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**ANNUAL ACCOUNTS
&
AUDIT REPORT**

M/S. CHATAK AGRO (I) PVT. LTD.

✧ **For The Financial Year : 2021-22** ✧

Auditor:

M P V & Company
Chartered Accountants
(C. A. M. K. JAIN)

201, Amit Chamber, 5-6 Jaora Compound, M.Y.H. Road, Indore, (M) 9300837969

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CHATAK AGRO (I) PRIVATE LIMITED
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **CHATAK AGRO (I) PRIVATE LIMITED**, which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss for the year ended on that date, notes to the financial statement and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit / loss for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's



report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
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 purpose 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 and the dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act and rules made there under, as applicable;
 - e) On the basis of written representations received from management as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 over financial reporting of the Company and the operating effectiveness of such controls, this clause is not applicable.
 - g) Provisions of section 197 of the Act is not applicable to this company.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact on its financial position.
 - ii. The company did not have any long term contracts including derivative contracts for which there were any foreseeable losses.
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or



- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures as 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 (iv)(a) and (iv)(b) contain any material mis-statement.
- v. No Dividend is declared or paid by the company during the year.

For M P V & COMPANY
Chartered Accountants

FRN: 003995C




(M.K. Jain)

Date: 01.09.2022

Partner

Place: Indore

M.No. 071913

UDIN: 22071913AWWYNY4052

ANNEXURE A
To the Independent Auditors' Report on
Financial Statements of Chatak Agro (I) Pvt Ltd
(Referred to our report of even date)

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2022, we report that:

i. In respect of Property, Plant & Equipment

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- b) According to information and explanations given to us and on the basis of our examination of the records of the company, the Property, Plant & Equipment have been physically verified during the year by the management under a regular programme of verification by rotation over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed.
- c) According to information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties forming part of the Property, Plant & Equipment are held in the name of the Company.
- d) According to information and explanations given to us and on the basis of our examination of the records of the company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- e) According to information and explanations given to us and on the basis of our examination of the records of the company, there are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. In respect of Inventory – a) The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.

b) The company has not been sanctioned working capital limits in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions on the basis of security of current assets; Therefore this clause is not applicable.

iii. In respect of loan granted:

According to information and explanations given to us and on the basis of our examination of the records of the company, the company has not made any investments, provided guarantee or security or granted any advance in nature of loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties except that a guarantee of Rs. 420.00 lacs plus interest has been given to HDFC bank for loan given to Divyajyoti Agritech Pvt Ltd.

iv. In respect of compliance of section 185 and 186 of The Companies Act, 2013

According to information and explanations given to us and on the basis of our examination of the records of the company, in our opinion the company



advanced any loans, made investments, gave guarantees, and provided security prescribed in provisions of section 185 and 186 of the companies Act, 2013.

v. **In respect of public deposits**

In our opinion and according to the information and explanations given to us and on the basis of our examination, the Company has not accepted any deposit from the public within the meaning of the provisions of sections 73 to 76 or any relevant provisions of the Companies Act, 2013 and the rules framed there under.

vi. **In respect of Cost Records:**

According to the information and explanations given to us, the maintenance of cost records has not been specified by the central government under the section 148(1) of the Companies Act, 2013 for the business activities carried out by the company. Thus reporting under clause 3(vi) of the order is not applicable to the company.

vii. **In respect of statutory dues:**

a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods & service tax, cess and other statutory dues applicable to it. As per the records of the Company, as at March 31, 2022, the Company does not have any undisputed statutory dues which are outstanding for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and on the basis of examination of records of the company there is no dispute in respect of income tax or sales tax or service tax or value added tax or GST or any other cess.

viii. **In respect of undisclosed Income**

In our opinion and according to the information and explanations given to us and based on our examination of the records of the company, there were no such unrecorded transaction in the books of account which were surrendered or disclosed as income during the year in tax assessments under Income Tax Act, 1961 (43 of 1961).

ix. **In respect of repayment of loan**

According to the information and explanations given to us, based on our examination of the records of the company and on the basis of overall examination of the Balance Sheet of the Company,

a) The company has not defaulted in repayment of loans or borrowing to a financial institution or bank.

b) The company has not been declared willful defaulter by any bank or financial institution.

c) In our opinion the term loan were applied for the purpose for which the loan was obtained.

d) No such short term loan funds have been utilized for long term purpose.

e) The company has not raised any fund from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) The company has not raised any loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. **In respect of funds raised through IPO/FPO/Debt finance**

a) On the basis of overall examination of the Balance Sheet of the Company according to the information and explanations provided to us and based on our examination of the records of the company we report that monies raised by way of term loans were applied for the purposes for which those were raised. The



Company did not raise any money by way of initial public offer or further public offer (including debt instrument).

- b) In our opinion and according to the information and explanations given to us as well as based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year under section 42 and section 62 of the Companies Act, 2013.

xi. In respect of fraud reporting

- a) According to the information and explanations given to us and based on our examination of the records of the company, no material fraud by the Company or on the Company by its officers or employees was noticed or reported during the year.
- b) According to the information and explanations given to us and based on our examination of the records of the company, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanations given to us and based on our examination of the records of the company, there are no whistle blower complaints received by the Company during the year.

xii. In respect of Nidhi Company

According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. In Respect of Transactions With Related Parties

According to the information and explanations given to us, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. In Respect of Internal Audit System

According to the information and explanations given to us and based on our examination of the records of the Company, the company has not required an internal audit system commensurate with the size and nature of its business.

xv. In respect of Non-Cash Transactions

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

xvi. In respect of compliance of section 45IA of the RBI Act, 1934

- a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.
- b) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.
- c) The Company is not a core investment company (CIC) as defined in the regulations made by the reserve Bank of India. Accordingly clause 3(xvi)(c) of the order is not applicable.
- d) According to information and explanations given to us during the course of audit, there is no core investment company within the Group (as defined in the



Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. **In respect of Cash losses**

The company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

xviii. **In respect of resignation of statutory auditors**

There has been no resignation of the statutory auditors during the year.

xix. **In respect of any material uncertainty to meet liability**

In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 cause us to believe that any material uncertainty exists as on the date of the audit report that the 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. **In Respect of Unspent Amount Under Section 135(5) of The Companies Act, 2013**

- a. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, there was no such unspent amount to be transferred to fund specified in Schedule VII to the Companies Act. Accordingly, paragraphs 3(xx)(a) of the Order are not applicable.
- b. The Company does not have ongoing projects under section 135 of the Companies Act. Accordingly, paragraphs 3(xx)(b) of the Order are not applicable.

Date: 01.09.2022

Place: Indore

M.No. 071913

UDIN: 22071913AWWYNY4052

For M P V & COMPANY
Chartered Accountants

ERN: 003995C



(M.K. Jain)

Partner

(Rs in thousands)

Particulars		Note No.	As at 31 March, 2022	As at 31 March, 2021
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital		3	11,991.00	11,991.00
(b) Reserves and surplus		4	56,457.47	54,866.37
(c) Money received against share warrants			-	-
2 Share application money pending allotment			-	-
3 Non-current liabilities				
(a) Long-term borrowings		5	6,315.26	8,159.63
(b) Deferred tax liabilities (net)		26	867.97	917.867
(c) Other long-term liabilities			-	-
(d) Long-term provisions			-	-
4 Current liabilities				
(a) Short-term borrowings		6	41,611.32	42,287.95
(b) Trade payables		7	42,431.74	93,760.73
(c) Other current liabilities		8	6,547.91	5,177.82
(d) Short-term provisions		9	721.97	624.18
TOTAL			166,944.63	217,786.00
B ASSETS				
1 Non-current assets				
(a) Property, Plant & Equipment		10	26497.09	25811.09
(b) Non-current investments			-	-
(c) Deferred tax assets (net)			-	-
(d) Long-term loans and advances			-	-
(e) Other non-current assets		11	610.98	487.34
2 Current assets				
(a) Current investments		12	38,788.51	120,701.46
(b) Inventories		13	33,452.78	40,208.99
(c) Trade receivables		14	5,571.90	1,574.46
(d) Cash and cash equivalents		15	62,023.38	29,002.19
(e) Short-Term loans and advances			-	-
(f) Other current assets			-	-
TOTAL			166,944.63	217,786.00
See accompanying notes forming part of the financial statements			0.00	-

In terms of our report attached.

For M P V & Company
Chartered Accountants
FRN : 003995C

(Mahendra Kumar Jain)
Partner
M.No. 071913

Place : Indore
Date : 01.09.2022



For and on behalf of the Board of Directors

Mohit Airen
Director
DIN:00326470

Place : Indore
Date : 01.09.2022

Alok Gupta
Director
DIN:00321894

Place : Indore
Date : 01.09.2022

M/S. CHATAK AGRO (INDIA) PVT. LTD.

Statement of Profit and Loss for the year ended 31 March, 2022

CIN:U24211MP1999PTC013521

(Rs in thousands)

Particulars		Note No.	For the year ended 31 March, 2022	For the year ended 31 March, 2021
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)	16	204,666.84	123,883.13
	Less: Excise duty	16	-	-
	Revenue from operations (net)		204,666.84	123,883.13
2	Other income	17	782.28	20,931.19
3	Total revenue (1+2)		205,449.12	144,814.32
4	Expenses			
	(a) Cost of materials consumed	18.a	51,773.71	3,529.55
	(b) Purchases of stock-in-trade	18.b	34,907.90	78,813.49
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	18.c	58,618.27	24,679.27
	(d) Employee benefits expense	19	7,488.64	7,139.80
	(e) Finance costs	20	4,632.495	10,126.12
	(f) Depreciation and amortisation expense	10	2240.46	2709.308
	(g) Other expenses	21	43,719.9	16,379.91
	Total expenses		203,381.37	143,377.44
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		2,067.75	1,436.88
6	Exceptional items		-	-
7	Profit / (Loss) before extraordinary items and tax (5 + 6)		2,067.75	1,436.88
8	Extraordinary items		-	-
9	Profit / (Loss) before tax (7 + 8)		2,067.75	1,436.88
10	Tax expense:			
	(a) Current tax expense for current year		526.54	546.899
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Current tax expense relating to prior years		-	-
	(d) Net current tax expense		526.54	546.90
	(e) Deferred tax	24	-49.897	-161.882
			476.64	385.02
11	Profit / (Loss) from continuing operations (9 + 10)		1,591.11	1,051.86
14	Profit / (Loss) for the year (11 + 13)		1,591.11	1,051.86
15.i	Earnings per share (of ` 10/- each):			
	(a) Basic	23.a	1.33	0.88
	(b) Diluted	23.b	1.33	0.88
	See accompanying notes forming part of the financial statements			
<p>In terms of our report attached.</p> <p>In terms of our report attached.</p> <p>Chartered Accountants</p> <p>FRN : 003995C</p> <p>(Mahendra Kumar Jain)</p> <p>Partner</p> <p>M.No. 071913</p> <p>Place : Indore</p> <p>Date : 01.09.2022</p>				
<p>For and on behalf of the Board of Directors</p> <p>or Chatak Agro (India) . vt. Ltd. or Chatak Agro (India) . vt. Ltd</p> <p>Mohit Aken</p> <p>Director</p> <p>DIN:00326470</p> <p>Place : Indore</p> <p>Date : 01.09.2022</p>				
<p>Alok Gupta</p> <p>Director</p> <p>DIN:00321894</p> <p>Director</p>				

Note	Particulars
1	Corporate information The Company was incorporated on 10.05.1999. It is engaged in carrying on the business of Manufacturing and Trading of Fertiliser Products.
2	Significant accounting policies (Illustrative)
2.1	Basis of accounting and preparation of financial statements The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
2.2	Use of estimates The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.
2.3	Inventories <u>Finished Goods:-</u> Inventories are valued at the lower of cost (on weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Raw Material and stores & spares are valued at cost.
2.4	Cash and cash equivalents (for purposes of Cash Flow Statement) Cash comprises cash on hand .
2.5	Cash flow statement Cash flow statement is prepared and enclosed to this financial statement as defined under section 40 of the Companies Act, 2013.
2.6	Depreciation and amortisation Depreciation has been provided on the Written Down Method as per the rates prescribed in Schedule II to the Companies Act, 2013.
2.7	Revenue recognition <u>Sale of goods</u> Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. <u>Income from services</u> Nil
2.8	Other income Other Income includes discount received on purchases and interest on security deposit



For Chatak Agro (India) Pvt. Ltd


Director

For Chatak Agro (India) Pvt. Ltd


Director

Note 2 Significant accounting policies (contd.)

Note	Particulars
2.9	Tangible fixed assets Fixed Assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of fixed 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. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their book value and net realisable value and are shown separately in the financial statements under other Current Assets. Any expected loss is recognized immediately in the profit and loss account. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the profit and loss account. Depreciation is provided on the written down method as per the rates prescribed under Schedule II of the Companies Act, 2013.
2.10	Intangible assets Intangible assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment loss, if any. Amortisation is provided on the straight line method.
2.11	Foreign currency transactions and translations Nil
2.12	Government grants, subsidies and export incentives Nil
2.13	Investments Investment are shown at cost. However, during the year and on the end of the year there are no investment.
2.14	Employee benefits : Employees benefit comprises salary & wages, Bonus to staff, staff welfare expenses and Directors remuneration.
2.15	Employee share based payments Nil
2.16	Borrowing costs: Borrowing cost are attributable to the acquisition / construction of qualifying assets and capitalised as part of such assets. A qualifying assets is an assets that requires a substantial period of time to get ready for its intended use. All other borrowing cost are recognised as an expense in the year in which they are incurred.
2.17	Segment reporting Nil
2.18	Leases Nil
2.19	Earnings per share Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.
2.20	Taxes on income Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.
2.21	Provisions and Contingent Liabilities : Provisions involving substantial degree of estimation in measurement are recognized when there is a premanent obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes.



Note 3 Share capital

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Number of shares		Number of shares	
(a) Authorised Equity shares of ` 10/- each with voting rights	2500	25000	2500	25000
(b) Issued Equity shares of ` 10/- each with voting rights	1199.1	11991	1199.1	11991
(c) Subscribed and fully paid up Equity shares of ` 10/- each with voting rights	1199.1	11991	1199.1	11991
Total	1,199.10	11,991.00	1,199.10	11,991.00

Note 3 Share capital (contd.)

Particulars					
Notes:					
(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:					
Particulars	Opening Balance	Fresh issue	Share forfeiture	Other changes (give details)	Closing Balance
Equity shares with voting rights					
Year ended 31 March, 2022					
- Number of shares	1199.1	0	0	0	1199.1
- Amount (`)	11991	0	0	0	11991
Year ended 31 March, 2021					
- Number of shares	2042.3	0	843.2	0	1199.1
- Amount (`)	16207	0	4216	0	11991

Note 3 Share capital (contd.)

Particulars					
(iv) Details of shares held by each shareholder holding more than 5% shares:					
Class of shares / Name of shareholder	As at 31 March, 2022		As at 31 March, 2021		% of change in shares holding
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	
Equity shares with voting rights					
Mohit Airen	491.6	41.00	456.6	38.08	2.92
Alok Gupta	325	27.10	290	24.18	2.92
Maresh Gupta	150	12.51	150	12.51	-
Divyashakti Fertiliser & Chemicals Pvt Ltd	232.5	19.39	302.5	25.23	-5.84
TOTAL	1,199.10	100.00	1,199.10	100.00	-

Note 3 Share capital (contd.)

Particulars					
Details of Promoters shareholding:					
Class of shares / Name of shareholder	As at 31 March, 2022		As at 31 March, 2021		% of change in shares holding
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	
Equity shares with voting rights					
Mohit Airen	491.6	41.00	456.6	38.08	2.92
Alok Gupta	325	27.10	290	24.18	2.92
Maresh Gupta	150	12.51	150	12.51	-
Divyashakti Fertiliser & Chemicals Pvt Ltd	232.5	19.39	302.5	25.23	-5.84
TOTAL	1,199.10	100.00	1,199.10	100.00	-



M/S. CHATAK AGRO (INDIA) PVT. LTD.
Notes forming part of the financial statements

Note 4 Reserves and surplus

		(Rs in thousands)	
	Particulars	As at 31 March, 2022	As at 31 March, 2021
	(a) Securities premium account		
	Opening balance	30939.00	30939.00
	Add : Premium on shares issued during the year		
	Less : Utilised during the year		
	Closing balance	30939.00	30939.00
	(b) Capital Reserve		
	Opening balance	3750.00	3750.00
	Add : Advance against sale of property forfeited		
	Closing Balance	3750.00	3750.00
	(c) Share Forfeiture Reserve A/c		
	Opening balance	4216.00	4216.00
	Add : Shares forfeited during the year		0.00
	Closing Balance	4216.00	4216.00
	(d) Surplus / (Deficit) in Statement of Profit and Loss		
	Opening balance	15961.37	14909.50
	Add: Profit / (Loss) for the year	1591.11	1051.86
	Amounts transferred from:		
	General reserve		
	Other reserves (give details)		
	Less: Interim dividend		
	Other reserves (give details)		
	Closing balance	17552.47	15961.37
	Total	56457.47	54866.37



Note 5 Long-term borrowings

(Rs in thousands)

Particulars		As at 31 March, 2022	As at 31 March, 2021
Secured Loans			
HDFC Bank Ltd (JCB Loan)		127.64	847.349
Unsecured			
(a) Loans and advances from Directors		1996.66	2913.85
(b) Loans and advances from Bank and financial institution		4190.96	4398.42
Total		6,315.26	8,159.63



Note 5 Long-term borrowings (contd.)

(Rs in thousands)

Particulars					
Notes:					
(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:					
Particulars	Terms of repayment and security*	As at 31 March, 2022		As at 31 March, 2021	
		Secured	Unsecured	Secured	Unsecured
Secured Loans:					
HDFC Bank (JCB Loan)	Repayable in monthly installments and Personally Guaranteed by Directors	127.64	-	847.35	-
Unsecured Loans:					
Loans and advances from related parties:	There is no Repayment Schedule		1,996.66		2,913.85
Loans and advances from Others	Repayable in monthly installments and Personally Guaranteed by Directors		4,190.96		4,398.42
Total		127.64	6,187.62	847.35	7,312.28



(Rs in thousands)

Note 6 Short-term borrowings

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Loans repayable on demand		
From banks		
Secured		
CC Limit from Union Bank of India	-	40570.35
HDFC Bank O/D	39126.36	
(b) Current Maturity of Long term Debt		
Secured Loans		
HDFC Bank (JCB Loan)	719.709	646.486
Unsecured Loans		
IIFL Loan	207.46	177.59
Alok Gupta (ICICI Bank Loan)	1557.78	271.67
RBL Bank		621.86
Total	41,611.32	42,287.95

Note 7 Trade payables

Particulars	As at 31 March, 2022	As at 31 March, 2021
Trade payables:		
Trade Creditors - Upto One Year	8381.98	37666.89
One - Two Year	13070.42	20979.35
Two-Three Year	20979.35	35114.50
More Than Three Years	-	
Total	42,431.74	93,760.73

Note 8 Other current liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Other payables		
Advance from Customers	3013.44	1906.55
Creditors for Expenses	2834.09	2718.24
Dealer Deposits	185.00	185.00
Electricity Expenses Payable	325.14	216.62
PF Payable	33.26	32.26
TCS Payable	2.80	6.25
IGST Payable on Reverse Charge	101.64	99.66
TDS Payable	52.54	13.24
Total	6,547.91	5,177.82

Note 9 Short-term provisions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Provision - Others:		
(i) Provision for tax	640.47	542.68
(ii) Audit Fees Payable	81.50	81.50
Total	721.97	624.18



**CHATAK AGRO (I) PVT. LTD.
FIXED ASSETS**

F.Y. 2021-22

Note No. 10

(Rs. In Thousand)

Block of Assets / Asset Group	Gross Block			Depreciation			Net Block	
	01/04/2021	Additions	Sale/Adj.	31/03/2022	01/04/2021	For the Year	Sale/Adj.	Residual Value Adjustment
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
LAND								
LAND	9,391.96	-	-	9,391.96	-	-	-	-
								9,391.96
BUILDINGS								
BUILDING	12,986.88	-	-	12,986.88	6,234.86	272.38	-	-
COMPUTERS AND DATA PROCESSING UNITS								
COMPUTER AND SOFTWARE	178.80	-	-	178.80	141.81	-	-	-
ELECTRICAL INSTALLATIONS AND EQUIPMENT								
ELECTRIC EQUIPMENT	2,310.02	-	-	2,310.02	2,158.52	19.73	-	-
OFFICE EQUIPMENT	202.19	-	-	202.19	117.93	21.82	-	-
OFFICE EQUIPMENTS	26.73	-	-	26.73	25.14	0.25	-	-
Total (Block)	2,538.95	-	-	2,538.95	2,301.58	41.80	-	-
FURNITURE AND FITTINGS								
FURNITURE AND FITTINGS	465.77	-	-	465.77	417.75	12.78	-	-
REFRIGERATOR	10.16	-	-	10.16	5.82	1.12	-	-
Total (Block)	475.92	-	-	475.92	423.57	13.90	-	-
LABORATORY EQUIPMENT								
LAB EQUIPMENT	172.79	-	-	172.79	122.45	2.39	-	-
MOTOR VEHICLES								
CAR CRETA	648.00	-	-	648.00	512.74	42.24	-	-
MOTOR CYCLE	158.72	-	-	158.72	150.45	0.34	-	-
MOTOR VEHICLE	2,003.84	-	-	2,003.84	1,890.22	13.42	-	-
VEHICLE	65.72	-	-	65.72	36.34	9.18	-	-
Total (Block)	2,876.28	-	-	2,876.28	2,589.75	65.18	-	-
OFFICE EQUIPMENT								
OFFICE EQUIPMENT	17.90	-	-	17.90	17.01	-	-	-
PLANT AND MACHINERY								
PLANT AND MACHINERY	39,399.42	2,926.46	-	42,325.87	30,396.78	1,844.80	-	-
Grand Total	68,038.90	2,926.46	-	70,965.35	42,227.81	2,240.46	-	-
								25,811.09



Note 11 Other Non Current Assets

Particulars	As at 31 March, 2022	As at 31 March, 2021
Security deposits		
(Unsecured considered good)		
Deposit with MPCT Cercle-12	21.28	21.28
Deposit with Telephone Department	1.00	1.00
Deposit with MPSEB	578.70	455.06
Deposit with Jubilant Agri and Consumar Products Ltd	10.00	10.00
Total	610.98	487.34

Note 12 Inventories

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Raw materials		
Raw Materials	2022.62	27375.23
Packing Material	11457.12	10005.49
(Valued at cost)		
(b) Finished Goods	6193.86	64090.90
(Valued at Lower of Cost or Market value whichever is lower)		
(c) Trading Goods	14957.33	15678.56
(Valued at Lower of Cost or Market value which ever is lower)		
(d) Stores and spares		
Furnace Oil, Sludge Oil and Fuel Oil	4157.58	3551.28
(Valued at cost)		
Total	38,788.51	120,701.46

Note 13 Trade receivables (Unsecured Considered Good)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Outstanding For Period		
Upto 6 Months	12088.33	15556.91
6 Months - 1Year	0.00	20952.29
1 Year - 2 Years	20952.29	412.17
2 Year - 3 Years	412.17	3287.63
Total	33,452.78	40,208.99



Note 14 Cash and cash equivalents

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Cash on hand	192.33	294.96
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) in Union Bank of India	18.01	1134.43
(ii) in Kotak Mahindra Bank Ltd	0.00	101.21
(iii) in State Bank of India C/a	148.03	43.86
(iv) ICICI Bank	5100.00	0.00
(vi) Cosmos Bank	100.00	0.00
(vii) Union Bank of India CC Limit	13.53	0.00
Total	5571.90	1574.46
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3.		

**Note 15 Short-term loans and advances
(Unsecured considered good)**

Particulars	As at 31 March, 2022	As at 31 March, 2021
(a) Prepaid Expenses	159.93	570.78
(b) Others (specify nature)		
Advance to Suppliers	48169.42	17060.00
Advance for Expenses	763.09	665.59
Other Advances	6752.58	6084.30
FDR Krishi Upaj Mandi Samiti	2.00	2.00
FDR with HDFC bank	2061.78	
TDS Refundable from NBFC	498.32	375.19
TDS Recievable	421.45	172.53
TCS Recievables	25.43	2.94
GST Recievables	3169.39	3778.24
VAT Recievable		290.64
Total	62,023.38	29,002.19



Note 16 Revenue from operations

	Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
(a)	Sale of products	192583.59	115343.63
(b)	Sale of services	12083.25	8539.5
(c)	Other operating revenues	-	-
(d)	Less: Excise duty	-	-
	Total	204,666.84	123,883.13

Note	Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
(i)	Sale of products comprises : <u>Manufactured goods</u> Own Manufactured Local sales Export Sales Total - Sale of manufactured goods Less: Rate Difference Total - Net Sale of manufactured goods	 153,664.59 - - 153,664.59 - 153,664.59	 30,524.19 - - 30,524.19 - 30,524.19
	<u>Traded goods</u> Fertilisers & Others Total - Sale of traded goods Total - Sale of products	 38,919.00 38,919.00 192,583.59	 84,819.44 84,819.44 115,343.63
(ii)	Sale of services comprises Jobwork of Prom Manufacturing Total - Sale of services	 12,083.25 12,083.25	 8,539.50 8,539.50
(iii)	Other operating revenues # comprise: Sale of scrap Duty drawback and other export incentives Others (specify nature) Total - Other operating revenues	 - - - -	 - - - -

Note 17 Other income

	Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
(a)	Discount Recieved	-	20,901.4
(b)	Interest on SD	22.1	29.7
(c)	Interest on FDR	69.18	-
(d)	Rate Difference Recievable	90	-
(e)	VAT Refund	600.99	-
	Total	782.28	20,931.19



Note 18.a Cost of materials consumed

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Opening stock	37380.72	35713.83
Add: Purchases	27872.73	5196.43
Less: Closing stock	13479.74	37380.72
Cost of material consumed	51,773.71	3,529.55
Material consumed comprises: Raw material	51,773.71	3,529.55
Total	51,773.71	3,529.55

Note 18.b Purchase of traded goods

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Fertilisers & Others	34907.90	78813.49
Total	34,907.90	78,813.49

Note 18.c Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<u>Inventories at the end of the year:</u>		
Finished goods	6193.86	64090.90
Work-in-progress	14957.34	15678.56
Traded Goods	21151.19	79769.46
<u>Inventories at the beginning of the year:</u>		
Finished goods	64090.90	88896.57
Work-in-progress	15678.56	15552.16
Traded Goods	79769.46	104448.73
Net (increase) / decrease	58618.27	24679.27



M/S. CHATAK AGRO (INDIA) PVT. LTD.
Notes forming part of the financial statements

(Rs in thousands)

Note 19 Employee benefits expense

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Salaries and wages	6619.62	6173.55
Contribution to PF	191.52	185.76
Bonus to Staff	317.50	280.49
Directors Remuneration	360.00	500.00
Total	7,488.64	7,139.80

Note 20 Finance costs

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
(a) Interest expense on:		
Interest on Taxes	8.20	94.51
Interest on Cash Credit Limit from Bank	3329.37	4808.02
Interest on Unsecured Loans	1238.21	4781.62
Bank Charges	56.71	441.97
Total	4,632.50	10,126.12



M/S. CHATAK AGRO (INDIA) PVT. LTD.
Notes forming part of the financial statements

(Rs in thousands)

Note 21 Other expenses

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Operating Expenses		
Power Expenses	4376.30	3437.32
Freight & Cartage	940.37	4.10
Furnace, Sludge & Fuel Oil Consumed	10476.03	1448.43
Repairs & Maintenance of Plant & Machinery	2545.28	1291.97
JCB Machine Rent	0.00	7.50
Laboratory Testing Charges	0.50	2.50
Pollution Fees	64.24	70.24
Administrative Expenses		
Audit Fees	70.00	100.00
Admin & Other Charges of PF	16.04	15.56
Building Maintenance	29.50	
Consultancy Expenses	200.00	
DG Set Electrical Duty	234.08	
Diversion Tax	48.85	
Entry Tax	0.00	3.51
Fess On Gst	2.40	0.00
Festival Expenses	0.00	538.50
GST paid on RCM	0.00	272.23
Insurance Expenses	656.09	252.74
Internet Connection Charges	116.31	93.36
Late Fee on GST	0.00	1.35
Legal & Professional Charges	320.50	117.68
Licence Fee	31.15	24.15
Loan Processing Fees	37.00	0.00
Loan Forecloser Charges	0.00	170.87
Office Expenses	7.47	13.49
Panchayat Tax	23.90	31.40
Profesional Tax	0.00	5.00
Property Tax	31.40	36.56
ROC Charges	20.50	0.00
Rent Expenses	159.35	41.39
Stamp Duty Charges	192.50	0.00
Stationery & Printing Exp.	3.00	4.22
Telephone Expenses	74.50	79.37
VAT & CST on Demand	0.00	78.74
Vehicle Running & Maint. Expenses	56.42	72.67
Selling & Distribution Expenses		
Advertisement	58.88	78.50
Penalty on Service Tax	11.46	
Freight Expenses	1142.87	7764.00
Service Tax Demand	9.59	
Discount & Rate Differance	21762.14	308.06
Loading & Unloading	1.30	14.50
Total	43,719.90	16,379.91



Note 22 Disclosures under Accounting Standards

Note	Particulars					
22 22.a	Related party transactions					
	Details of related parties:					
	Description of relationship	Names of related parties				
	Key Management Personnel (KMP)	Alok Gupta, Mohit Airen,				
	Relatives of KMP	Balaji Phosphates Pvt Ltd, Divyajyoti Agritech Pvt Ltd, E-fasal, High Yield Agritech Corporaiton (Same Management)				
Note: Related parties have been identified by the Management.						
Details of related party transactions during the year ended 31 March, 2022 and balances outstanding as at 31 March, 2022:						
22.b	Name of Related Parties	Nature of Payment				Amount
	Directors Remunration Paid					
	1. Alok Gupta	Directors Remunration				180.00
	2. Mohit Airen	Directors Remunration				180.00
	3. High Yield Agritech Corporation	Sales				49920.00
	4. Divya Jyoti Agritech Pvt Ltd	Job Work				12687.41
	6. Balaji Phosphates PVT Ltd	Purchase				17186.67
	7. Balaji Phosphates PVT Ltd	Sales				1984.50
	Outstanding Balances as on 31.03.2022					
	Balaji Phosphats Pvt Ltd	Advance to Suppliers			Dr.	4104.96
	Divyajyoti Agritech Pvt Ltd	Sundry Creditors			Dr.	1012.12
	Highyield Agritech Corporation	Advance to Suppliers			Dr.	33591.25
	Divyashakti Foods Pvt Ltd	Advance to Suppliers			Dr.	2368.85
	E-fasal	Advance from Customers			Cr.	704.71
	Alok Gupta (ICICI Bank A/c)	Unsecured Loan			Cr.	1729.94
	Alok Gupta	Unsecured Loan			Cr.	1024.50
	Mohit Airen	Unsecured Loan			Cr.	800.00



Note 23 Disclosures under Accounting Standards

Note	Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
23	Earnings per share		
	<u>Basic</u>		
23.a	<u>Continuing operations</u>		
	Net profit / (loss) for the year from continuing operations	1,591.11	1,051.86
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	1,591.11	1,051.86
	Weighted average number of equity shares	1,199.10	1,199.10
	Par value per share	10.00	10.00
	Earnings per share from continuing operations - Basic	1.33	0.88
	<u>Diluted</u>		
	The diluted earnings per share has been computed by dividing the Net Profit After Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible bonds for the respective periods. Since, the effect of the conversion of Preference shares was anti-dilutive, it has been ignored.		
23.b	<u>Continuing operations</u>		
	Net profit / (loss) for the year from continuing operations	1,591.11	1,051.86
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders from continuing operations	1,591.11	1,051.86
	Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	-
	Profit / (loss) attributable to equity shareholders from continuing operations (on dilution)	1,591.11	1,051.86
	Weighted average number of equity shares for Basic EPS	1,199.10	1,199.10
	Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	-	-
	Weighted average number of equity shares - for diluted EPS	1,199.10	1,199.10
	Par value per share	10.00	10.00
	Earnings per share, from continuing operations - Diluted	1.33	0.88



CHATAK AGRO (INDIA) PVT. LTD.

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT
31.03.2022

SCHEDULE – 1

I. SIGNIFICANT ACCOUNTING POLICIES:

- i) Basis of Accounting: – The Financial statement are prepared under the historical Cost Convention, materiality and on the accounting principles of a going concern.
- ii) Fixed Assets: - Fixed Assets are stated at Cost less accumulated depreciation and impairment loss if any. Cost comprises of the purchase price and all attributable costs for bringing the assets to its working condition for its intended use.
- iii) Depreciation:
 - a) Depreciation on Fixed assets added / disposed off during the year has been provided on the pro-rata basis.
 - b) Depreciation on fixed assets is charged on WDV method as per the rates specified in Schedule II of Companies Act 2013.
- iv) Revenue Recognition: - The Company recognizes income and expenditure on accrual basis.
- v) Inventories: - Raw & Packing Material is value at Cost. Finished Goods are valued at Cost or Market Price which ever is lower.
- vi) Borrowing Cost: - The Company has not acquired any qualifying assets during the financial year. Other borrowing costs are recognized as expenses in the period in which they are incurred.
- vii) Retirement and other Employee Benefits: - Retirement benefits in the form of Provident Fund and Family Pension fund which are defined contribution schemes are charged to the Profit & Loss Account of the year when the contributions to the respective funds accrue.
- viii) Income Tax & Deferred Taxation: - The liability of company on account of income tax is estimated considering the provisions of the Income Tax Act 1961. Deferred Tax is recognized, subject to the consideration of prudence, on time difference, being the difference between taxable income and accounting income that originate in one year and capable of reversal in one or more subsequent years.



II. NOTES ON ACCOUNTS

1. Estimated amount of contract remaining to be executed on Capital account and not provided for : NIL
2. Contingent liability: NIL
3. There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at March 31, 2021. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
4. In the opinion of the board, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which these are stated.
5. Balances of Sundry Debtors, Sundry Creditors, Deposits and Loans and Advances are subject to confirmation. Some accounts of debtors and creditors has been adjusted on the basis of letters received from the concerned parties.
6. Auditor's Remuneration includes as under:

Audit fees	55000.00
Tax Audit fees	15000.00
Company Law matter	NIL
Any other Capacity	--Nil-
7. Value of Imports –nil.
8. Expenses in Foreign Currency-nil.
9. Earning in Foreign Currency-nil.
10. Previous year figures have been regrouped / rearranged wherever considered necessary.
11. Disclosure of related parties transactions: as per note 22.
12. The Company has given a corporate guarantee of Rs. 420.00 Laes plus interest to HDFC Bank on behalf of M/s. Divyajyoti Agritech Pvt. Ltd. by mortgaging its properties situated at Land & Building at Surevey No. 56/08, Patwari Halka no. 28 Village Bhadla, Indore.



13. The relevant various financial ratios are as per Annexure – 'A'.

14. We have been informed by the management that there are no MSME creditors party under trade payable.

15. Usage of Borrowed fund: in the year under audit the company has utilized its borrowing taken from banks and financial institutions for the purposes for which it was taken.

16. Immovable property: - The Company has not capitalised any immovable property in its book whose title deed is not held in name of company, hence disclosure of Immovable properties which are capitalized in books of company but title deed of which is not held in name of company is not applicable to the company

17. During the year under audit, no revaluation of any property, plant & Equipment and Intangible assets carried by the company.

18. Loans And Advances to promoters, directors, Key managerial personnel and related parties: - During the year under audit the company has not granted any loans and advances to promoters, directors, Key managerial personnel and their related parties.

19. Ageing of CWIP:

CWIP	Less than 1 year	1-2 years	2-3 years	More Than 3 year	Total
Project in Progress :	-	-	-	-	-
Previous Year					

20. Intangible assets under development :- There is no intangible assets under development.

21. During the year under audit no proceedings have been initiated or pending against the company for holding any benami property.

22. Wilful defaulter :- The company has not been declared a willful defaulter by any bank or financial institution or government or by any other.

23. Transaction with struck of companies: The company has not been entered any transactions with struck of companies.

24. During the year there were no charge pending for registration / vacation.

25. Compliance with number of layer of companies : The company has complied with the number of layers prescribed under clause (87) of section 2 of the act read with the companies (Restriction on number of layers) Rule, 2017.

26. Compliance with approved schemes of arrangements: There were no schemes of arrangement with the Company during the year.

27. Undisclosed Income : There were no undisclosed income not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assessment under IT Act, 1961.

28. Corporate social responsibility:- The company is not covered under section 135 of the companies act, 2013.

29. Details of Crypto currency or virtual currency: The company has not entered in transactions with crypto currency or virtual currency.



30. Utilisation of borrowed funds and share premium:

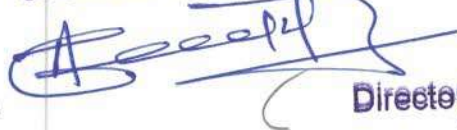
A) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

* directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or

* Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall: directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries;

For Chatak Agro (India) Pvt. Ltd


Director

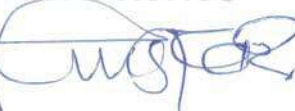
For Chatak Agro (India) Pvt. Ltd


Director

For M P V & Company
Chartered Accountants.

FRN : 003995C





M. K. Jain)

Partner

M. No. 071913

Indore

Dated: 01.09.2022