32,794
<b>Retained earnings</b>		
Balance as per last accounts	15,89,90,881	14,53,74,673
Profit for the year	6,58,36,246	4,56,16,208
(-) Interim Dividend	(4,50,00,000)	(3,20,00,000)
	17,98,27,127	15,89,90,881
<b>Total</b>	18,60,59,921	16,52,23,674

**15 Borrowings**

	In Rupees		In Rupees	
	31 March 2022		31 March 2021	
	Non-current	Current	Non-current	Current
<b>Secured</b>				
<b>Term loans</b>				
Vehicle loans	55,65,047	11,70,953	-	-
<b>Total borrowings</b>	55,65,047	11,70,953	-	-

a) Details of security for each type of borrowings

(i) Term loans from banks taken for purchase of vehicle are specifically secured by

1. Secured by Specified fixed assets exclusively charged in Hire purchase agreement taken from the HDFC Bank repayable in 60 equated monthly instalments at the interest rate of 6.80%

**16 Trade Payables**

	In Rupees	
	31 March 2022	31 March 2021
Total outstanding dues to others	1,38,89,000	1,55,57,621
	1,38,89,000	1,55,57,621

The Company has no information about the suppliers regarding their status under the Micro, Small and Medium Enterprises Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said act have not been given.



**Trade Payables ageing schedule**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022					
(i) MSME					
(ii) Others	1,38,89,000				1,38,89,000
Total	1,38,89,000				1,38,89,000
As at March 31, 2021					
(i) MSME					
(ii) Others	1,45,72,121				1,45,72,121
Total	1,45,72,121				1,45,72,121

**17 Current- Other Financial Liabilities**

Advances from customers  
Security deposits from customers  
Employee benefits payable

In Rupees	
31 March 2022	31 March 2021
1,30,720	1,25,240
8,50,000	8,50,000
54,96,870	88,00,385
64,77,590	97,75,625

**18 Other Current Liabilities**

Provident fund  
Other statutory dues  
Other payables

In Rupees	
31 March 2022	31 March 2021
1,54,108	1,41,342
11,55,792	10,34,541
83,43,344	1,31,85,670
96,53,244	1,43,61,552

**19 Current Provisions**

Provision for employee benefits (refer note 30)  
Gratuity (funded)  
Compensated Absences (funded)

In Rupees	
31 March 2022	31 March 2021
18,42,384	21,16,603
18,54,556	12,45,613
36,96,940	33,62,216



**Advanced Bio-Agro Tech Limited**

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**Notes to the Standalone Financial Statements for the year ended 31 March 2022**

		In Rupees	
		Year ended 31 March 2022	Year ended 31 March 2021
<b>20 Revenue from contracts with customers</b>			
Sale of products	Domestic	38,66,52,798	29,23,46,191
	Exports	1,74,50,900	1,94,50,308
		<u>40,41,03,698</u>	<u>31,17,96,499</u>
<b>Details of products sold</b>			
- Traded goods			
- Animal feed supplements		39,41,71,698	30,66,41,445
- Agri Supplies		99,32,000	51,55,054
		<u>40,41,03,698</u>	<u>31,17,96,499</u>
<b>21 Other Income</b>			
Duty Drawback		9,119	12,486
Interest income		13,95,896	16,38,434
Exchange fluctuation		1,45,895	2,67,977
Excess provision written back		72,62,828	28,04,447
Sundry balances written back		15,99,380	-
Income on Financial assets carried at fair value through profit or loss			
- Net gain on fair value changes of Current Investments		10,32,405	4,797
- Net gain on sale of Current Investments		1,402	3,450
Bad Debts written back		7,00,000	15,46,541
Provision for doubtful debts reversed		-	6,09,931
Miscellaneous income		23,936	1,47,937
		<u>1,21,70,861</u>	<u>70,36,001</u>
<b>22 Purchases of Stock-in-Trade</b>			
Purchases - Animal Feed Supplies		22,75,43,873	18,40,19,497
Purchases - Agri Supplies		47,74,990	48,94,710
		<u>23,23,18,863</u>	<u>18,89,14,207</u>
<b>23 Changes in inventories of finished goods and work-in-progress</b>			
Closing Stock			
Stock-in-trade		62,71,623	72,78,898
Less: Opening Stock			
Stock-in-trade		72,78,898	7,93,926
		<u>10,07,275</u>	<u>(64,84,972)</u>
<b>24 Employee Benefits Expense</b>			
Salaries, Wages & Bonus		4,05,00,096	3,61,48,496
Contribution to provident and other funds		18,75,342	17,17,534
Retirement benefits expense		5,38,611	9,02,578
Staff welfare expenses		19,34,571	15,26,429
		<u>4,48,48,620</u>	<u>4,02,95,037</u>



**Advanced Bio-Agro Tech Limited**

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Notes to the Standalone Financial Statements for the year ended 31 March 2022

	In Rupees	
	Year ended 31 March 2022	Year ended 31 March 2021
<b>25 Finance Costs</b>		
Interest expense	20,326	30,829
Bank charges	1,50,322	54,835
	<u>1,70,648</u>	<u>85,663</u>
<b>26 Other Expenses</b>		
Insurance	14,76,049	3,96,441
Rent	-	-
Rates and taxes	16,92,520	10,97,756
Printing and stationery	7,92,803	1,73,751
Legal and professional fees	93,54,224	84,69,213
Auditors' remuneration		
Audit fees	1,23,900	1,23,900
Repairs and maintenance	4,86,520	7,70,974
Donation	-	1,01,000
Travel and conveyance expenses	1,03,42,258	69,82,639
Communication	11,51,173	10,19,233
Commission on sales	1,15,454	1,31,449
Sales promotion and advertisement	26,39,841	23,48,206
Freight outward and forwarding	1,29,56,375	95,22,596
Other selling and distribution expenses	13,70,786	6,36,485
Provision for doubtful debts (net)	2,76,867	-
Corporate social responsibility expenses (refer note no 35)	14,23,500	15,46,000
General expense	9,39,438	6,30,082
	<u>4,51,41,706</u>	<u>3,39,49,726</u>



Notes to the Standalone Financial Statements for the year ended 31 March 2022

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 2022	Year ended 31 March 2021
Bio- chemicals	40,41,03,698	31,17,96,499
Others	-	-
	<b>40,41,03,698</b>	<b>31,17,96,499</b>

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 2022	Year ended 31 March 2021
a. Revenue from external customers		
Within India	38,66,52,798	29,23,46,191
Outside India	1,74,50,900	1,94,50,308
	<b>40,41,03,698</b>	<b>31,17,96,499</b>
	<b>31 March 2022</b>	<b>31 March 2021</b>
b. Non-current assets (other than financial instruments and deferred tax assets)		
Within India	2,57,47,426	1,89,02,602
Outside India	-	-
	<b>2,57,47,426</b>	<b>1,89,02,602</b>

iii. Major customer

Revenue from one customer based in India represented Rs. 73.64 million (previous year Rs. NIL) 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 separate disclosures of disaggregated revenues are reported.

29 Earnings per share (EPS)

	31 March 2022	31 March 2021
Profit attributable to equity holders	6,56,36,150	4,51,89,384
Weighted Average Number of equity shares (Face Value Rs. 1/-)	1,00,000	1,00,000
Basic earnings per share	656.36	451.89
Diluted earnings per share	656.36	451.89



# Advanced Bio-Agro Tech Limited

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Notes to the Standalone Financial Statements for the year ended 31 March 2022

## 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 longevity 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 2022		31 March 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Defined benefit obligation	(57,18,952)	(33,04,637)	(52,27,832)	(24,88,168)
Fair value of plan assets	38,76,568	14,50,081	31,11,229	12,42,555
<b>Net defined benefit (obligation)/assets</b>	<b>(18,42,384)</b>	<b>(18,54,556)</b>	<b>(21,16,603)</b>	<b>(12,45,613)</b>

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

	Defined benefit obligation			
	31 March 2022		31 March 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Opening balance	52,27,832	24,88,168	49,89,470	35,82,432
<b>Included in profit or loss</b>				
Current service cost	7,04,413	5,24,976	7,44,244	5,41,264
Interest cost	2,74,076	1,31,842	3,23,569	2,30,778
	62,06,321	31,44,986	60,57,283	43,54,474
<b>Included in OCI</b>	<b>(2,06,882)</b>	<b>1,94,268</b>	<b>(5,45,513)</b>	<b>(17,11,158)</b>
Remeasurement loss (gain):				
Actuarial loss (gain) arising from:				
Demographic assumptions	(1,10,594)	(65,467)	-	-
Financial assumptions	(1,09,177)	(58,568)	16,239	8,975
Experience adjustment	12,889	3,18,303	(5,61,752)	(17,20,133)
	59,99,439	33,39,254	55,11,770	26,43,316
Benefits paid	-	(34,617)	(2,83,938)	(1,55,148)
Benefits Payable	(2,80,487)	-	-	-
<b>Closing balance</b>	<b>57,18,952</b>	<b>33,04,637</b>	<b>52,27,832</b>	<b>24,88,168</b>

### ii) Change in fair value of plan assets

	Fair value of plan assets		Fair value of plan assets	
	31 March 2022		31 March 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Opening balance	31,11,229	12,42,555	22,00,036	11,73,561
<b>Included in profit or loss</b>				
Expected return on plan assets	1,59,391	68,461	1,65,235	90,724
	32,70,620	13,11,016	23,65,271	12,64,285
<b>Included in OCI</b>	<b>61,114</b>	<b>24,056</b>	<b>24,863</b>	<b>(25,109)</b>
Remeasurement loss (gain):				
Actuarial loss (gain) arising from:				
Experience adjustment	61,114	24,056	24,863	(25,109)
	33,31,734	13,35,072	23,90,134	12,39,176
<b>Other</b>				
Contributions paid by the employer	5,45,436	1,15,009	7,21,095	3,379
Benefits paid	-	-	-	-
<b>Closing balance</b>	<b>38,77,170</b>	<b>14,50,081</b>	<b>31,11,229</b>	<b>12,42,555</b>



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

	31 March 2022		31 March 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Current service cost	7,04,413	5,24,976	7,44,244	5,41,264
Interest cost	1,14,685	63,381	1,58,334	1,40,054
Net value of remeasurements on the obligation and plan assets	-	1,70,212	-	(16,86,049)
Total expense recognised in the Statement of Profit and Loss	8,19,098	7,58,569	9,02,578	(10,04,731)

iv) Other Comprehensive Income:

	31 March 2022	31 March 2021
	Gratuity	Gratuity
Actuarial loss / (gain) from:		
-Demographic assumptions	(1,10,594)	-
-Financial assumptions	(1,09,177)	16,239
-Experience adjustment	12,889	(5,61,752)
Return on plan assets excluding net interest	(61,114)	(24,863)
Total amount recognised in OCI	(2,67,996)	(5,70,376)

v) Plan assets

Plan assets comprise the following

	31 March 2022	31 March 2021
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 2022		31 March 2021	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Policy of insurance	100%	100%	100%	100%
Discount rate	6.85%	6.85%	6.50%	6.50%
Rate of return on plan assets	6.85%	6.85%	6.50%	6.50%
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%
Retirement age	58 years		60 years	
Mortality rates	As published under the Indian assured lives mortality (2012-14) table		As published under the Indian assured lives mortality (2012-14) 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 2022		31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	55,71,850	58,76,581	50,70,715	53,97,030
Future salary growth (no movement)	58,72,287	55,74,461	53,93,653	50,72,261

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 occurring 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 2022 were as follows:

The expected contributions for defined benefit plan for the next financial year will be Rs. 7,41,675/-

Expected future benefit payments

31 March 2022	23,37,098
31 March 2023	86,971
31 March 2024	1,79,541
31 March 2025	6,07,772
31 March 2026	10,05,744
Thereafter	16,45,320



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Notes to the Standalone Financial Statements for the year ended 31 March 2022

31 Income taxes

Tax expense

(a) Amounts recognised in profit and loss

	Year ended 31 March 2022	Year ended 31 March 2021
Current income tax	2,26,65,602	1,48,14,466
Changes in estimates related to prior period	23,61,309	-
	2,50,26,911	1,48,14,466
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	5,49,546	6,96,761
Deferred tax expense	5,49,546	6,96,761
Tax expense for the year	2,55,76,457	1,55,11,227

(b) Amounts recognised in other comprehensive income

	Year ended 31 March 2022			Year ended 31 March 2021		
	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	(2,67,394)	67,298	(2,00,096)	(5,70,376)	1,43,552	(4,26,824)
	(2,67,394)	67,298	(2,00,096)	(5,70,376)	1,43,552	(4,26,824)

(c) Reconciliation of effective tax rate

	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	9,12,12,607	6,07,00,611
Tax using the Company's domestic tax rate (31 March 2022 : 25.17%, 31 March 2021 : 25.17%)	2,29,56,389	1,52,77,130
Tax effect of:		
Permanent differences	3,58,266	3,89,097
Expenses allowable on payment basis	69,683	-
Income not chargeable to Tax	(2,59,836)	(6,96,761)
Others	(4,58,900)	(1,55,000)
Tax expense as per profit or loss	2,26,65,602	1,48,14,466

(d) Movement in deferred tax balances

	31 March 2022					
Particulars	Net balance 1 April 2021	Recognised in profit or loss	Recognised in OCI	Net deferred tax (asset)/liability	Deferred tax asset	Deferred tax liability
Property, plant and equipment	3,50,249	5,43,143	-	8,93,392	-	8,93,392
Fair Value Changes	-	2,59,836	-	2,59,836	-	2,59,836
Deferred Income	(6,05,947)	(32,210)	-	(6,38,156)	(6,38,156.3)	-
Employee benefits	(8,46,203)	(1,51,541)	(67,298)	(9,30,446)	(9,30,446)	-
Trade receivables	(11,56,211)	(69,682)	-	(12,25,893)	(12,25,893)	-
Tax assets (Liabilities)	(22,58,112)	5,49,546	(67,298)	(16,41,267)	(27,94,495)	11,53,228

	31 March 2021					
Particulars	Net balance 1 April 2020	Recognised in profit or loss	Recognised in OCI	Net deferred tax (asset)/liability	Deferred tax asset	Deferred tax liability
Property, plant and equipment	1,89,481	1,60,768	-	3,50,249	-	3,50,249
Deferred Income	(5,81,789)	(24,157)	-	(6,05,947)	6,05,947	-
Employee benefits	(13,96,397)	5,50,194	(1,43,552)	(8,46,203)	8,46,203	-
Trade receivables	(13,09,719)	1,53,508	-	(11,56,211)	11,56,211	-
Tax assets (Liabilities)	(30,98,425)	8,40,313	(1,43,552)	(22,58,112)	26,08,361	3,50,249

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.



Notes to the Financial Statements for the year ended 31 March 2022

Financial instruments – Fair values and risk management

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

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 At 31 March 2022, the Company's most significant customer accounted for INR 59.53 million of the trade and other receivables carrying amount (31 March 2021: INR 9.36 million).

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

	31 March 2022		
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Not due	8,68,34,997	0.0%	11,920
0-90 days	1,98,56,492	0.1%	14,188
90-180 days	5,34,168	0.3%	1,479
180-270 days	6,05,906	0.5%	3,297
270-360 days	33,01,519	0.8%	28,012
More than 360 days	78,46,593	61.5%	48,11,945
	<u>11,89,79,675</u>		<u>48,70,841</u>

	31 March 2021		
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Not due	5,74,19,247	0.8%	4,77,434
0-90 days	3,36,49,576	0.9%	3,10,258
90-180 days	50,16,785	4.5%	2,26,728
180-270 days	19,82,314	15.0%	2,97,460
270-360 days	2,77,42,574	1.5%	4,08,716
More than 360 days	1,72,00,095	17.9%	30,70,716
	<u>14,30,10,592</u>		<u>47,91,321</u>

Expected credit loss assessment for customers as at 31 March 2022 and 31 March 2021

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.

	31 March 2022	31 March 2021
Opening Balance	45,93,975	52,03,906
Impairment loss created/(reversed)	2,76,867	(6,09,931)
Amounts written off	-	-
Closing Balance	<u>48,70,842</u>	<u>45,93,975</u>

The Company held cash and cash equivalents of INR 6.07 million at 31 March 2022 (31 March 2021: INR 78.39 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 counterparties, 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

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Notes to the Financial Statements for the year ended 31 March 2022

### 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

31 March 2022	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years
Long term borrowings	55,65,047	55,65,047	-	25,94,131	29,70,916
Short term borrowings	11,70,953	11,70,953	11,70,953	-	-
Trade payable	1,38,89,000	1,38,89,000	1,38,89,000	-	-
Other financial liabilities	64,77,590	64,77,590	64,77,590	-	-

31 March 2021	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years
Trade payable	1,55,57,621	1,55,57,621	1,55,57,621	-	-
Other financial liabilities	97,75,625	97,75,625	97,75,625	-	-

#### 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.

#### 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

The Company borrows funds in Indian Rupees to meet short term funding requirements. Interest on Short term borrowings is subject to floating interest rate and are repriced regularly. The sensitivity analysis detailed below have been determined based on the exposure to variable interest rates on the average outstanding amounts due to bankers over a year.



## Advanced Bio-Agro Tech Limited

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Notes to the Standalone Financial Statements for the year ended 31 March 2022

### 32. Financial instruments

#### Fair Values and Hierarchy

recognised and measured at fair value and b) measured at amortised cost and for which fair values are disclosed in the Standalone Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed in the Indian Accounting Standard.

Particulars	Hierarchy	Fair Value/Carrying Value	
		31 March 2022	31 March 2021
Investments	Level 1	4,40,78,732	97,591

#### Level 1:

#### Fair value of financial assets and liabilities measured at amortised cost

Particulars	Note No.	Fair Value/Carrying Value	
		31 March 2022	31 March 2021
Financial assets			
Loans - Non current	4	-	70,000
Trade receivables	9	11,41,08,834	8,94,47,386
Cash and cash equivalents	10	91,06,009	2,34,91,286
Bank balances other than (iii) above	10	1,80,00,000	5,49,00,000
Others	11	1,479	9,54,179
		<b>14,12,16,322</b>	<b>16,88,62,851</b>
Financial liabilities			
Borrowings	15	67,36,000	-
Trade payables	16	1,38,89,000	1,55,57,621
Other financial Liabilities	17	64,77,590	97,75,625
		<b>2,71,02,590</b>	<b>2,53,33,246</b>

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

#### B. Measurement of fair values

The following tables show the valuation techniques used in measuring Level 1, 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.
Non current financial assets / liabilities measured at FVTPL	This includes financial instruments measured using quoted prices. The fair value of all equity instruments which are traded on the Stock Exchanges is valued using the closing price as at the reporting period.



**Advanced Bio-Agro Tech Limited**

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**Notes to the Financial Statements for the year ended 31 March 2022****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.

As at 31st March, 2022, the Company has only one class of equity shares and has no long term debt. Consequent to such capital structure, there are no externally imposed capital requirements. The Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

**34 Ratios**

Particulars	Numerator	Denominator	As at	As at	Variance
			31 March 2022	31 March 2021	
(a) Current Ratio	Current Assets	Current Liabilities	5.43	4.16	0.30
(b) Debt-Equity Ratio	Total Liabilities	Shareholder's Equity	0.04	-	100%
(c) Debt Service Coverage Ratio	Net Operating income	Debt service = Interest + Principal repayments	8.74	-	1000%
(d) Return on Equity Ratio	Net Profit After Taxes	Average Shareholder's Equity	35%	27%	29%
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	34.44	45.20	-24%
(f) Trade Receivables turnover ratio	Revenue	Average Trade Receivables	4	3	51%
(g) Trade payables turnover ratio	Purchases	Average Trade Payables	16	14	11%
(h) Net capital turnover ratio	Revenue	Working Capital	3	2	15%
(i) Net profit ratio	Net Profit After Taxes	Revenue	16%	14%	12%
(j) Return on Capital employed	Earnings before interest and taxes	Capital Employed	49%	37%	33%
(k) Return on investment	Income generated from investments	Average Investments	4.68%	6.88%	-32%

**Note (a)** - Current ratio - Increased majorly due to investments in mutual funds, increase in trade receivables, increase in borrowings, this increase was partially offset by decrease in trade payables, decrease in cash and cash equivalent and decrease in other financial liabilities, this has attributed current ratio to increase in financial year 2021-22.

**Note (b)** - Debt-Equity Ratio - Increase due to borrowings i.e term loan taken for the purchase of car Mercedes Benz and there was no debt in the previous year 2020-21

**Note (c)** - Debt Service Coverage Ratio - Increase due to principal repayments and interest on borrowings in the financial year 2021-22 and also increase in net operating income as compared to the previous year.

**Note (d)** - Return on Equity Ratio - Increased due to increase in net profit after tax in the financial year 2021-22 as compared to previous year

**Note (f)** - Trade Receivables turnover ratio - Mostly due to increase in sales and partially set off by decrease in trade receivables as compared to the previous year

**Note (j)** - Return on Capital employed - Increased due to increase in profit before tax in the financial year 2021-22 as compared to previous year.

**Note (k)** - Return on investment - Decreased due to increase in average investment and total gain.



# Advanced Bio-Agro Tech Limited

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Notes to the Financial Statements for the year ended 31 March 2022

In Rupees

## 35 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

Scitech Specialities Private Limited (wef - 11.01.2021)

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

Evovx 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 2022	31 March 2021	31 March 2022	31 March 2021
<b>1 Purchases of Goods</b>				
Advanced Enzyme Technologies Ltd	23,22,76,973	18,86,34,642	-	-
<b>2 Reimbursement of expenses</b>				
Advanced Enzyme Technologies Ltd	-	-	-	-
	<b>Other Related Party</b>			
	31 March 2022	31 March 2021		
<b>2 Purchases of Goods</b>				
Advanced Vital Enzymes Pvt. Ltd	-	23,57,590	-	-
<b>3 Remuneration to Directors &amp; their Relatives</b>				
Mr. Omprakash B. Singh	-	-	84,01,764	77,79,492
	31 March 2022	31 March 2021		
<b>4 Accounts Payable</b>				
Advanced Enzyme Technologies Ltd	1,38,89,000	1,45,72,121	-	-
<b>5 Dividend Paid</b>				
Advanced Enzyme Technologies Ltd	2,70,00,000	1,92,00,000	-	-
Mr. Omprakash B. Singh	-	-	1,80,00,000	1,28,00,000

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

Terms and conditions of transactions with related parties; The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended 31 March 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2021: Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



## Advanced Bio-Agro Tech Limited

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Notes to the Financial Statements for the year ended 31 March 2022

As required by section 135 of Companies Act, 2013 and Rules therein, a Corporate social responsibility committee has been formed by 36 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.

	2021-22	2020-21
Gross amount required to be spent by the Company	14,23,500	15,46,000
Amount spent by the Company during the year on purpose other than construction/ acquisition of assets	12,61,862	15,46,000
Shortfall at the end of the year	1,61,638	-
Total of previous year short fall	-	-
Reason for shortfall	Pertains to ongoing Projects	
Nature of CSR Activities	Eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects	

37 The figures for the corresponding previous year have been regrouped and/or rearranged wherever considered necessary.

### For M M Nissim & Co LLP

Chartered Accountants

Firm Registration no. 107122W/W100672



N Kashinath

Partner

M. No.: 36490

Place : Mumbai

Date : 12 May, 2022

UDIN - 22036490AIWJPD3829



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

CIN No: U24100MH2004PLC149464



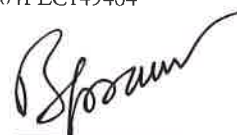
O. P. Singh

Managing Director

DIN: 00015162

Place: Pune

Date: 12 May, 2022



Beni P. Rauka

Director

DIN: 00295213

Place: Thane

Date: 12 May, 2022